THE ROYAL BALLET SCHOOL

England & Wales · Charity number 214364

Details

Other names	ROYAL BALLET SCHOOL
Status	Registered
Legal form	Charitable company
Company number	00547018
Registered	1962-11-12
Register	View on the Charity Commission register

Contact

Address	Royal Ballet School 46 Floral Street London WC2E 9DA
Phone	02078368899
Email	enquiries@royalballetschool.org.uk
Website	www.royalballetschool.org.uk

Activities

Objects: THE PRIMARY OBJECT IS TO CONDUCT AND MAINTAIN THE SCHOOL IN ALL RESPECTS AS A CHARITY, AND TO APPLY THE PROPERTY AND INCOME OF THE SCHOOL FOR CHARITABLE PURPOSES ONLY. FURTHER OBJECTS ARE (I) TO CONDUCT A SCHOOL FOR THE EDUCATION OF BOYS AND GIRLS IN THE BALLET, AND FOR PROVIDING SCHOLASTIC EDUCATION FOR SUCH OF THE SAID BOYS AND GIRLS AS ARE BY LAW REQUIRED TO RECEIVE SUCH EDUCATION; (II) TO RECEIVE, EDUCATE AND TRAIN STUDENTS IN BALLET, DRAMA, DANCING, SINGING, MUSIC AND OTHER ARTS. (FOR FULL DETAILS SEE CLAUSE 4 OF MEMORANDUM OF ASSOCIATION)

Activities: To train and educate outstanding classical ballet dancers for The Royal Ballet, Birmingham Royal Ballet and other top international dance companies.

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Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£15,660,814	£18,582,700	£43,494,347	261
2023-08-31	£21,241,000	£16,191,000	£46,598,000	255
2022-08-31	£12,534,000	£14,279,000	£41,535,000	249
2021-08-31	£11,767,000	£12,888,000	£42,194,000	241
2020-08-31	£12,359,000	£11,971,000	£43,219,000	240

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Trustees

Name	Role	Appointed
Natasha Kaplinsky	Chair	2024-10-01
Adrian George Packer		2026-05-22
Alistair Summers		2024-04-03
Carlos Acosta CBE		2020-06-17
Caroline Anne Davis		2023-06-20
Cordelia Redwood-Sawyerr		2022-03-30
Craig Alan Ranson		2021-02-02
Edward Watson		2024-04-03
Isabel Mortimer		2026-04-29
Jillian Barker		2026-04-29
Joanna Birkett		2018-10-31
Kevin O'Hare		2012-11-12
Lady Sarah Ann Dorfman		2024-04-03
Mary Breen		2023-06-20
Michael Richard Hussey		2026-02-03
Richard Dennen		2022-11-16
Suzanne Margaret Brennan		2021-07-23
Thomas Clementi		2018-10-31

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THE ROYAL BALLET SCHOOL

England & Wales - Charity number 214364

Accounts

Royal Ballet School
Annual report and financial statements
for the year ended
31 August 2024

Charity registration number: 214364
Company registration number: 547018
Principal and registered office: 46 Floral Street, London WC2E 9DA

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PRINCIPAL ADDRESSES

UPPER SCHOOL (Years 12-14)
The Royal Ballet School
46 Floral Street
Covent Garden
London
WC2E 9DA

WHITE LODGE (Years 7-11)
The Royal Ballet School
White Lodge
Richmond Park
Richmond
TW10 5HR

ADVISORS

AUDITORS:
Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

BANKERS:
Barclays Bank Plc
Education Team
Level 28, Churchill Place
London E14 5HP

SOLICITORS:
Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol BS1 4QA

Sheridans
76 Wardour Street
London
W1F 0UR

Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

INSURANCE BROKER
Circle Insurance
118 Holyhead Road
Coventry
CV1 3LY

FINANCIAL ADVISORS
Origen Financial Services
Ascent 4, 2 Gladiator Way
Farnborough
Hampshire
GU14 6XN

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of Royal Ballet School (the School) are the School's Charity Trustees under charity law and the Directors of the Charitable Company.

Detailed below are the Governors who served in office during the year and subsequently:

Christopher Rodrigues CBE (Chair - resigned on 11 January 2024)
Anna Birkett (Deputy Chair until 11 January 2024 and interim Chair from 12 January 2024 to 30 September 2024, Deputy Chair from 1 October 2024)
Suzi Brennan (Deputy Chair)
Carlos Acosta CBE
Delia Barker
Mary Breen
Tom Clementi
Annie Davis
Richard Dennen
Lady Sarah Dorfman OBE (appointed 3 April 2024)
David Ebstein
Natasha Kaplinsky OBE (Chair, appointed 1 October 2024)
Kevin O'Hare CBE
Craig Ranson
Zita Saurel
Nishi Somaiya (resigned 13 November 2024)
Alistair Summers (appointed 3 April 2024)
Edward Watson MBE (appointed 3 April 2024)
Susan Wijeratna

Lady Sainsbury CBE is Governor Emerita of the School.

COMPANY SECRETARY
Pippa Adamson (resigned 11 October 2024)
Gillian Robertson (appointed 30 September 2024)

EXECUTIVE LEADERSHIP TEAM

The Executive Leadership Team are responsible for the day-to-day running of the School. They are:

CHIEF EXECUTIVE OFFICER
Patrick Harrison (appointed 21 October 2024)

INTERIM CHIEF EXECUTIVE OFFICER
Pippa Adamson (appointed 3 June 2024, resigned 19 September 2024)

INTERIM CHIEF EXECUTIVE OFFICER
Christopher Rodrigues (appointed 12 January 2024, resigned 2 June 2024)

ARTISTIC DIRECTOR
Iain Mackay (appointed 27 August 2024)

ARTISTIC DIRECTOR & CHIEF EXECUTIVE OFFICER
Christopher Powney (resigned 6 July 2024)

ACADEMIC & PASTORAL PRINCIPAL
David Gajadharsingh

CHIEF OPERATING OFFICER
Pippa Adamson (resigned 19 September 2024)

COMMERCIAL DIRECTOR
Carol Dray (resigned 30 September 2024)

INTRODUCTION FROM THE CHAIR

I am honoured to have joined The Royal Ballet School as Chair at a pivotal moment in its history as we prepare for its Centenary in 2026.

Having admired the School's ground-breaking work for many years, I have been privileged to observe students in their academic and artistic classes and at performances over the last few weeks. I have seen first-hand how extraordinary the School's young students are and the holistic approach it takes to nurturing them to thrive as artists and people. It is truly something special.

I have also seen the vast impact of The Royal Ballet School on breaking down barriers for young people to experience and enjoy classical ballet and nurturing those with a particular talent. This work is worldwide, reaching over 3,000 primary school children and 650 Associate students annually in our regional UK centres, and many more through our UK and international intensive courses and on-demand programmes. For some, this is their first contact with the art form, and the realisation that this world could exist for them is transformative and moving.

Joining me to complete The Royal Ballet School's new leadership team are Iain Mackay, Artistic Director commencing September 2024, and Patrick Harrison, CEO from October 2024. We feel energised and prepared to take on the challenge of readying this globally celebrated institution for the next century. We are driven by the passion of the School's staff, who consistently go above and beyond, and our exceptional students, who inspire us each day.

In July 2024, the School said farewell to Artistic Director Christopher Powney after a decade of visionary leadership. Christopher's innovative approach, which looked beyond the traditional boundaries of ballet education, made a lasting impact. His commitment to the School's students led to a transformation of the student experience, which will serve as a sound foundation for future generations of artists and leaders.

On behalf of the School, I'd like to thank Christopher Rodrigues CBE, who, as Chairman from January 2020 to January 2024, was a creative helmsman through one of the most challenging periods in the School's history. We are thankful for his hard work and all that he achieved.

Thank you to my immediate predecessor, Anna Birkett, who acted as Interim Chair from January this year until my appointment in October 2024. The School is grateful for Anna's steady and meticulous leadership during rapid and significant change.

Additional thanks go to Pippa Adamson, Chief Operating Officer, and Carol Dray, Chief Commercial Officer, who left the School in September 2024. We will miss their energy, expertise and commitment.

I warmly welcome our newest governors, Alistair Summers and Edward Watson MBE, and extend a particular 'welcome back' to the Board to Lady Dorfman OBE, who previously served as a governor from 2012 and as Deputy Chair from 2019 to March 2021.

Finally, thank you to our many supporters, steadfast and new, whose generosity and interest in our work are felt and admired throughout the School. Your generosity will allow us to transcend limitations and sustain the School's bright future.

Natasha Kaplinsky



REPORT FROM THE CEO

In 2023/24, 24 graduating students secured a professional contract with a ballet company. Six joined The Royal Ballet as Aud Jebsen Young Dancers, and two joined Birmingham Royal Ballet. 16 others joined prestigious companies across Europe and North America, and one went on to pursue further study at university. Graduation for these young dancers was the highlight of a wonderful year, which had included performing in The Royal Ballet's *Don Quixote, Nutcracker, Manon, Swan Lake* and *The Winter's Tale*; and in Birmingham Royal Ballet's *Nutcracker.*

We wish our graduating students every success in their future careers and look forward to following their individual journeys.

The School's 2024 Summer Performance season saw students from all years of the School perform 9 times across five venues, including at the Next Generation Festival at the Royal Opera House's Linbury Theatre, Opera Holland Park, and their final performance of the year on the Royal Opera House main stage.

As part of our Summer Performances, students worked alongside a broad range of choreographers and repetiteurs: Didy Veldman on her piece *TooT;* Samara Downs on Frederick Ashton's *La Valse*; Joshua Junker on his piece *Remembrance*; Jean-Pierre Frohlich on Jerome Robbins' *Mistake Waltz*; and Rory Hohenstein on Helgi Tómasson's *Concerto Grosso.* They were also part of the creation process for the premiere of three new works: Gemma Bond's *Assemblage*; Iva Lešić's *Royal Remix;* and Ashley Page's *Fieldwork*.

The students presented some of their own choreographic works, highlighting the versatility of their skills and the diversity of their creative voices: Isaac Morgan, Year 10, presented *Introspection*; Soren Chisholm, Year 11, presented *Symbiosis*; Pietro Zironi, Upper School 2nd Year, presented *Apnea;* Joe Parker, Upper School 2nd Year, presented *Who Knows The Dark?*; and Tristan Ian Massa, Upper School 2nd Year, presented *My Special Waltz*.

Our students' academic performance was no less impressive than the artistry and skill they showcased on stage. GCSE results in 2024 were notably above the national average and an improvement on the previous year, with the second highest ever 'value-added' result for the School. All 24 of the School's BA students achieved First Class degrees, also up on the previous year.

Nationally, our network of Associates Centres supported 603 Associate students, aged eight to seventeen in Bath, Birmingham, Eastleigh, Edinburgh, Leeds, London and Manchester. Our Associate students also took part in dedicated exercise and conditioning programmes, tailored to their specific needs to support their physical development and well-being and prepare them to train safely at the highest level.

Of our graduating Junior Associates at Year 6, 18 were offered a place at The Royal Ballet School, and a further 27 joined other UK vocational schools, including Elmhurst, Tring and The Hammond School. Graduates from our Advanced Associates at Year 11 last year went on to join Central School of Ballet, English National Ballet School, Elmhurst, The Hammond, Tring, London Studio Centre and the Royal Conservatoire of Scotland.

We further deepened the link between recreational and vocational dance by successfully delivering our Primary Steps programme for children aged 7 to 11, with a particular focus on areas of social, economic, and cultural underinvestment. Our Primary Steps hubs worked with 2,018 students in 34 schools across Blackpool, Dagenham, Mansfield, Swindon and Bury St Edmunds. The weekly classes were co-led by a classical ballet specialist, a creative dance specialist and a professional musician, who worked together to develop pupils' creative knowledge and skills through foundation ballet technique. In addition to classes, 3,189 students enjoyed the enrichment opportunities and events which are an integral part of the Primary Steps programme. These included visits to Junior Associate centres, demonstrations at theatres from Royal Ballet School students, online and in-person workshops and trips to see dance performances.

Our intensive courses delivered world class training to students across the year, as they continue to be a magnet for young talent from the UK and around the world. 1,030 students studied one of our three Intensive courses across the 2023/24 year at the School, and a further 374 students attended one of our international intensive courses.

In 2023/24, we made further progress against our mission to inspire and empower dance teachers to deliver exceptional training, by using educational practice relevant and enriching to today's young dancers. 184 dance teachers accessed our Inspire seminar or Enlighten webinar series, and we showcased our groundbreaking Affiliate Programme for recreational dance teachers and students to 162 teachers and 271 students at UK-wide workshops. 25 teachers joined the programme to train as Affiliate teachers, attending intensive training weeks in either London or Hong Kong.

Despite the worldwide reach and impact of the School's reputation for excellence, , we know that the School faces an extremely challenging operating environment: not least with the loss of business rate relief and introduction of VAT on fees for independent schools, coming at a time when both parents and the School are increasingly squeezed by escalating costs. Also top of our minds are our students' individual needs and how we continue to evolve our training to best deliver a genuinely nurturing experience for every young dancer. Key to this is our commitment to aligning our industry-leading teaching and healthcare support so that the students are supported holistically.

Admission to the School must continue to be based solely on talent and potential, never the ability to pay, and we are committed to finding more creative and sustainable ways to make this a reality. Our strong working relationship with the Department for Education on our crucial Music and Dance Scheme is central to our future strategy and ensuring that world-class ballet training continues to be a possibility for the most talented students, regardless of background.

The Royal Ballet School wouldn't be able to support these inspiring young dancers in the way it does without the tireless commitment of its teachers, staff, Governors, alumni and generous donors. I want to say a sincere thank you to all who make the School what it is – we are lucky to have you.

Patrick Harrison



AIMS AND OBJECTIVES OF CHARITY

OUR VISION

Our vision is to be the best classical ballet school in the world.

OUR MISSION

Our mission is to nurture, train and educate exceptional young dancers for the Royal Ballet companies and other leading UK and international companies and to inspire the future of classical ballet training.

OUR VALUES

1. STRIVING FOR EXCELLENCE
The Royal Ballet School is always working towards excellence in everything we do. We bring the utmost integrity, passion and dedication to our work, always. Through our constant drive to achieve the highest standards, we set the standard for others, enriching and inspiring our sector and defining its future.

2. NURTURING INDIVIDUALS
We believe in the unique potential of each individual. We nurture each human holistically, equipping them with the tools they need to shape their futures as healthy, resilient human beings. We are committed to equity and ensuring all individuals have what they need to reach their potential. We cultivate supportive, nourishing environments built on trust, respect, open communication and kindness.

3. ACTIVELY WIDENING ACCESS
Ballet and creative dance education should be accessible to all. We work proactively to create opportunities for people to engage with ballet wherever we can and to expand our reach across the UK and globally, including through digital access. It is particularly important to us to work to improve access routes to ballet in areas with little access to arts education.

4. OUR HERITAGE NOURISHES OUR FUTURE
We have a rich and unique heritage and we champion ballet excellence throughout the ages, respecting, preserving and honouring what has gone before, while also valuing our history as instructive, enabling us to acknowledge, learn and develop. Our heritage is the foundation from which we sustain and evolve the School and reach outwards, impacting our sector and society as a whole.

5. ALWAYS INNOVATING
We are a bold, forward-thinking organisation, dedicated to continuous evolution. We take an innovative, pioneering outlook, committed to creative thinking to ensure we remain at the forefront of all we do. We act as thought leaders and contribute to setting the agenda for classical ballet globally. We actively seek to work with other individuals and organisations, sharing knowledge and building on our research collaboratively.

CHARITABLE ACTIVITIES

As well as full-time training, The Royal Ballet School offers various programmes to engage with and train in classical ballet.

The Artistic Director of The Royal Ballet School, The Royal Ballet and Birmingham Royal Ballet work closely together. The School benefits from the Artistic Directors of both companies being Governors of the School—their commitment and input into the School as Governors and as industry advisors are invaluable.

FULL TIME STUDENT TRAINING

The School is located across two sites: White Lodge in Richmond Park is a boarding school for 11 to 16-year-olds, and Upper School in Covent Garden trains students aged 16 to 19. Upper School students board at Aud Jebsen Hall in Pimlico and Jebsen House in Covent Garden.

Training is split across four programmes, each tailored to support the training needs of a specific cohort of students.

- Foundation Programme for Years 7-9;
- Development Programme for Years 10-11;
- Vocational Programme for Years 12-13; and
- Pre-professional Programme (Year 14).

ASSOCIATE TRAINING

The School provides dance training to young Associate students, introducing them to the School's System of Training. Many Associate students go on to gain a full-time place at the School. Classes are run over weekends during term time, with additional workshops throughout the year.

- Junior Associate classes for ages 8 to 11 are run at nine centres across the United Kingdom;
- Mid Associate classes for ages 11-14 are held in six centres across the United Kingdom;
- Senior Associates classes for ages 14 to 16 are held in London and Birmingham; and
- Advanced Associate classes for 16 to 18-year-olds are held in London.

INSIGHT AND ACCESS OPPORTUNITIES

The School invites young dancers aged between 8 and 16 years to attend special events around the country. Insight opportunities include experiencing a typical Associate lesson, learning what it is like to audition for the School and giving primary schools a behind-the-scenes look at classical ballet training.

INTENSIVE COURSES AND MASTERCLASSES

The Intensive Course and Masterclass Programme offers young people aged 10 to 20 the opportunity to experience Royal Ballet School training. Courses are held in the UK and overseas.

Typically, intensive courses run from one to five weeks. UK intensive courses are held at White Lodge and Upper School and are a mix of non-residential and residential. Those attending residential courses in the UK can experience life at the School alongside training.

Masterclasses are held on a single day and are open to any young person who wants to experience Royal Ballet School training.

PRIMARY STEPS

The Primary Steps programme introduces primary school children to classical ballet through regular dance classes. Classes are delivered in person or through a high-quality, on-demand platform. The programme gives thousands of children access to ballet education, targeting areas of social, economic and cultural diversity.

The in-person programme offers creative ballet workshops for large groups of school children in five specific areas of the UK. These sessions are followed by a three-year, creative ballet training programme for selected children who would not otherwise have the opportunity.

Primary Steps on Demand makes high-quality creative dance education from The Royal Ballet School available to all primary schools. The programme provides educators with everything they need to integrate ballet education into their curriculum without any dance teaching experience. The programme is developed to be accessible to all, including those with special educational needs or physical disabilities. It uses inclusive language and content.

DIPLOMA OF DANCE TEACHING

The Royal Ballet School's Diploma of Dance Teaching is a two-year part-time course that trains professional dancers and teachers to teach classical ballet at a vocational and pre-professional level to a world-class standard. The course provides a sound foundation in technical and creative approaches to teaching ballet, to a broad range of students using the School's vocational vocabulary and methodology and drawing on the most recent relevant pedagogy.

PROFESSIONAL DEVELOPMENT

The Royal Ballet School offers a wide range of professional development opportunities to dance teachers in the UK and worldwide.

Inspire seminars support the professional development of teachers from all backgrounds and levels of experience. Alongside giving teachers a comprehensive understanding of the teaching of classical ballet technique, the seminars offer fresh, innovative ideas to guide teachers in their approach. They are non-syllabus-based and grounded in good teaching practice.

Enlighten webinars provide invaluable insight and information surrounding all aspects of dance teaching and learning and are taught online by expert staff. The webinars draw on the School's heritage and knowledge as a world leader in dance training and education.

AFFILIATE TRAINING AND ASSESSMENT PROGRAMME

The Affiliate Training and Assessment Programme (ATAP) extends the School's System of Training to recreational dance teachers, driving the standard of recreational dance training and keeping pace with the changing needs of the art form.

ATAP offers an alternative to the current model of examination study offered by recreational dance organisations. It is based on providing high-quality training rather than student examination. Affiliate Teachers are empowered with the responsibility for guiding and assessing their own students' learning and have autonomy in their approach, providing teachers with ongoing professional development and greater creative and professional fulfilment.

EQUITY DIVERSITY AND INCLUSION

The Royal Ballet School is committed to creating and nurturing a community where each student and staff member is valued equally. We are proud that admission to the School has, for many years, been based solely on talent and potential. The Royal Ballet School is committed to being accessible regardless of cultural, social and economic backgrounds.

ACADEMIC EDUCATION

The Royal Ballet School is a non-selective school for academic education, and students arrive with differing educational needs. The School believes students become better creative artists using their brains and bodies. Academic work is of equal importance to artistic training.

We are delighted that, once again, our students have performed well in their academic examinations.

BA (HONS): CLASSICAL BALLET AND DANCE PERFORMANCE

(Validated by The University of Roehampton)

The BA (Hons) degree is completed by our Pre-Professional (final year) students. There were 24 entries, all of which were awarded 1st Class Honours.

FOUNDATION DEGREE: CLASSICAL BALLET AND DANCE PERFORMANCE

(Validated by The University of Roehampton)

The foundation degree is completed by our Year 13 students (2nd Year). We were delighted that all 20 candidates achieved a Distinction.

TRINITY COLLEGE LONDON DIPLOMA IN PROFESSIONAL DANCE (LEVEL 6)

We also offer the Trinity College London level 6 Diploma in Professional Dance. The first cohort to enter for this qualification award will be in June 2025.

EXTENDED PROJECT QUALIFICATION (EPQ) RESULTS

As part of the academic enrichment programme at the Upper School, students may choose to study a range of academic and vocational courses in addition to the degree. One of the options is the Extended Project Qualification. This is organised and supervised by the academic team. There were four entries, all of which gained A grades.

GCSE/IGCSE

The assessment of GCSE examinations returned to pre-COVID norms. There were 198 exam entries, of which 53% achieved Grades 9-7 and 96% were at Grades 4-9. The value-added score was +0.86. Broadly, the value-add score measures how well the students have done, on average, against what their ability suggests that they might achieve against students of similar ability nationally. For example, a positive result of 0.5 indicates that overall, the students scored, on average, 0.5 grades higher in each subject than other students of similar ability nationally.

ADDITIONAL ACADEMIC STUDY

We offer a range of online self-study courses, including A-Levels, GCSEs, and Quality Learning Scheme courses in our Academic enrichment programme at the Upper School.

STUDENT WELLBEING

Excellent physical and mental healthcare is vital for students to achieve their potential as a dancer. The School is committed to caring for its students holistically so that they become healthy, resilient humans, able to succeed in whichever path they choose to pursue.

- The School is committed to the highest standards of training. This includes how teachers and students behave in and out of the studio. Each year, teachers and students commit to a set of behaviour expectations displayed around the School and in every studio.
- Visiting teachers, repetiteurs and choreographers receive a personalised induction into safeguarding and studio behaviours before they start work with our students.
- Our safeguarding team work closely with The Royal Ballet and Birmingham Royal Ballet to ensure the highest standards of safeguarding while our students work with the companies.
- Students can access an online, anonymous reporting system to raise concerns over any pastoral or safeguarding issues.
- Staff have access to a reporting system to raise concerns about the welfare of any student in the School's care.
- All students are supplied with private medical cover. This ensures that students can access immediate specialist healthcare regardless of financial means.
- The School provides unparalleled healthcare support which includes: Strength & Conditioning coaching, Pilates instruction, Counselling, in-house Psychologist support, Nursing, GP access (both in-house and external), Physiotherapists, rehabilitation specialists and a nutritionist.
- The School is proud of its commitment to mental wellbeing. Students can access in-house counsellors on both sites through referral or self-referral.
- The School supports students in taking age-appropriate responsibility for monitoring their own well-being as part of their training.
- Daily wellness monitoring is done via an App which allows students to log data, such as sleep quality and hydration quickly and simply.
- The School is committed to creating a nurturing environment where all students feel welcome regardless of background and makes adjustments in uniform policies in order to embrace the rich diversity of our student body.
- Hardship bursaries are available to students to ensure they can participate fully in school life. Bursaries provide students with discreet, needs-specific support tailored to their specific circumstances.
- In this academic year, all students were provided with ballet shoes free of charge. All students entering Year 7 are issued with a School iPad, providing equal access to technology. Music bursaries are available to students wishing to take singing lessons or to learn an instrument. Funds are also provided for cultural trips and to see performances.

TRAINING AND ACCESS

The Training and Access Team deliver a wide range of programmes outside the full-time student training.

In 2023/24:

- we trained 645 Associate students; 17 were offered a place to join the School for full time training from September 2024;
- 521 young people participated in an Insight Day;
- 1,660 participants joined an Intensive Course or masterclass;
- 93 students took part in the Audition Insight Day;
- 230 teachers joined an Inspire seminar or Enlighten webinar;
- We enrolled and trained 26 teachers in the Affiliate Training and Assessment Programme;
- 27 teachers achieved affiliate status for the Affiliate Training and Assessment Programme;
- 1,881 primary school students were offered a creative dance workshop as part of the Primary Steps Programme.

FUNDRAISING

Fundraising is an essential part of the School finances without which we could not offer support, training and performance opportunities to so many students and young people.

Total donations were £4,888,000 (2023: £11,486,000) which included £1,131,000 of government grants (2023: £1,131,000). The 2023 figure included £7,500,000 to support the development of the White Lodge Estate.

This year, our generous donors funded:

- Student Fund – support and sponsorship £1,702,017
- School Fund – general support for the School £617,683
- Stage Fund – performance and artistic programme £315,961
- Training and Access – Associates and Intensives £182,183
- School programmes £486,371

Direct expenditure on fundraising is kept to a minimum. Non-staff costs were £60,337 (2023: £40,518) increasing to £314,747 (2023: £260,000) with staff costs included. This amounts to 6.4% of donated income. Last year, the School invested in additional fundraising resources.

The School's Development Team carries out all fundraising with support from members of the Development Committee and Governors. The school does not engage with any external third-party fundraisers. Governors receive regular updates on fundraising regulations and guidance from the Head of Development and the Development Committee.

The School abides by the appropriate code of conduct for all its fundraising, considering the issues raised in the Etherington Review into Charity Fundraising Practice issued in September 2015, which emphasised donor experience.

The School takes its responsibility to anyone who might be vulnerable very seriously and will continue to consider this in the Charity's approach to fundraising activity. The School does not engage in any cold-calling or put pressure on an individual to donate funds, property or other assets.

There have been no complaints in the period regarding inappropriate or intrusive contact.

FINANCIAL REVIEW

Each year, the School's financial objective is to break even across the total of its activities. However, it has been increasingly difficult to meet this objective as high inflationary pressures bite.

The School's core costs, above those of staff are catering and premises. These were particularly affected by inflation in the year impacting the financial outturn.

In the day to day operations before transfers and pension revaluation, the charity delivered a £2,385,000 consolidated loss. This includes £1,349,000 of donation income.

INCOME

The School only makes offers of full-time training to those who have the potential to become excellent dancers, so our ability to fill places depends on the calibre of applicants. In the year the School fell short of its target to have 226 students in the School by 3 students.

In the year, a full range of access and training opportunities were provided alongside full-time training and the Associate programme. Income from charitable activities rose to £10,173,000 (2023: £9,556,000).

Unrestricted income of £12,151,000 (£2023: £10,955,000) was supplemented by restricted income of £3,509,000 (2023: £10,504,000) totalling £15,660,000 (2023: £21,459,000). Restricted income was enhanced in 2023 by £7,500,000 towards the redevelopment of White Lodge.

EXPENDITURE

During the year, expenditure was closely monitored and well controlled in most areas. The School's main costs relate to staffing, premises and food and these are generally fixed in nature. Specific programme costs or donor-funded activities vary annually and typically, have matching income streams. Total consolidated expenditure for the year was £18,582,000 (2023: £16,534,000); the increase was due to the high inflationary environment, high spend on legal and professional costs, high spend in the subsidiary company and some essential maintenance and repairs to premises.

The costs of bursaries increased by £222,000 as more families required support and to a greater level than before. The Music and Dance Scheme supports eligible students with the costs of fees, but post-Brexit, European students no longer qualify for UK government support and donor support is required. Each year, circa 90% of the School's full-time students require bursary support to attend the School, and without this, the School would be unable to fill the available places. Hardship and Equity support was provided to all families with the costs of ballet shoes. Further support was provided to selected families whose needs were greater.

PENSION PROVISION

Although the defined benefit pension scheme is now closed for future accrual, it remains a significant risk for the School, particularly as the scheme reaches the end of its life circa 2034.

The triennial valuation continues to be used to calculate any repayments required, and these payments are incorporated into the longer-term financial planning of the School so that these commitments can be met as they fall due in the future.

A designated fund of £414,000 has been set aside to meet the cash commitments of purchasing member annuities.

PLANS FOR FUTURE PERIODS

The School's most immediate need is to ensure its long term financial sustainability following changes to, and challenges within, the independent school operating environment, changing government priorities, and the affordability pressures on charities and on parents.

The School's board has embraced a new strategic framework for the School which supports its charitable mission, and provides a clear and compelling direction and purpose to steer organisational change, support students and maximise impact. The School will deliver a five year plan built on five strategic pillars:

- developing world-class artists;
- delivering the best grades possible;
- setting the international standard for holistic care;
- delivering a national ecosystem to nurture young talent;
- developing an innovative and sustainable business model.

The senior leadership team are working with the School's governors and independent specialists to develop the new five year plan for the School, which will begin implementation in September 2025. This will be supported by the implementations of a governance review and a safeguarding review, both commenced in November 2024.

FUNDS AND RESERVES POLICY

The School's consolidated unrestricted general reserves at the year-end amount to £829,000 (2023: £2,680,000). Amounts designated for depreciation on property assets, maintenance and pension funds total £32,674,000 (2023: £33,775,000). Adding in restricted funds of £9,992,000 (2023: £9,997,000) bring total consolidated reserves to £43,495,000 (2023: £46,452,000).

The unrestricted general fund is held to provide financial stability to the School while making sure that funds are used to achieve the School's aims wherever possible. The general fund allows the School to meet its financial obligations and operate its business while managing risks and funding future work and development. The level of the unrestricted funds, less those set aside for depreciation, is £1,243,000, equivalent to 1.0 months average unrestricted operating costs. At this time, the Governors, having assessed the financial stability of the School, believe the level of reserves to be adequate. The School has received support from The Royal Ballet School Endowment Fund to manage the transition to a new sustainable business model, and the financial resources are considered sufficient to ensure the School will continue as a going concern for the foreseeable future. However, in the longer term, the focus will be to build reserves for six months.

Governors have reviewed the reserves policy in line with Charity Commission CC19 Guidance. Given the uncertainty around funding and the economic environment, the School considers it necessary to hold reserves of a level equivalent to three to six months of operating costs.

The unrestricted designated fund has been put aside by Governors and represents the funds that are invested in property and other fixed assets for the use of the School and are therefore not available for other purposes. A further unrestricted designated fund is set aside for the Clerical Medical pension fund. Currently the charity recognises a zero liability to the defined benefit pension scheme but the fund will be used to manage expected cash flows for purchases member annuities over the remaining life of the scheme.

Restricted funds are the balance of unspent funds received subject to specific conditions imposed by

the donors and are held separately to be spent in future periods.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors are responsible for managing the risks the School faces and work closely with the CEO and senior leadership in doing so. The Board are focused on the following key risks;

- changes to VAT legislation and the impact this is having on parents of School students and those who access our Associates programme. We are in regular communication with our parents, we have absorbed some of the VAT costs and we are actively managing our cashflow;
- drop out of students during the year. RBS has made operational and cultural improvements over the last six months designed to retain students within the full cycle of the School and this will minimise the likelihood of drop-out;
- reduced levels of funding from the DfE in the face of stretched public finances, including the removal of support for outreach. We are in regular communication with the DFE regarding the direct link between the School's organisational sustainability and the maintenance of the MDS funding. This includes direct communication between the RBS Chair and the Secretary of State for Education;
- the possibility of changes to the Music and Dance Scheme. Investment in the Development team will generate new prospects and thus new donors to help with the shortfall;
- supporting the School's staff and students through change;
- an unforeseen event with White Lodge upkeep. It would be our intention to apply to The Royal Ballet School Endowment Fund to cover the cost;
- managing safeguarding to ensure that students and staff understand how to identify risk and how and when to raise a concern, and are confident to come forward.

It is recognised that systems can only provide reasonable, but not absolute, assurance that significant risks have been adequately managed. The systems themselves are therefore under continuous review.

GOING CONCERN

The Governors are acutely aware that since COVID, the School's expense base has been hard hit by rising prices. At the same time, the cap on school fees imposed by the DfE has not kept pace with inflation, creating a situation where the School's surpluses have been squeezed year on year. The 2020-21 financial year was the first year of net losses, followed by additional losses up to and including 2023-24.

The current year has brought further financial pressures. All private schools have experienced the loss of business rate relief and the imposition of VAT. The annual impact on RBS of losing business rate relief will be £255k, although as things currently stand, RBS should be VAT neutral for the next year.

A third factor has been the increase in National Insurance rates for employers, as per the latest government budget. This increase will cost the School an additional £180k per year in National Insurance contributions.

In December, the School was dealt a further blow, when the DfE advised us that they were discontinuing the School's block grant, which has been in place for 20 years. The grant, totalling £1.1m, fully covered the cost of the School's Primary Steps programme, as well as providing funding for building maintenance and the School's Associates programme. Although RBS is challenging the withdrawal of the grant because of the impact on participants, the School is intent on planning ahead on the basis that the grant will be withdrawn.

The School have devised a strategic plan which focuses on a handful of key financial and cultural drivers. The resulting model, which was based on a prudent approach, brings the School out of a deficit position by 2029-30. The plan focuses on the following key drivers for 2025-26:

- Increased student numbers
- Investment in Development capacity and growth in fundraised income
- Growth in Intensive Courses
- Removing unprofitable activity from TRBS Enterprises Limited, and prioritising profitable strands

The School's Development Team is being supported to focus on maximising philanthropic and partnership investment in the School at this time of strain. The board are well-supported by a Finance, Audit, Operations and Risk Committee which meets monthly, and monitors cashflow forecasting on a weekly basis.

The Governors have reviewed the current position carefully to ensure the ongoing provision of schooling for the pupils and the employment of staff. The School have received support from The Royal Ballet School Endowment Fund to manage the transition to a new sustainable business model, and the Governors therefore believe that financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least until 31 August 2026 and have therefore prepared the financial statements on a going concern basis.

GOVERNANCE

The Royal Ballet School (the School) is a charitable company limited by guarantee (registered number 547018) and does not have a share capital. It is also a registered charity (number 214364).

The School was established in 1955 under a Memorandum of Association, which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The School's objects and principal activity is to train and educate full-time students for a career as classical ballet dancers.

The School has a wholly owned trading subsidiary, TRBS Enterprises Limited, which sells branded merchandise, offers on-demand training and hires out School premises, gifting its profits to the School.

The Royal Ballet School Endowment Fund is a connected charity whose purpose is to provide funding and facilities for the students at The Royal Ballet School. The connected charity is a separate charity with trustees responsible for that charity and their financial statements, which are not reported on in these accounts.

The School is the official School of both The Royal Ballet and Birmingham Royal Ballet companies. As a result, it has close working relationships with both Artistic Directors and their staff. The Artistic Directors of each Company are Governors of the School.

HOW WE ARE GOVERNED

The School is governed by the Board of Governors, whose members are also directors of the Charitable Company and charity trustees. Governors hold office for an initial three-year term and may be re-elected for a further two three-year terms. On occasion and for the benefit of the Charity, Governors may be invited to remain on the Board for a further one-year term.

The Board is responsible for overseeing the strategy and policies of the School and meets formally at least three times a year, as well as holding other meetings for strategic planning discussions as required to perform its duties.

The Board of Governors during the financial year and to the date of this report are shown on page 4.

The Board has established seven standing committees which meet regularly throughout the year and report to the Board of Governors. Each Committee is chaired by a Governor and supported by a Executive Leadership Team member. Between them, these committees have a responsibility to the Board for all the major areas of accountability.

Committee	Focus/outcomes
Academic & Student Welfare	• Non-artistic aspects of the student experience at the School inc. safeguarding
Finance, Audit, Operations and Risk	• Ensuring sustainable finances, robust financial management, efficient operations and the identification and mitigation of risk
Development	• Fundraising to support the School's development, in line with philanthropic standards
Estates	• Buildings and estates fit for the School's current and future needs

Artistic	• World-class artistic standards and holistic student healthcare
Brand, Enterprise & Digital	• Protecting brand and reputation while delivering financial surpluses to meet the School's core activities
Governance	• Long-term organisational sustainability, including Equity, diversity and inclusion, sustainability, nominations, HR, remuneration and succession planning. Staff welfare

The Academic and Student Welfare Committee is responsible for formal student safeguarding while the Governance committee has a remit to look after the interests of teachers and other staff. However, safeguarding is reported on and reviewed at every Board Meeting and remains everyone's responsibility throughout the organisation.

The Governors and Executive Officers make nominations for new Board members to the Governance Committee, who then make recommendations to the Board who elect new members. Candidates are selected based on their professional skills, knowledge, competence and experience, and Governors ensure an appropriate balance of relevant skills and expertise across the Board. There is a regular review of the Board's composition, considering the need for succession planning as existing Governors retire. Professional recruitment agencies may be used where appropriate to ensure that the broadest range of candidates is considered.

GOVERNOR TRAINING

All Governors are inducted into the governance and operations of the School through briefings with the Chairman and members of the Executive Leadership Team. All Governors are trained to Level 2 in Child Protection and Safeguarding, and at least two Governors to Level 3. Governors are issued with a copy of the AGBIS Guidelines for Governors laying out best practice in the governance of independent schools. The training needs of Governors are reviewed from time to time, and support is provided as necessary. Additionally, regular presentations and reports are made to the Governing body on critical issues of current and ongoing importance.

The Trustees adhere to the Charity Governance Code published in 2017, which sets out the principles and recommended practices for good governance within the sector.

ORGANISATIONAL MANAGEMENT

During the year ended 31 August 2024, the School's day-to-day operations were managed by the Executive Leadership Team which comprised the Artistic Director, Chief Operating Officer, Academic and Pastoral Principal and Commercial Director. The School recruited a new Chief Executive Officer in October 2024 and the Executive Leadership Team currently comprises Chief Executive Officer, Artistic Director and Academic and Pastoral Principal. The Executive Leadership Team are supported by the wider Senior Leadership Team.

EMPLOYMENT POLICY

To promote an environment in which the School can call upon the broadest possible range of knowledge, skill and experience, as well as ensure compliance with the relevant legislation and codes of practice, the Royal Ballet School is committed to achieving and maintaining a workforce which represents the population within its recruitment area. The School has an equality policy to ensure fairness and equality of opportunity to all staff regardless of their status regarding age,

disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

The School regularly reviews its recruitment, promotion, training and development policies to ensure that every applicant for employment or member of staff is protected and given equal opportunity.

PUBLIC BENEFIT

The School remains committed to the aim of providing public benefit in accordance with its founding principles. The Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

The School makes a significant contribution to the country's global reputation for arts and culture, specialising in classical ballet. A place at the School is open to any young person who possesses the potential and talent to become a professional classical ballet dancer, irrespective of their social or financial background. A combination of public, private and charitable funding is available to give financial support and bursaries to students, and each year, about 85% of our students receive such support. Each year, the School can offer up to 184 bursaries to qualifying students via the Department for Education's Music and Dance Scheme.

The School's Training and Access department provides national Associate programmes that offer young people regular access to classical ballet training classes and workshops. There are nine Associate centres across the United Kingdom: London, Birmingham, Bath, Manchester, Leeds, Totnes, Eastleigh, Newcastle and Dundee. All students are selected based on their potential as a classical ballet dancer rather than their ability to pay and means-tested financial support is available irrespective of age or nationality. Donor-supported travel bursaries are made available to Associate students to support them with the costs of attending classes and valuable access to live performances at the Royal Opera House and other venues.

The Intensive Courses department delivers courses throughout the year, allowing classical ballet students to experience Royal Ballet School training. Annual courses are held at The Royal Ballet School and internationally. Courses are open to British and international students aged 10 to 20. Again, all students are selected based on their ability rather than financial means and means-tested bursary support is available for all intensive courses.

Alongside studio-based classes, the school provides an online programme. Students from all over the world can access these classes, which cover a wide range of content for various abilities.

The School also runs a national community access programme called Primary Steps. Funded by the DfE, Primary Steps partners with state schools to offer a complete dance programme for KS2. There are five school centres for the programme around the country: Blackpool, Bury St Edmonds, Dagenham, Swindon and Mansfield. In 2022, the School made the Primary Steps programme available to all primary schools via its online platform at a cost of £3 per student per year.

Other access opportunities are available, such as demonstrations for state school students studying GSCE dance or various Insight events for the general public. A programme of professional development is available for teachers of classical ballet.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each of the Governors is aware, there is no relevant audit information of which the charitable company's auditor is unaware. Each Governor has taken all the steps they should have taken as a Governor to make themselves aware of any relevant audit information and establish that

the charitable company's auditor is aware of that information.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also directors for the purposes of company law) are responsible for preparing the Governors' annual report and financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must only approve the financial statements if they are satisfied that they give a true and fair view of the charitable company's state of affairs and the charitable company's income and expenditure for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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 a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the charity's assets and, hence, for taking reasonable steps to prevent and detect fraud and other irregularities.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 3 April 2025. This approval includes the approval, in their capacity as company directors, of the Directors' and Strategic Reports contained within the Annual Report. The Annual Report is signed as authorised on behalf of the Board of Governors by:



Natasha Kaplinsky
Governor

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE ROYAL BALLET SCHOOL

OPINION

We have audited the financial statements of The Royal Ballet School for the year ended 31 August 2024 which comprise the consolidated Statement of Financial Activities, Group and Charity Balance Sheets, consolidated 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 2024 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in

the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 24, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the

economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity and groups's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR) and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

AUDITORS REPORT

USE OF OUR REPORT

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



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

6 May 2025

ROYAL BALLET SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
As at 31 August 2024

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	Note	Unrestricted Funds		Restricted Funds	Total Funds	Total Funds
		General	Designated		**2024**	2023
		£000	£000	£000	**£000**	£000
Income from:						
Charitable activities	2	10,173	-	-	**10,173**	9,556
Donations	3	1,379	-	3,509	**4,888**	11,486
Other income	4	599	-	-	**599**	417
Total income		12,151	-	3,509	**15,660**	21,459
Expenditure on:						
Raising funds						
Development and fundraising		1,523	-	54	**1,577**	1,053
		1,523	-	54	**1,577**	1,053
Charitable activities						
Teaching		3,202	-	346	**3,548**	3,284
Pastoral and welfare		1,187	-	437	**1,624**	1,568
Outreach and partnership		848	-	507	**1,355**	1,252
Intensive Courses		417	-	245	**662**	539
Premises		4,671	566	16	**5,253**	5,075
Support and governance	8,9	2,666	-	3	**2,669**	2,088
Grants and prizes	10	22	-	1,872	**1,894**	1,675
		13,013	566	3,426	**17,005**	15,481
Total expenditure	7	14,536	566	3,480	**18,582**	16,534
Net (expenditure) / income		(2,385)	(566)	29	**(2,922)**	4,925
Transfers between funds	17,18	569	(535)	(34)	**-**	-
Other recognised losses						
Actuarial (loss)/gain on defined benefit pension scheme	24g	(35)	-	-	**(35)**	13
Net movement in funds		(1,851)	(1,101)	(5)	**(2,957)**	4,938
Total funds brought forward		2,680	33,775	9,997	**46,452**	41,514
Total funds carried forward	17,18	829	32,674	9,992	**43,495**	46,452

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Activities.

The notes on page 32 to 52 form part of these financial statements.

ROYAL BALLET SCHOOL
BALANCE SHEETS
As at 31 August 2024

BALANCE SHEETS	Note	The group 2024	The group 2023	The charity 2024	The charity 2023
				£000	£000
Fixed assets					
Tangible assets	12	**34,863**	36,330	**34,853**	36,330
Current assets					
Stock		**97**	114	**-**	-
Debtors	13	**897**	897	**1,061**	1,185
Cash at bank and in hand		**9,943**	12,400	**9,881**	12,338
Total current assets		**10,937**	13,411	**10,942**	13,523
Creditors: amounts falling due within one year					
Trade and other creditors	14	**(2,022)**	(1,529)	**(1,970)**	(1,495)
Deferred income	15	**(124)**	(1,570)	**(124)**	(1,570)
Net current assets		**8,791**	10,312	**8,848**	10,458
Total assets less current liabilities		**43,654**	46,642	**43,701**	46,788
Creditors: Amounts falling due after one year	16	**(159)**	(190)	**(159)**	(190)
Defined benefit pension scheme liability	24b	**-**	-	**-**	-
Total net assets	19	**43,495**	46,452	**43,542**	46,598
Funds					
Unrestricted funds					
General fund		**829**	2,680	**876**	2,826
Designated funds		**32,674**	33,775	**32,674**	33,775
Total unrestricted funds	17	**33,503**	36,455	**33,550**	36,601
Restricted funds	18	**9,992**	9,997	**9,992**	9,997
Total funds		**43,495**	46,452	**43,542**	46,598

The financial statements on pages 29 to 52 were approved by the Board of Governors and authorised for issue on 3 April 2025 and are signed on its behalf by:

Natasha Kaplinsky
Governor

Tom Clementi
Governor

ROYAL BALLET SCHOOL
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 August 2024

CONSOLIDATED STATEMENT OF CASH FLOWS	Note	**2024**	2023
		£000	£000
Cash flows from operating activities:			
Net cash (used) / provided by operating activities	A below	**(2,452)**	8,470
Cash flows from investing activities:			
Interest receivable		**203**	148
Interest payable		**(13)**	(11)
Proceeds from sale of fixed assets		**-**	-
Purchase of tangible fixed assets		**(164)**	(493)
Net cash used in investing activities		**26**	(356)
Cash flows from financing activities			
Repayments of borrowing		**(31)**	(30)
Change in cash in the reporting period		**(2,457)**	8,084
Cash at the beginning of the year		**12,400**	4,316
Cash at the end of the year	B below	**9,943**	12,400

Reconciliation of cash flows from operating activities:	Note A	**2024**	2023
		£000	£000
Net Expenditure, from the statement of financial activities		**(2,922)**	4,925
Adjustments for:			
Depreciation charge		**838**	1,257
Write off assets in construction		**793**	-
Defined pension scheme net income		**(35)**	(46)
Interest receivable		**(203)**	(148)
Interest payable		**13**	11
Proceeds from the sale of fixed assets		**-**	-
Decrease / (increase) in stock		**17**	(12)
Decrease / (increase) in debtors		**-**	637
(Decrease) / increase in creditors		**(953)**	1,846
Net cash (used) / provided by operating activities		**(2,452)**	8,470

Analysis of cash	Note B	**2024**	2023
		£000	£000
Cash at bank and in hand		**9,943**	12,400

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

1a Basis of accounting and going concern
The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 - effective 1 January 2015.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary TRBS Enterprises Ltd on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The accounts are drawn up on the historical cost basis of accounting.

The Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The Governors have read the going concern paper produced by the School and understand the reasons for the new, long-term plan. The Governors are aware of the risks and mitigations with the new plan and are supportive with the commencement of the plan. The financial statements have been prepared under the going concern concept, on the understanding that the School will continue to receive sufficient financial support to enable it to meet its liabilities as and when they fall due for payment.

The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as the employment of staff. There are currently significant cash balances should additional liquidity be required through this period of uncertainty. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least until 31 August 2026 and have therefore prepared the financial statements on the going concern basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 March 1955 (company number: 547018) and registered as a charity on 12 November 1962 (charity number: 214364).

1b Critical accounting judgements and key sources of estimation uncertainty
In the application of the charity's accounting policies, which are described in this section, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – The charity recognises a zero liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 24.

1c Income
Income consists of school fees and expenses due and receivable, income from performances and auditions, grants receivable from the Department for Education and other bodies, donations, investment income and other income. This income is recorded in the Statement of Financial Activities when it becomes due to the School.

Government grants are recognised on the performance model when the charity has complied with any conditions attaching to the grant and the grant will be received.

1d Expenditure
Expenditure is recognised in the period in which the cost is incurred. Costs directly relating to a School activity are allocated to that activity. Support costs comprise salaries and overheads of central functions of management and administration.

Governance costs are those costs incurred in compliance with regulation and good practice and include costs relating to the statutory audit, Governors' meetings and other constitutional and statutory requirements.

1e Grant-making policy
The Governors may from time to time make grants to The Royal Ballet School Endowment Fund on the basis that they are in the interests of the School.

1f Operating leases
Rental payments under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable are an incentive to sign an operating lease and are similarly spread on a straight-line basis over the lease term.

1g Taxation
Gift aid recovered on voluntary income is included with the donation to which it relates and irrecoverable VAT is included with the item of expenditure to which it relates.

1h Tangible fixed assets and depreciation
All tangible fixed assets are stated in the balance sheet at cost less depreciation. The depreciation of assets is provided in equal annual instalments over the estimated useful lives of the assets.

1i Long leasehold property
The original cost of the White Lodge long leasehold property was fully amortised in the period 1955 to 1976, although the lease was not due to expire until 2014. Subsequent major works and additions to the leasehold property were capitalised and amortised over the unexpired period of the lease, or evenly over the expected useful lives of the major works and additions as appropriate. In November 2008 the School surrendered its existing lease and entered into an agreement to lease the land and buildings for a further 100 years. A major redevelopment was undertaken in three phases from 2005 and completed in February 2009. Relevant leasehold costs are depreciated over the term of the lease. Building costs are depreciated over 40 years.

The Floral Street leasehold property is depreciated over the term of 150 years commencing in 2002, except for building costs which are depreciated over 40 years. Up to 2009, the buildings had been depreciated over 25 years, but the policy was then reviewed and changed. The net book value at 31 August 2008 is now being depreciated over the remainder of the 40-year term.

The Jebsen House property is depreciated over the lease term of 20 years ending in 2029.

1j Freehold property
The Aud Jebsen Hall student accommodation is a freehold property and is being depreciated over 50 years from Easter 2016 when it was completed. Finance costs on loans taken out for the purchase of the property have been capitalised during the period when the property was being refurbished.

1k Furniture, fixtures and equipment
Assets with a cost of more than £1,000 are capitalised and these are depreciated over their expected useful lives as follows:

Major refurbishment and minor structural changes	10 years
Furniture, fixtures and equipment	5 -10 years
Computer equipment	3 years
Motor vehicles	4 years

Assets in construction are not depreciated.

1l Liabilities
Liabilities are recognised at the point that an obligation to make payment or transfer assets exists, and the value of that obligation can be measured with a reasonable degree of accuracy.

1m Foreign currency
Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the transaction date. All differences are taken to the Statement of Financial Activities.

1n Pension schemes
Employees of the School are entitled to join the group personal pension scheme and employer contributions are charged to expenditure in the accounting period in which they are payable.

Until March 2023, Teachers were entitled to join the Teachers' Pension Scheme, an unfunded multi-employer defined benefits pension scheme. Contributions are charged to expenditure in the accounting period in which they are payable as if the scheme were a defined contribution scheme, as the School does not have sufficient information to account as a defined benefit scheme.

The School operated a defined benefit scheme, The Royal Ballet School Pension and Life Assurance Plan, closed to new entrants in 2002 and for future accrual on 31 August 2012. The assets and liabilities of the scheme are reported in these financial statements as required by FRS 102. The statement of financial activities includes the expected return on scheme assets in investment income, the interest cost in other finance costs, and the actuarial gains and losses arising from the annual valuation. The pension liability, currently zero, is recognised in the balance sheet as the School has a legal obligation to settle the liability over the long term.

See note 24 for more details on the pension schemes.

1o Fund accounting
Unrestricted funds comprise the accumulated unrestricted surplus or deficit each year. They are available for use at Governors' discretion in furtherance of the general charitable objectives.

Unrestricted designated funds are amounts that have been put aside at the Governors' discretion. At the year-end, they comprised a Fixed asset fund and a Pension Deficit fund. The Fixed asset fund represents the extent to which donated funds are invested in fixed assets for use by the School and, therefore, are not available for other purposes. The Pension Deficit Fund represents sums set aside to support the cash flows required to purchase annuities for deferred pension members.

Restricted funds are funds subject to specific restricted conditions imposed by the donors.

Details of unrestricted funds are shown in note 17 and restricted funds in note 18.

1p Financial instruments
The School has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade debtors, accrued income and all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

2	**Charitable activities income**	**2024 Total £000**	2023 Total £000
	School fees – note 2a	**7,683**	7,352
	Extras and performance income	**47**	49
	Fees from Associates, Summer School and teachers' courses	**2,287**	1,993
	Auditions and other income	**156**	162
		10,173	9,556

2a	**School Fees**		
	School fees were funded by:		
	Grants from the Department for Education	**3,180**	3,502
	Bursaries from The Royal Ballet School Endowment Fund	**508**	500
	Bursaries from restricted donations	**1,112**	849
	Parents	**2,883**	2,501
		7,683	7,352

3	**Donations**	**2024 £000**	2023 £000
	Grants	**1,131**	1,131
	Donations	**3,742**	10,334
	Friends	**15**	21
		4,888	11,486

4	**Other Income**	**2024 £000**	2023 £000
	Investment income – bank interest	**203**	148
	On-demand dance-based programme income	**168**	107
	Merchandise sales	**155**	111
	Other income	**73**	51
		599	417

5 Trading subsidiary

The Charity has one wholly owned subsidiary, TRBSE Enterprises Limited, whose registered address is 46 Floral Street, London WC2E 9DA.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities.

The company's trading results for the year extracted from its audited financial statements were:

	2024	2023
	£000	£000
Turnover	**357**	218
Cost of sales	**(276)**	(183)
Gross profit	**81**	35
Administrative expenses: Licence to occupy premises	**(1)**	(1)
Other expenses	**(482)**	(159)
(Loss) on ordinary activities before gift aid	**(402)**	(125)
(Loss) on ordinary activities before taxation	**(402)**	(125)
Tax on profit on ordinary activities	**-**	-
(Loss) for the year	**(402)**	(125)
Accumulated (loss) carried forward	**(548)**	(146)

The company's assets and liabilities for the year extracted from its audited financial statements were:

	2024	2023
	£000	£000
Fixed assets	**9**	-
Current assets	**190**	208
Current liabilities	**(747)**	(354)
Share capital and reserves	**(548)**	(146

Amounts owed to/from the parent undertaking are shown in note 13.

6 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2024	2023
	£000	£000
Gross income	**15,337**	21,241
Result for the year	**(3,056)**	5,063

7 Expenditure analysis

	Staff costs £000	Depreciation £000	Other costs £000	**Total 2024 £000**	Total 2023 £000
Raising funds					
Trading, development and fundraising	841	-	736	**1,577**	1,053
Charitable activities					
Teaching	2,955	-	593	**3,548**	3,284
Pastoral and welfare	1,150	-	474	**1,624**	1,568
Outreach and partnership	1,088	-	267	**1,355**	1,252
Intensive courses	291	-	371	**662**	539
Premises	860	838	3,555	**5,253**	5,075
Support and governance	1,305	-	1,364	**2,669**	2,088
Grants and prizes	-	-	1,894	**1,894**	1,675
	7,649	838	8,518	**17,005**	15,481
Total expenditure	8,490	838	9,254	**18,582**	16,534

8 Governance costs

	Total 2024 £000	Total 2023 £000
Governance costs included in support costs:		
Fees payable to the auditor for the statutory audit	**39**	32
(Over)/Under accrual for prior year fees relating to the statutory audit	**-**	1
Fees payable to the auditor for pension compliance	**10**	20
Board and committee costs	**2**	1
Total	**51**	54

9 Finance and lease costs

	Total 2024 £000	Total 2023 £000
Bank interest payable	**13**	11
Interest on pension plan	**(28)**	1
Operating leases: land and buildings	**203**	182

10 Grants and prizes expenditure

Grants are for student sponsorship and bursaries for full-time students, Associates and Intensive Course participants. Apart from a few scholarships for full-time students, all grants are means-tested.

	Total 2024 £000	Total 2023 £000
Other grants	**1,891**	1,669
Prizes	**3**	6
Total	**1,894**	1,675

11 Staff costs

	2024 £000	2023 £000
Wages and salaries	**7,193**	6,393
Social security costs	**676**	627
Other pension costs	**584**	584
Other costs	**37**	28
	8,490	7,632

Five Governors claimed travel and subsistence expenses of £660 in the year (2023: One Governor, £147).

Total employee benefits, including employer pension contributions and national insurance of the Senior Leadership Team, were £1,372,216 (2023: £1,008,829).

The School made aggregate termination payments of £39,055 (2023: £nil) with none outstanding at the year end.

	2024 Number	2023 Number
The number of higher paid employees in bands of:		
£60,001 to £70,000	**7**	8
£70,001 to £80,000	**5**	2
£80,001 to £90,000	**1**	2
£90,001 to £100,000	**-**	1
£100,001 to £110,000	**3**	-
£110,001 to £120,000	**1**	1
	17	14

The average headcount of the School's employees for the year 2024 was 261 (2023: 255).

12 Tangible fixed assets

As at 31 August 2024

The group and charity	Long Lease Property				Freehold Property	Furniture, Fixtures and Equipment					Motor Vehicle	TOTAL
	White Lodge	White Lodge Assets in Construction	Floral Street	Jebsen House	AJH	White Lodge	Floral Street	Jebsen House	AJH	Bedford Street		
Cost												
As at 1 September 2023	23,038	753	15,269	786	14,960	1,355	1,159	48	157	-	71	**57,596**
Additions	-	42	-	-	-	82	27	-	-	13	-	**164**
Disposals	2	(795)	-	-	-	-	(14)	-	-	-	-	**(807)**
Transfers	(98)	-	98	-	-	5	(5)	-	-	-	-	**-**
As at 31 August 2024	**22,942**	**-**	**15,367**	**786**	**14,960**	**1,442**	**1,167**	**48**	**157**	**13**	**71**	**56,953**
Depreciation												
As at 1 September 2023	9,549	-	6,365	570	2,433	1,164	929	48	137	-	71	**21,266**
Charged in the year	440	-	(94)	58	311	52	60	-	8	3	-	**838**
Disposals	-	-	-	-	-	-	(14)		-	-	-	**(14)**
Transfers	(29)	-	29	-	-	3	(3)	-	-	-	-	**-**
As at 31 August 2024	**9,960**	**-**	**6,300**	**628**	**2,744**	**1,219**	**972**	**48**	**145**	**3**	**71**	**22,090**
Net book value at 31 August 2024	**12,982**	**-**	**9,067**	**158**	**12,216**	**223**	**195**	**-**	**12**	**10**	**-**	**34,863**
Net book value at 31 August 2023	13,489	753	8,904	216	12,527	191	230	-	20	-	-	36,330

13 Debtors

	The group		The charity	
	2024	**2023**	**2024**	2023
	£000	**£000**	**£000**	£000
Amounts falling due within one year:				
Fees and recoverable extras	**92**	30	**92**	30
Trade debtors	**1**	-	**-**	-
Intercompany	**-**	-	**195**	320
Other debtors	**18**	5	**18**	5
Prepayments	**454**	239	**425**	207
Accrued Income	**55**	417	**55**	417
VAT	**1**	-	**-**	-
Department for Education - Music and Dance Scheme fee funding	**276**	206	**276**	206
Total	**897**	897	**1,061**	1,185

14 Creditors: amounts falling due within one year

	The group		The charity	
	2024	2023	**2024**	2023
	£000	£000	**£000**	£000
Trade creditors	**805**	420	**762**	401
Taxation and social security	**179**	178	**179**	178
Other creditors	**558**	426	**558**	426
Accruals	**450**	470	**441**	460
VAT	**-**	5	**-**	-
Bank loan due within one year	**30**	30	**30**	30
Total	**2,022**	1,529	**1,970**	1,495

15 Deferred income

	The group		The charity	
	2024	**2023**	**2024**	2023
	£000	**£000**	**£000**	£000
Fees in advance	**94**	**-**	**94**	-
Donations in advance	**30**	70	**30**	70
Department for Education - Music and Dance Scheme fee funding in advance	**-**	1,500	**-**	1,500
Total	**124**	1,570	**124**	1,570

16	Creditors: amounts falling due after one year	The group		The charity	
		2024	2023	**2024**	2023
		£000	£000	**£000**	£000
	Creditors due in 2 to 5 years				
	Bank loans	**121**	121	**121**	121
	Creditors due in 5 years				
	Bank loans	**38**	69	**38**	69
	Total	**159**	190	**159**	190

Bank loans at 31 August 2024 include a fixed rate loan of £189,408 (2023: £219,708) repayable by November 2030, with £30,300 due within one year, and an interest rate is 5.9% per annum. This loan is secured by a charge over the White Lodge property.

17	Group unrestricted funds	Balance as at 1 Sep 23	Income	Expenditure	Transfers	Gains/ (Losses)	**Balance as at 31 Aug 24**
		£000	£000	£000	£000	£000	**£000**
	Charity Designated						
	Fixed asset fund	32,826	-	(566)	-	-	**32,260**
	Building maintenance fund	500	-	-	(500)	-	**-**
	Pension deficit Fund	449	-	-	(35)	-	**414**
		33,775	-	(566)	(535)	-	**32,674**
	General						
	Charity free reserves	2,826	11,794	(13,777)	569	(35)	**1,377**
	Subsidiary free reserves	(146)	357	(759)	-	-	**(548)**
		2,680	12,151	(14,536)	569	(35)	**829**
	Total	36,455	12,151	(15,102)	34	(35)	**33,503**

Group unrestricted funds 2022-23	Balance as at 31 Aug 22	Income	Expenditure	Transfers	Gains/ (Losses)	**Balance as at 31 Aug 23**
	£000	£000	£000	£000	£000	**£000**
Charity Designated						
Fixed asset fund	33,841	-	(1,015)	-	-	**32,826**
Building maintenance fund	500	-	-	-	-	**500**
Pension deficit fund	450	-	(1)	-		**449**
	34,791	-	(1,016)	-	-	**33,775**
General						
Pension reserve	(59)	-	(1)	47	13	**-**
Charity free reserves	4,113	10,737	(11,977)	(47)	-	**2,826**
Subsidiary free reserves	(21)	218	(343)	-	-	**(146)**
	4,033	10,955	(12,321)	-	13	**2,680**
Total	38,824	10,955	(13,337)	-	13	**36,455**

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the charity. Certain unrestricted funds are designated for other purposes. The unrestricted funds are as follows:

Designated fixed asset fund
This fund represents amounts expended on tangible fixed assets required for the operation of the School.

Designated building maintenance fund
This fund represents amounts designated and set aside by Governors to fund the ongoing repairs and maintenance of White Lodge. The School is no longer undertaking an expansion of the Senior Boarding Block at White Lodge and these funds have been transferred to free reserves and released against initial capitalised work which has now been written off.

Designated Pension Deficit Fund
The Royal School Pension and Life Assurance Scheme closed to new members in 2006 and ceased accrual in 2012. There are 21 deferred members, with the last member due to retire in 2034. The Triennial valuation of 1 September 2022 showed a funding deficit of £76,000 and the School has submitted a recovery plan to The Pension Regulator (see Note 24). These funds are set aside to meet future cash commitments for member annuities as the recovery payment plan is phased evenly over the remaining life of the scheme but member retirements are more sporadic.

General reserves
The free reserves represent the balance of unrestricted funds which have not been designated and are available for use at the discretion of the Governors in furtherance of the general charitable activities.

Transfers
£35,000 of general funds were transferred to the pension reserve to cover the costs of employer pension deficit repayments in the year.

£500k of designated building maintenance funds were transferred to general funds to partially cover the cost of White Lodge capitalised work which has now been written off.

18	**Group restricted funds**	Balance as at 1 Sep 23	Income	Expenditure	Transfers	**Balance as at 31 Aug 24**
		£000	£000	£000	£000	**£000**
	Capital projects	7,500	423	-	-	**7,923**
	Special projects	46	133	(77)	-	**102**
	Sponsorship, bursaries and prizes	339	1,730	(1,948)	129	**250**
	Outreach and Access fund	466	427	(464)	-	**429**
	Ballet and artistic funds	273	266	(336)	-	**203**
	Healthcare	782	107	(382)	-	**507**
	Equipment	32	-	(16)	-	**16**
	Intensive Courses	319	269	(208)	(34)	**346**
	Equal Opportunities	240	154	(49)	(129)	**216**
		9,997	3,509	(3,480)	(34)	**9,992**

	Group restricted funds 2022-23	Balance as at 1 Sep 22	Income	Expenditure	Transfers	**Balance as at 31 Aug 23**
		£000	£000	£000	£000	**£000**
	Capital projects	-	7,500	-	-	**7,500**
	Special projects	75	50	(79)	-	**46**
	Sponsorship, bursaries and prizes	555	1,479	(1,678)	(17)	**339**
	Outreach and Access fund	479	425	(438)	-	**466**
	Ballet and artistic funds	378	274	(331)	(48)	**273**
	Healthcare	1,018	306	(542)	-	**782**
	Equipment	65	-	(33)	-	**32**
	Intensive Courses	120	200	(66)	65	**319**
	Equal Opportunities	-	270	(30)	-	**240**
		2,690	10,504	(3,197)	-	**9,997**

Restricted funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. A significant proportion of donations are received in the current in advance of expenditure in the following year.

Capital projects

This donation is to fund the development of the White Lodge estate.

Special projects

The balance on this fund is to enable full-time students to broaden their educational experience through the development of professional and life skills and supporting cultural trips. We are also holding funds here to spend on events, particularly our Centenary events in 2026.

Sponsorship, bursaries and prizes
This fund includes donations for financial support for full-time students, Associates and Summer School students and some prizes. All support is means-tested apart from a small number of scholarships. The School awards places based only on talent, so this support is particularly crucial to help fund overseas students, which raises the standard for all students and allows the School to maintain its place as one of the best classical ballet schools in the world.

Outreach and Access
This fund represents grants from the Department for Education, Trusts and Foundations and other donors to further the aims and objectives of the School's Outreach and Access programme.

Ballet and artistic funds
These donations are restricted for performances and new ballets, graduate tours, choreography and the Creative Artist Programme, which all help add breadth and depth to student training.

Healthcare
This donation is to help the School improve its healthcare provision for three years, through the Healthy Dancer programme.

Equipment
Donations have been received to fund the updating of the technical equipment in the Margot Fonteyn Theatre at White Lodge, and Smart screens for classrooms to allow academic teaching across the two School sites.

Intensive Courses
This fund is to support the expansion of the Intensive Course programme into Hong Kong and Japan and provide financial assistance to students from Hong Kong and Japan who may otherwise be unable to pay for the course.

Equal Opportunities

This fund is to offer needs-based, additional financial support to full-time students over and above fee bursaries. The fund aims to ensure equity of experience for each students, regardless of their background.

19 Group allocation of assets by fund type

	Unrestricted general fund £000	Unrestricted designated funds £000	Restricted funds £000	**Total 2024 £000**
Fixed assets	2,603	32,260	-	**34,863**
Stock	97	-	-	**97**
Debtors	897	-	-	**897**
Cash at bank	(463)	414	9,992	**9,943**
Creditors: due within one year	(2,146)	-	-	**(2,146)**
Creditors: due after one year	(159)	-	-	**(159)**
	829	32,674	9,992	**43,495**

Group allocation of assets by fund type 2022-23

	Unrestricted general fund £000	Unrestricted designated funds £000	Restricted funds £000	**Total 2023 £000**
Fixed assets	3,504	32,826	-	**36,330**
Stock	114	-	-	**114**
Debtors	897	-	-	**897**
Cash at bank	1,454	949	9,997	**12,400**
Creditors: due within one year	(3,099)	-	-	**(3,099)**
Creditors: due after one year	(190)	-	-	**(190)**
	2,680	33,775	9,997	**46,452**

20 Liability of members

The Charitable company is limited by guarantee and does not have a share capital. In the event of the Company being wound up, the maximum amount which each member is liable to contribute is £1. There were 17 (2023:15) members at the year-end who are the Governors of the School.

21 Commitments under operating leases

	2024	2023
	£000	£000
The total of future minimum lease payments under operating leases for each of the following periods:		
Not later than one year	**231**	190
Later than one year and not later than five years	**787**	662
Later than five years	**-**	-
	1,018	852

22 Related party transactions

TRBS Enterprises Limited
The subsidiary charity trades by hiring out School premises at times when they are not required by the School. During the year the following transactions were made with the School:

The School recharged £298,735 (2023: £171,941) of costs for staff time and other costs directly related to the activities of the subsidiary. The School charged licence fees of £1,000 (2023: £1,000) to the subsidiary.

At the end of the year the School was owed £695,389 by the subsidiary. In the charity only accounts, an impairment of £500,000 against the inter-company balance was put through in the year because, whilst the School foresee full repayment of the balance in the long term, the School have adopted a prudent approach in the current year, see note 13 (2023: £319,548).

The Royal Ballet School Endowment Fund
The connected charity The Royal Ballet School Endowment Fund provides funding and facilities for the students of The Royal Ballet School. During the year the following transactions were made with the School:

The School received grants of £578,000 (2023: £575,000) from the Endowment Fund. The grants paid for bursaries for students for School fees, The Royal Ballet School collection and a grant for our Associate Programmes in Birmingham, Bath and Totnes.

The School does not charge the Endowment Fund for staff time for administering the charity.

At the end of the year the School owed £309 to the Endowment Fund (2023: £nil).

Governors of The Royal Ballet School
Five Governors claimed travel and subsistence expenses of £660 in the year from the School (2023: One Governor, £147), as disclosed in note 11. The total amount of donations received from Governors in the year was £184,501 (2023: £164,075). None of the Governors' donations were given with conditions that required the charity to alter the nature of its existing activities.

23 Taxation

As a registered charity, The Royal Ballet School is potentially exempt from taxation of income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 and section 521 to 536 of the Income Tax Act 2007.

24 Pension commitments

The School operates a group personal pension scheme and also a defined benefit scheme which was closed to future accrual on 31 August 2012, known as The Royal Ballet School Pension and Life Assurance Plan.

Until 31 March 2023, the School participated in the Teachers' Pension Scheme. From 1 April 2023, teaching staff moved to the group personal pension scheme.

Group personal pension scheme
Contributions for the group personal pension scheme are charged to expenditure in the accounting period in which they are payable. Pension charges for the year were £584,000 (2023: £584,000).

Teachers' Pension Scheme
The pension charge for the year includes contributions payable to the TPS of £nil (2023: £165,000).

The Royal Ballet School Pension and Life Assurance Plan (the "Plan")
This defined benefit pension scheme provides benefits based on pensionable pay up to 31 August 2012 when the Scheme ceased accrual. The assets of the Plan are held separately from those of the School, being invested with Clerical Medical and General Life Assurance Society in their Pension Contract.

Contributions and triennial valuations
The contributions are recommended by an independent qualified actuary from Clerical Medical on the basis of triennial valuations carried out by the actuary on behalf of the Trustees of the Plan.
The most recent triennial valuation was as at 1 September 2022. The market value of the Plan's assets was £7,451,000 and the benefits accrued to members were £7,527,000, giving a funding deficit of £76,000 and a funding level of 99%. The actuarial assumptions underlying this valuation are different to those adopted under FRS 102 included in these financial statements.

The Trustees have agreed with the School that contributions will continue at £3,917 per month from 1 September 2023 to improve the funding level in the Plan to address the deficit. In the year to 31 August 2024, £35,253 (2023: £47,004) was paid and the deficit was repaid in the year.

The funding position of the Plan and contributions to be paid will be reviewed again at the next triennial valuation due as at 1 September 2025.

Valuation for these financial statements under FRS 102
The Plan was valued at the end of the reporting period by a qualified Independent Actuary in accordance with Financial Reporting Standard 102, and the following notes 24a to 24i relate to this valuation. This valuation has different actuarial assumptions to the triennial valuation.

24a The principal actuarial assumptions at the end of the reporting period (expressed as weighted averages):

	2024	**2023**
	£000	**£000**
Discount rate	**4.9%**	5.2%
RPI assumption	**3.4%**	3.5%
CPI assumption	**2.9%**	2.9%
LPI pension increases	**3.2%**	3.3%

The underlying mortality assumption is based upon the standard table known as S3PxA projected on a year of birth basis with CMI_2023 future improvement factors and a long-term rate of future improvements with 1.25% p.a. (2023: S3PxA with CMI_2022 future improvement factors and a long-term future rate of improvement of 1.25% p.a.). This results in the following life expectancies:

	Years	Years
Life expectancy for 60-year-old female	**88.8**	88.7
Life expectancy for 45-year-old female	**89.9**	89.8

24b The amounts recognised in the balance sheet:

	2024	2023
	£000	£000
Present value of Plan liabilities	**(2,342)**	(2,043)
Market value of Plan assets	**2,646**	2,559
Restrictions on recoverable surplus	**(304)**	(516)
Net defined benefit liability	**-**	-

24c Amounts included within the Statement of Financial Activities (SOFA):

	2024	2023
	£000	£000
Current service cost	**-**	-
Interest on net defined benefit asset	**-**	(1)
Past service cost	**-**	-
Total amount charged within net incoming resources	**-**	(1)

24d Changes in the present value of Plan liabilities:

	2024	2023
	£000	£000
Present value of scheme liabilities at beginning of the year	**(2,043)**	(2,556)
Past service cost	**-**	-
Benefits paid	**-**	58
Interest on Plan liabilities	**(106)**	(106)
Actuarial loss/ (gain)	**(193)**	561
Present value of Plan liabilities at end of the year	**(2,342)**	(2,043)

24e Changes in the fair value of Plan assets:

	2024	2023
	£000	£000
Market value of Plan assets at beginning of the reporting period	**2,559**	2,497
Employer contributions	**35**	47
Benefits paid	**-**	(58)
Interest on Plan assets	**134**	105
Return on assets, less interest included in the SOFA	**(82)**	(32)
Market value of the Plan assets at the end of the reporting period	**2,646**	2,559
Actual return on Plan assets	**52**	73

24f The major categories of Plan assets as a percentage of total Plan assets:

	2024	2023
Group pension contract	**100%**	100%
Cash	**0%**	0%

The Plan had no investments in property occupied by, assets used by or financial instruments issued by the School.

24g Analysis of the measurement of the net defined benefit liability recognised in Other recognised losses in the SOFA:

	2024	2023
	£000	£000
Return on assets, less interest included in the SOFA	**(82)**	(32)
Experience gains and losses arising on Plan liabilities	**(97)**	32
Changes in assumptions underlying the present value of Plan liabilities	**144**	13
Actuarial (loss)/gain recognised in Other recognised losses	**(35)**	13

24h Movement in surplus/(deficit) during the year

	2024	2023
	£000	£000
Deficit in the scheme at the beginning of the year	**-**	(59)
Interest recognised in the SOFA	**-**	(1)
Employer contributions	**35**	47
Actuarial (loss)/gain recognised in Other recognised losses in the SOFA	**(35)**	529
Surplus/(Deficit) in the scheme at the end of the year	**-**	516

25 Consolidated statement of financial activities – comparative figures for the prior period by fund

	Note	Unrestricted Funds		Restricted Funds	Total Funds
		General	Designated		2023
		£000	£000	£000	£000
Income from:					
Charitable activities	2	9,556	-	-	**9,556**
Donations	3	982	-	10,504	**11,486**
Other income	4	417	-	-	**417**
Total income		10,955	-	10,504	**21,459**
Expenditure on:					
Raising funds					
Development and fundraising		1,021	-	32	**1,053**
		1,021	-	32	**1,053**
Charitable activities					
Teaching		2,914	-	370	**3,284**
Pastoral and welfare		990	-	578	**1,568**
Outreach and partnership		814	-	438	**1,252**
Intensive Courses		473	-	66	**539**
Premises		4,027	1,015	33	**5,075**
Support and governance	8,9	2,085	1	2	**2,088**
Grants and prizes	10	(3)	-	1,678	**1,675**
		11,300	1,016	3,165	**15,481**
Total expenditure	7	12,321	1,016	3,197	**16,534**
Net income / (expenditure)		(1,366)	(1,016)	7,307	**4,925**
Transfers between funds	17,18	-	-	-	**-**
Other recognised losses					
Actuarial (loss)/gain on defined benefit pension scheme	24g	13	-	-	13
Net movement in funds		(1,353)	(1,016)	7,307	**4,938**
Total funds brought forward		4,033	34,791	2,690	**41,514**
Total funds carried forward	17,18	2,680	33,775	9,997	**46,452**

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Activities

THE ROYAL BALLET SCHOOL

England & Wales - Charity number 214364

Accounts

Royal Ballet School
Annual report and financial statements
for the year ended
31 August 2023

Charity registration number: 214364
Company registration number: 547018
Principal and registered office: 46 Floral Street, London WC2E 9DA

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PRINCIPAL ADDRESSES

UPPER SCHOOL (Years 12-14)
The Royal Ballet School
46 Floral Street
Covent Garden
London
WC2E 9DA

WHITE LODGE (Years 7-11)
The Royal Ballet School
White Lodge
Richmond Park
Richmond
TW10 5HR

ADVISORS

AUDITORS:
Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

BANKERS:
Barclays Bank Plc
Education Team
Level 28, Churchill Place
London E14 5HP

SOLICITORS:
Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol BS1 4QA

Sheridans
76 Wardour Street
London
W1F 0UR

INSURANCE BROKER
Circle Insurance
118 Holyhead Road
Coventry
CV1 3LY

FINANCIAL ADVISORS
Origin Financial Services

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of Royal Ballet School (the School) are the School's Charity Trustees under charity law and the Directors of the Charitable Company.

Detailed below are the Governors who served in office during the year and subsequently:

Christopher Rodrigues CBE (Chairman - resigned on 11 January 2024)
Anna Birkett (Deputy Chair until 11 January 2024 and interim Chairman from 12 January 2024)
Suzi Brennan (Deputy Chair)
Carlos Acosta CBE
Justin Albert (resigned 19 July 2023)
Delia Barker
Mary Breen (appointed 20 June 2023)
Tom Clementi
Annie Davis (appointed 20 June 2023)
Richard Dennen (appointed 16 November 2022)
David Ebstein
Janet Lambert (resigned 11 October 2022)
Menna McGregor (resigned 20 June 2023)
Kevin O'Hare CBE
Craig Ranson
Zita Saurel
Nishi Somaiya
Stephen Spurr (resigned 20 June 2023)
Kenneth Steele (resigned 11 October 2022)
Susan Wijeratna

Lady Sainsbury CBE is Governor Emerita of the School.

COMPANY SECRETARY
Pippa Adamson

EXECUTIVE LEADERSHIP TEAM

The Executive Leadership Team are responsible for the day-to-day running of the School. They are:

ARTISTIC DIRECTOR & CHIEF EXECUTIVE OFFICER
Christopher Powney

ACADEMIC & PASTORAL PRINCIPAL
David Gajadharsingh

CHIEF OPERATING OFFICER
Pippa Adamson

COMMERCIAL DIRECTOR
Carol Dray

INTRODUCTION FROM THE CHAIRMAN

The Royal Ballet School exists to deliver excellence in dance through our graduating students, their artistic and academic development, our teacher training, our outreach programmes and our student performances.

In all respects we had a magnificent year thanks to the diligence and commitment of our students and staff.

Our young dancers demonstrate their technical brilliance and remarkable artistry in performances throughout the year. They also demonstrate their hunger to grow and learn each day in class. Those of us who are lucky enough to witness this can attest that it is something special. The students are guided and supported by a team of devoted, passionate people who truly want the best for them, know how to nurture mind and body, and always go above and beyond.

I want to congratulate David Gajadharsingh and his team for the outstanding ISI inspection result of November 2022. The Royal Ballet School was rated excellent against all three ISI criteria: academic performance, artistic performance, and student care. This is a tremendous achievement and a testament to our commitment to nurturing students fit for the stage and fit for today's world.

I'm also delighted to see our digital programmes go from strength to strength as we widen access across cultural, social and economic backgrounds. This year, our online programme for primary school children, Primary Steps on Demand, and our innovative programme for recreational dance teachers, the Affiliate Training and Assessment Programme, were joined by Intensive Courses on Demand, a suite of online classes and courses for dance students to enjoy at home. For the very first time, this makes the expert teaching, for which the School is known, available to all dance students worldwide.

Nonetheless, the School currently faces considerable challenges. Our financial ambition is to break even in the core school each year, but as we battle an uncertain economic environment, high inflation, and a cost-of-living crisis, this is more difficult than ever. I am proud that admission to the School remains based solely on talent and potential, never financial means. Around 90% of the School's full-time students each year receive bursary support to attend the School. As economic circumstances have impacted our student families and their ability to pay fees, the costs of student bursaries have increased to a much greater level than ever before.

Bursaries alone do not cover the cost of participating fully in school life. Many students require additional support. I want to thank those generous benefactors who donated to our newly launched Equal Opportunities Fund this year. It pays for items not covered by a student's grant or bursary and helps ensures all our students benefit from the full Royal Ballet School experience.

As we move towards the School's centenary in 2026, in addition to addressing the School's financial challenges, we are reviewing the wider question of our role in shaping future generations of students.

Our review must respond to the changing needs of today's children and their families and the ways in which these needs are being influenced by broader changes in society. We must strike the right balance between the demands of elite training and effective support for the whole child. We must resolve how to harness technology to extend our reach and we need to continue our work with the wider industry exploring common issues including inclusion and the place of classical ballet in our changing world.

This challenging agenda is essential if the School is to lead the way as a centre of excellence for classical ballet in our second century. We are committed to doing what it takes. Our visionary founder, Dame Ninette de Valois, would expect no less of us.

I warmly welcome our newest governors, Mary Breen, Annie Davis and Richard Dennen, who joined us this year. Thank you to outgoing governors Justin Albert, Janet Lambert, Menna McGregor, Stephen Spurr and Kenneth Steele, and to all our governors and staff for their valuable expertise and commitment.

Finally, thank you to our supporters, who make an immediate and tangible difference to the work of the School and the lives of its students, allowing us to transcend limitations and sustain the School into an even brighter future.

Christopher Rodrigues

REPORT FROM THE ARTISTIC DIRECTOR & CEO

In 2022/23, we achieved the astonishing feat once more of 100% of graduating students securing a professional contract with a ballet company.

This is an exceptional accomplishment for students whose training has been significantly impacted by a global pandemic. Six joined The Royal Ballet as Aud Jebsen Young Dancers, and four joined Birmingham Royal Ballet. 14 others joined prestigious companies across Europe, the United States and Canada. My congratulations to them all, I wish them every success and happiness in their careers.

Before they embarked on their next chapter, they completed their training with a storming Summer Performance season. Students from all years of the School performed 17 times across five venues, including at the Next Generation Festival at the Royal Opera House's Linbury Theatre, Opera Holland Park, and triumphantly on the Royal Opera House main stage.

What a joy and privilege it is for our students and team to work with a diverse range of artists, choreographers, and rehearsal directors for these performances each year. The School honoured its close connections with The Royal Ballet companies, from Carlos Acosta coaching students through his Vision Scene from *Don Quixote* to School alumnus Christopher Wheeldon staging his mesmerising *Within the Golden Hour* and works by both Kenneth MacMillan (*The Four Seasons)* and Frederick Ashton *(The Two Pigeons)*. We celebrated accomplished alumni, performing *Sechs Tänze* by Jiří Kylián and a brand-new work created on our students by Mikaela Polley, *Fast Blue.* Students also gave breathtaking accounts of works by Robert Battle, Tom Bosma, August Bournonville, and Goyo Montero, and new pieces by Mark Annear, Karen Berry, Donna Makins and Morgann Runacre-Temple.

Elsewhere, our work to widen access to ballet education and create more opportunities for people to experience dance grew. In September 2022, we opened our first Primary Steps centre in Wales, inviting Year 3 students in six Cardiff partner schools to participate in weekly creative ballet workshops. We celebrated one year of Primary Steps on Demand, an on-demand programme that uses the School's expertise to enable all primary school teachers to incorporate dance easily into their classrooms. We also held our first non-selective Intensive Courses in the UK, welcoming nearly 300 students to London, Manchester and Leeds for classes in classical ballet technique and developing artistry.

We continued our mission to empower all dance teachers to deliver exceptional training, using educational practice relevant and enriching to today's child. We were thrilled that our first cohort of 29 trainee Affiliate teachers all succeeded in gaining full Affiliate status, bringing The Royal Ballet School's unique holistic teaching ethos to their private or recreational dance schools in the UK and overseas. Two more cohorts have now commenced their training, taking this groundbreaking programme from strength to strength.

As a world leader in classical ballet training, we've worked with experts across our industry to share best practices and develop what we do. We partnered with Podium Analytics and The University of Essex to unlock further advances in performance science and reduce injury rate in young dancers. I accompanied students and staff to Canada in May to represent the School at Assemblée Internationale 2023. Established by Canada's National Ballet School, the event brought together the

global ballet training community to find strategies to advance equity in our art form, specifically focusing on anti-Black racism.

I'd like to thank three extraordinary members of the Artistic staff, Zhan Atymtayev, Daria Klimentová and Kenta Kura, who left the School at the close of the 2022/23 academic year after a collective 28 years of Royal Ballet School teaching, to pursue other exciting opportunities. Thank you as ever to our entire staff team, who work tremendously hard to achieve the best outcomes for all our students and to achieve the School's objectives.

My personal thanks to our Chair, Christopher Rodrigues, and our faithful Governors, collaborators, and partners. Finally, to our steadfast supporters, without whom none of this would be possible.

Christopher Powney

AIMS AND OBJECTIVES OF CHARITY

OUR VISION

Our vision is to be the best classical ballet school in the world.

OUR MISSION

Our mission is to nurture, train and educate exceptional young dancers for the Royal Ballet companies and other leading UK and international companies and to inspire the future of classical ballet training.

OUR VALUES

1. STRIVING FOR EXCELLENCE
The Royal Ballet School is always working towards excellence in everything we do. We bring the utmost integrity, passion and dedication to our work, always. Through our constant drive to achieve the highest standards, we set the standard for others, enriching and inspiring our sector and defining its future.

2. NURTURING INDIVIDUALS
We believe in the unique potential of each individual. We nurture each human holistically, equipping them with the tools they need to shape their futures as healthy, resilient human beings. We are committed to equity and ensuring all individuals have what they need to reach their potential. We cultivate supportive, nourishing environments built on trust, respect, open communication and kindness.

3. ACTIVELY WIDENING ACCESS
Ballet and creative dance education should be accessible to all. We work proactively to create opportunities for people to engage with ballet wherever we can and to expand our reach across the UK and globally, including through digital access. It is particularly important to us to work to improve access routes to ballet in areas with little access to arts education.

4. OUR HERITAGE NOURISHES OUR FUTURE
We have a rich and unique heritage and we champion ballet excellence throughout the ages, respecting, preserving and honouring what has gone before, while also valuing our history as instructive, enabling us to acknowledge, learn and develop. Our heritage is the foundation from which we sustain and evolve the School and reach outwards, impacting our sector and society as a whole.

5. ALWAYS INNOVATING
We are a bold, forward-thinking organisation, dedicated to continuous evolution. We take an innovative, pioneering outlook, committed to creative thinking to ensure we remain at the forefront of all we do. We act as thought leaders and contribute to setting the agenda for classical ballet globally. We actively seek to work with other individuals and organisations, sharing knowledge and building on our research collaboratively.

CHARITABLE ACTIVITIES

As well as full-time training, The Royal Ballet School offers various programmes to engage with and train in classical ballet.

The Artistic Director of The Royal Ballet School, The Royal Ballet and Birmingham Royal Ballet work closely together. The School benefits from the Artistic Directors of both companies being Governors of the School—their commitment and input into the School as Governors and as industry advisors are invaluable.

FULL TIME STUDENT TRAINING

The School is located across two sites: White Lodge in Richmond Park is a boarding school for 11 to 16-year-olds, and Upper School in Covent Garden trains students aged 16 to 19. Upper School students board at Aud Jebsen Hall in Pimlico and Jebsen House in Covent Garden.

Training is split across four programmes, each tailored to support the training needs of a specific cohort of students.

- Foundation Programme for Years 7-9;
- Development Programme for Years 10-11;
- Vocational Programme for Years 12-13; and
- Pre-professional Programme (Year 14).

ASSOCIATE TRAINING

The School provides dance training to young Associate students, introducing them to the School's System of Training. Many Associate students go on to gain a full-time place at the School. Classes are run over weekends during term time, with additional workshops throughout the year.

- Junior Associate classes for ages 8 to 11 are run at nine centres across the United Kingdom;
- Mid Associate classes for ages 11-14 are held in six centres across the United Kingdom;
- Senior Associates classes for ages 14 to 16 are held in London and Birmingham; and
- Advanced Associate classes for 16 to 18-year-olds are held in London.

INSIGHT AND ACCESS OPPORTUNITIES

The School invites young dancers aged between 8 and 15 years to attend special events around the country and online. Insight opportunities include experiencing a typical Associate lesson, learning what it is like to audition for the School and giving primary and secondary schools a behind-the-scenes look at classical ballet training.

INTENSIVE COURSES AND MASTERCLASSES

The Intensive Course and Masterclass Programme offers young people aged 10 to 20 the opportunity to experience Royal Ballet School training. Courses are held in the UK and overseas.

Typically, intensive courses run from one to five weeks. UK intensive courses are held at White Lodge and Upper School and are a mix of non-residential and residential. Those attending residential courses in the UK can experience life at the School alongside training.

Masterclasses are held on a single day and are open to any young person who wants to experience Royal Ballet School training.

PRIMARY STEPS

The Primary Steps programme introduces primary school children to classical ballet through regular dance classes. Classes are delivered in person or through a high-quality, on-demand platform. The programme gives thousands of children access to ballet education, targeting areas of social, economic and cultural diversity.

The in-person programme offers insight sessions for large groups of school children in five specific areas of the UK. These sessions are followed by a three-year, creative ballet training programme for selected children who would not otherwise have the opportunity.

Primary Steps on Demand makes high-quality creative dance education from The Royal Ballet School available to all primary schools. The programme provides educators with everything they need to integrate ballet education into their curriculum without any dance teaching experience. The programme is developed to be accessible to all, including those with special educational needs or physical disabilities. It uses inclusive language and content.

DIPLOMA OF DANCE TEACHING

The Royal Ballet School's Diploma of Dance Teaching is a two-year part-time course that trains professional dancers and teachers to teach classical ballet at a vocational and pre-professional level to a world-class standard. The course provides a sound foundation in technical and creative approaches to teaching ballet to a broad range of students using the School's vocational vocabulary and methodology and drawing on the most recent relevant pedagogy.

PROFESSIONAL DEVELOPMENT

The Royal Ballet School offers a wide range of professional development opportunities to dance teachers in the UK and worldwide.

Inspire seminars support the professional development of teachers from all backgrounds and levels of experience. Alongside giving teachers a comprehensive understanding of the teaching of classical ballet technique, the seminars offer fresh, innovative ideas to guide teachers in their approach. They are non-syllabus-based and grounded in good teaching practice.

Enlighten webinars provide invaluable insight and information surrounding all aspects of dance teaching and learning and are taught online by expert staff. The webinars draw on the School's heritage and knowledge as a world leader in dance training and education.

AFFILIATE TRAINING AND ASSESSMENT PROGRAMME

The Affiliate Training and Assessment Programme (ATAP) extends the School's System of Training to recreational dance teachers, driving the standard of recreational dance training and keeping pace with the changing needs of the art form.

ATAP offers an alternative to the current model of examination study offered by recreational dance organisations. It is based on providing high-quality training rather than student examination. Affiliate Teachers are empowered with the responsibility for guiding and assessing their own students' learning and have autonomy in their approach, providing teachers with ongoing professional development and greater creative and professional fulfilment.

EQUITY DIVERSITY AND INCLUSION

The Royal Ballet School is committed to creating and nurturing a community where each student and staff member is valued equally. We are proud that admission to the School has, for many years, been based solely on talent and potential. The Royal Ballet School is committed to being accessible regardless of cultural, social and economic backgrounds.

ACADEMIC EDUCATION

The Royal Ballet School is a non-selective school for academic education, and students arrive with differing educational needs. The School believes students become better creative artists using their brains and bodies. Academic work is of equal importance to artistic training.

We are delighted that, once again, our students have performed well in their academic examinations.

BA (HONS): CLASSICAL BALLET AND DANCE PERFORMANCE

(Validated by The University of Roehampton)

Year 14 (Pre-professional) was the third cohort to complete the BA (Hons) degree. There were 15 entries, of which 13 were awarded 1st Class Honours, and the remaining two were classed as Upper Second, 2:1.

FOUNDATION DEGREE: CLASSICAL BALLET AND DANCE PERFORMANCE

(Validated by The University of Roehampton)

The foundation degree is completed by our Year 13 students (2nd Year). We were delighted that 24 of our 25 candidates achieved a Distinction. The remaining candidate was awarded a Merit.

EXTENDED PROJECT QUALIFICATION (EPQ) RESULTS

As part of the academic enrichment programme at the Upper School, students may choose to study a range of academic and vocational courses in addition to the degree. One of the options is the Extended Project Qualification. This is organised and supervised by the academic team. There were nine entries, of which one gained an A*, four gained an A, and four two earned Cs.

GCSE

The assessment of GCSE examinations returned to pre-COVID norms with a national picture of suppressed results. There were 182 exam entries, of which 96% received a Grade 4-9 with a 100% pass rate. The value-added score was 0.47. Broadly, the value-add score measures how well the students have done, on average, against what their ability suggests that they might achieve against students of similar ability nationally. For example, a positive result of 0.5 indicates that overall, the students scored, on average, 0.5 grades higher in each subject than other students of similar ability nationally.

ADDITIONAL ACADEMIC STUDY

We offer a range of online self-study courses, including A-Levels, GCSEs and Quality Learning Scheme courses in our Academic enrichment programme at the Upper School.

STUDENT WELLBEING

Excellent physical and mental healthcare is vital for students to achieve their potential as a dancer. The School is committed to caring for its students holistically so that they become healthy, resilient humans, able to succeed in whichever path they choose to pursue.

- The School is committed to the highest standards of training. This includes how teachers and students behave in and out of the studio. Each year, teachers and students commit to a set of behaviour expectations displayed around the School and in every studio.
- Visiting teachers, repetiteurs and choreographers receive a personalised induction into safeguarding and studio behaviours before they start work with our students.
- Our safeguarding team work closely with The Royal Ballet and Birmingham Royal Ballet to ensure the highest standards of safeguarding while our students work with the companies.
- Students can access an online, anonymous reporting system to raise concerns over any pastoral or safeguarding issues.
- Staff have access to a reporting system to raise concerns about the welfare of any student in the School's care.
- All students are supplied with private medical cover. This ensures that students can access immediate specialist healthcare regardless of financial means.
- The School is proud of its commitment to mental wellbeing. Students can access in-house counsellors on both sites through referral or self-referral.
- The School supports students in taking age-appropriate responsibility for monitoring their own well-being as part of their training.
- Daily wellness monitoring is done via an App which allows students to log data, such as sleep quality and hydration quickly and simply.
- The School is committed to creating a nurturing environment where all students feel welcome regardless of background. The School has a uniform and hair policy that embraces different student ethnicities.
- Hardship bursaries are available to students to ensure they can participate fully in school life. Bursaries provide students with discreet, needs-specific support tailored to their specific circumstances.
- In this academic year, all students were provided with ballet shoes free of charge. All students entering Year 7 are issued with a School iPad, providing equal access to technology. Music bursaries are available to students wishing to take singing lessons or learn an instrument. Funds are also provided for cultural trips and to see performances.

TRAINING AND ACCESS

The Training and Access Team deliver a wide range of programmes outside the full-time student training.

In 2022/23:

- we trained 605 Associate students; 24 were offered a place to join the School for full time training from September 2023;
- 529 young people participated in an Insight Day;
- 1,762 participants joined an Intensive Course or masterclass;
- 213 students took part in the Audition Insight Day in 2022 either in-person or on-line;
- 277 teachers joined an Inspire seminar or Enlighten webinar;
- We enrolled and trained 35 teachers in the new Affiliate Teacher Training Programme;
- 46 teachers achieved affiliate status for ATAP from the 2021/22 and 2022/23 cohorts;
- 1,818 primary school students were offered a creative dance workshop as part of the Primary Steps Programme; and
- Of the Year 6 students who completed three years training through Primary Steps, 10 have kept dancing on a regular basis.

FUNDRAISING

Fundraising is an essential part of the School finances without which we could not offer support, training and performance opportunities to so many students and young people.

Total donations were £11,486,000 (2022: £3,245,000) which included £1,131,000 of government grants (2022: £1,131,000) and £7,500,000 to support the development of the White Lodge estate.

This year, our generous donors funded:

• Student support	£1,677,000
• Intensive courses and masterclasses	£66,267
• Performance and artistic programme	£331,000
• Primary Steps Programme	£438,000
• The Healthy Dancer Programme	£575,000
• The development of the School's digital programme	£30,000
• One-off projects	£49,330
• General support for the School	£982,000

Direct expenditure on fundraising is kept to a minimum. Non-staff costs were £40,518 (2022: £15,000) increasing to £260,000 (2022: £178,000) with staff costs included. This amounts to 2.6% of donated income. Last year, the School invested in additional fundraising resources and restored the number of donor events to pre-COVID levels.

The School's Development Team carries out all fundraising with support from members of the Development Committee and Governors. The school does not engage with any external third-party fundraisers. Governors receive regular updates on fundraising regulations and guidance from the Head of Development and the Development Committee.

The School abides by the appropriate code of conduct for all its fundraising, considering the issues raised in the Etherington Review into Charity Fundraising Practice issued in September 2015, which emphasised donor experience. The School takes its responsibility to anyone who might be vulnerable very seriously and will continue to consider this in the Charity's approach to fundraising activity. The School does not engage in any cold-calling or put pressure on an individual to donate funds, property or other assets.

There have been no complaints in the period regarding inappropriate or intrusive contact.

FINANCIAL REVIEW

Each year, the School's financial objective is to break even across the total of its activities. However, it has been increasingly difficult to meet this objective as high inflationary pressures bite.

The School's core costs, above those of staff are catering and premises. This were particularly affected by inflation in the year impacting the financial outturn. A one-off donation of £7,500,000 towards the development of the White Lodge estate, masks the underlying outturn of a £1,921,000 deficit.

In the day to day operations before transfers, some depreciation and pension revaluation, the charity delivered a £999,000 loss. This includes £982,000 of donation support.

INCOME

The School only makes offers of full-time training to those who have the potential to become excellent dancers, so our ability to fill places depends on the calibre of applicants. In the year the School exceeded its target to have 220 students in the School.

After three years of reduced activity, the School returned to normal operations post-COVID. A full range of access and training opportunities were provided alongside full-time training and the Associate programme. Income from charitable activities rose to £9,556,000 (2022: £9,229,000).

Unrestricted income of £10,737,000 (£2022: £10,378,000) was supplemented by restricted income of £10,504,000 (2022: £1,796,000) totalling £21,241,000 (2022: £12,534,000). Restricted income was enhanced by £7,500,000 towards the redevelopment of White Lodge.

EXPENDITURE

During the year, expenditure was closely monitored and well controlled. The School's main costs relate to staffing, premises and food and these are generally fixed in nature. Specific programme costs or donor-funded activities vary annually and typically, have matching income streams. Total expenditure for the year was £16,161,000 (2022: £14,279,000); the increase was due to the reintroduction of a full programme of activities in the year, the high inflationary environment and some essential maintenance and repairs to premises.

The costs of bursaries increased by £349,000 as more families required support and to a greater level than before. The Music and Dance Scheme supports eligible students with the costs of fees, but post-Brexit, European students no longer qualify for UK government support and donor support is required. Each year, circa 90% of the School's full-time students require bursary support to attend the School, and without this, the School would be unable to fill the available places. Hardship and Equity support was provided to all families with the costs of ballet shoes. Further support was provided to selected families whose needs were greater.

The total costs of raising funds remained low at £710,000 (2022: £520,000) which amounted to 3.4% of donated income. This figure includes expenditure on fundraising and all marketing and communications activity. The increase in costs relates to the investment in additional staff.

PENSION PROVISION

Although the defined benefit pension scheme is now closed for future accrual, it remains a significant risk for the School, particularly as the scheme reaches the end of its life circa 2034.

The triennial valuation continues to be used to calculate any repayments required, and these

payments are incorporated into the longer-term financial planning of the School so that these commitments can be met as they fall due in the future.

A designated fund of £450,000 has been set aside to meet the cash commitments of purchasing member annuities.

PLANS FOR FUTURE PERIODS

The School's most immediate need is to ensure its financial sustainability through the next few years. The School's business model that relies on Government investment in a period of high inflation, pressure on government spending and uncertainty around changes in legislation to VAT on school fees and business rates relief.

Alongside the financial discussions sit wider questions of

- finding the right balance between elite training requirements and effective support for the whole child;
- supporting young people who do not make it through the School;
- the environmental, social and governance agenda;
- the place of ballet today and in the future;

The Board of Governors and the School Executive are active in its consideration of these issues and continue to develop strategies to address them. Committees are focused on specific areas to address.

Alongside strategic planning, in 2023/24, the School will:

- embed changes to the assessment and reporting for students;
- will implement recommendations to enhance the healthcare provision;
- will continue to work with UK and International schools on industry issues such as diversity, body form and gender; and
- continue to embed technology into artistic training, academic teaching and student administration.

FUNDS AND RESERVES POLICY

The School's unrestricted general reserves at the year-end amount to £2,826,000 (2022: £4,054,000). Amounts designated for depreciation on property assets, maintenance and pension funds total £33,775,000 (2022: £34,791,000). Adding in restricted funds of £9,997,000 (2022: £2,690,000) bring total reserves to £46,598,000 (2022: £41,535,000).

The unrestricted general fund is held to provide financial stability to the School while making sure that funds are used to achieve the School's aims wherever possible. The general fund allows the School to meet its financial obligations and operate its business while managing risks and funding future work and development. The level of the unrestricted funds, less those set aside for depreciation and the pension deficit under the most recent triennial valuation at the year-end, is £3,268,000, equivalent to 3.0 months average unrestricted operating costs. At this time, the Governors, having assessed the financial stability of the School believe the level of reserves to be adequate. However, in the longer term, the focus will be to build reserves for six months.

Governors have reviewed the reserves policy in line with Charity Commission CC19 Guidance. Given

the uncertainty around funding and the economic environment, the School considers it necessary to hold reserves of a level equivalent to three to six months of operating costs.

The unrestricted designated fund has been put aside by Governors and represents the funds that are invested in property and other fixed assets for the use of the School and are therefore not available for other purposes. A further unrestricted designated fund is set aside for the Clerical Medical pension fund deficit. The fund will be used to manage expected cash flows for purchases member annuities over the remaining life of the scheme. The designated fund of £500,000 for the White Lodge Building Maintenance Fund, will be used to redevelop the White Lodge site.

Restricted funds are the balance of unspent funds received subject to specific conditions imposed by the donors and are held separately to be spent in future periods.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors are responsible for managing the risks the School faces. The Board reviews the risk register and major risks regularly. The major risks identified include the following:

- managing the School in an uncertain economic environment with high inflation and the cost of living crisis. Specifically, the impact on student families and their ability to pay fees as well as attracting staff to live and work in London;
- reduced levels of funding from the DfE in the face of stretched public finances;
- potential changes to VAT legislation, charging VAT on school fees; and
- managing safeguarding to ensure that students and staff understand how to identify risk and how and when to raise a concern, and are confident to come forward.

It is recognised that systems can only provide reasonable, but not absolute, assurance that significant risks have been adequately managed.

GOING CONCERN

Governors are acutely aware of the pressures on public funding, the current cost of living crisis and the high inflationary environment. The School's Development Team continues raising additional funds for the School and students to provide much-needed support. Equally, the Governors have invested in new commercial programmes to maximise the School's Training and Access programme while generating new revenue streams. Governors regularly review the School's management accounts, cash position and five-year forecast.

The Governors have reviewed the current position carefully to ensure the ongoing provision of schooling for the pupils and the employment of staff. There are currently significant cash balances should additional liquidity be required through this period of uncertainty. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

GOVERNANCE

The Royal Ballet School (the School) is a charitable company limited by guarantee (registered number 547018) and does not have a share capital. It is also a registered charity (number 214364).

The School was established in 1955 under a Memorandum of Association, which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The School's objects and principal activity is to train and educate full-time students for a career as classical ballet dancers.

The School has a wholly owned trading subsidiary, TRBS Enterprises Limited, which sells branded merchandise, offers on-demand training and hires out School premises, gifting its profits to the School. Consolidated accounts have not been prepared as the subsidiary's activities are immaterial, but the trading results are shown in Note 5 of the financial statements.

The Royal Ballet School Endowment Fund is a connected charity whose purpose is to provide funding and facilities for the students at The Royal Ballet School. The connected charity is a separate charity with trustees responsible for that charity and their financial statements, which are not reported on in these accounts.

The School is the official School of both The Royal Ballet and Birmingham Royal Ballet companies. As a result, it has close working relationships with both Artistic Directors and their staff. The Artistic Directors of each Company are Governors of the School.

HOW WE ARE GOVERNED

The School is governed by the Board of Governors, whose members are also directors of the Charitable Company and charity trustees. Governors hold office for an initial three-year term and may be re-elected for a further two three-year terms. On occasion and for the benefit of the Charity, Governors may be invited to remain on the Board for a further one-year term.

The Board is responsible for overseeing the strategy and policies of the School and meets formally at least three times a year, as well as holding other meetings for strategic planning discussions as required to perform its duties.

The Board of Governors during the financial year and to the date of this report are shown on page 4.

The Board has established eight standing committees which meet regularly throughout the year and report to the Board of Governors. Each Committee is chaired by a Governor and supported by a Executive Leadership Team member. Between them, these committees have a responsibility to the Board for all the major areas of accountability.

Committee	Focus/outcomes
Academic	• Core school teaching and learning standards enabling every student to fulfil their potential
Finance, Audit, Operations and Risk	• Ensuring sustainable finances, robust financial management, efficient operations and the identification and mitigation of risk
Development	• Fundraising to support the School's development, in line with philanthropic standards

Estates	• Buildings and estates fit for the School's current and future needs
Artistic	• World-class artistic standards
Student and Staff Welfare	• Physical and mental well-being of all students and staff (including safeguarding)
Governance	• Long-term organisational sustainability, including Equity, diversity and inclusion, sustainability, nominations, HR, remuneration and succession planning

The Student and Staff Welfare Committee is responsible for formal student safeguarding and has a remit to look after the interests of teachers and other staff. However, safeguarding is reported on and reviewed at every Board Meeting and remains everyone's responsibility throughout the organisation.

The Governors and Executive Officers make nominations for new Board members to the Governance Committee, who then make recommendations to the Board who elect new members. Candidates are selected based on their professional skills, knowledge, competence and experience, and Governors ensure an appropriate balance of relevant skills and expertise across the Board. There is a regular review of the Board's composition, considering the need for succession planning as existing Governors retire. Professional recruitment agencies may be used where appropriate to ensure that the broadest range of candidates is considered.

GOVERNOR TRAINING

All Governors are inducted into the governance and operations of the School through briefings with the Chairman and members of the Executive Leadership Team. All Governors are trained to Level 2 in Child Protection and Safeguarding, and at least two Governors to Level 3. Governors are issued with a copy of the AGBIS Guidelines for Governors laying out best practice in the governance of independent schools. The training needs of Governors are reviewed from time to time, and support is provided as necessary. Additionally, regular presentations and reports are made to the Governing body on critical issues of current and ongoing importance.

The Trustees adhere to the Charity Governance Code published in 2017, which sets out the principles and recommended practices for good governance within the sector.

ORGANISATIONAL MANAGEMENT

The School's day-to-day operations are managed by the Executive Leadership Team which comprises the Artistic Director, Chief Operating Officer, Academic and Pastoral Principal and Commercial Director. The Executive Leadership Team are supported by the wider Senior Leadership Team.

EMPLOYMENT POLICY

To promote an environment in which the School can call upon the broadest possible range of knowledge, skill and experience, as well as ensure compliance with the relevant legislation and codes of practice, the Royal Ballet School is committed to achieving and maintaining a workforce which represents the population within its recruitment area. The School has an equality policy to ensure fairness and equality of opportunity to all staff regardless of their status regarding age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race,

religion or belief, sex or sexual orientation.

The School regularly reviews its recruitment, promotion, training and development policies to ensure that every applicant for employment or member of staff is protected and given equal opportunity.

PUBLIC BENEFIT

The School remains committed to the aim of providing public benefit in accordance with its founding principles. The Governors have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

The School makes a significant contribution to the country's global reputation for arts and culture, specialising in classical ballet. A place at the School is open to any young person who possesses the potential and talent to become a professional classical ballet dancer, irrespective of their social or financial background. A combination of public, private and charitable funding is available to give financial support and bursaries to students, and each year, about 85% of our students receive such support. Each year, the School can offer up to 184 bursaries to qualifying students via the Department for Education's Music and Dance Scheme.

The School's Training and Access department provides national Associate programmes that offer young people regular access to classical ballet training classes and workshops. There are nine Associate centres across the United Kingdom: London, Birmingham, Bath, Manchester, Leeds, Totnes, Eastleigh, Newcastle and Dundee. All students are selected based on their potential as a classical ballet dancer rather than their ability to pay, and means-tested financial support is available irrespective of age or nationality. Donor-supported travel bursaries are made available to Associate students to support them with the costs of attending classes and valuable access to live performances at the Royal Opera House and other venues.

The Intensive Courses department delivers courses throughout the year, allowing classical ballet students to experience Royal Ballet School training. Annual courses are held at The Royal Ballet School and internationally. Courses are open to British and international students aged 10 to 20. Again, all students are selected based on their ability rather than financial means, and means-tested bursary support is available for all intensive courses.

Alongside studio-based classes, the school provides an online programme. Students from all over the world can access these classes, which cover a wide range of content for various abilities.

The School also runs a national community access programme called Primary Steps. Funded by the DfE, Primary Steps partners with state schools to offer a complete dance programme for KS2. There are five school centres for the programme around the country: Blackpool, Bury St Edmonds, Dagenham, Swindon and Mansfield. In 2022, the School made the Primary Steps programme available to all primary schools via its online platform at a cost of £3 per student per year.

Other access opportunities are available, such as demonstrations for state school students studying GSCE dance or various Insight events for the general public. A programme of professional development is available for teachers of classical ballet.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each of the Governors is aware, there is no relevant audit information of which the charitable company's auditor is unaware. Each Governor has taken all the steps they should have taken as a Governor to make themselves aware of any relevant audit information and establish that the charitable company's auditor is aware of that information.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also directors for the purposes of company law) are responsible for preparing the Governors' annual report and financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must only approve the financial statements if they are satisfied that they give a true and fair view of the charitable company's state of affairs and the charitable company's income and expenditure for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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 a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the charity's assets and, hence, for taking reasonable steps to prevent and detect fraud and other irregularities.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 19 January 2023. This approval includes the approval, in their capacity as company directors, of the Directors' and Strategic Reports contained within the Annual Report. The Annual Report is signed as authorised on behalf of the Board of Governors by:



Anna Birkett
Governor

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE ROYAL BALLET SCHOOL

OPINION

We have audited the financial statements of The Royal Ballet School for the year ended 31 August 2023 which comprise the Statement of Financial Activities, Balance Sheet, 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 income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in

the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR) and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of voluntary income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

USE OF OUR REPORT

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



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

13 March 2024

ROYAL BALLET SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
As at 31 August 2023

STATEMENT OF FINANCIAL ACTIVITIES	Note	Unrestricted Funds General £000	Unrestricted Funds Designated £000	Restricted Funds £000	**Total Funds 2023 £000**	Total Funds 2022 £000
Income from:						
Charitable activities	2	9,556	-	-	**9,556**	9,229
Donations	3	982	-	10,504	**11,486**	3,245
Other income	4	199	-	-	**199**	60
Total income		10,737	-	10,504	**21,241**	12,534
Expenditure on:						
Raising funds						
Development and fundraising		678	-	32	**710**	520
		678	-	32	**710**	520
Charitable activities						
Teaching		2,914	-	370	**3,284**	3,764
Pastoral and welfare		990	-	578	**1,568**	2,172
Outreach and partnership		814	-	438	**1,252**	1,112
Intensive Courses		473	-	66	**539**	405
Premises		4,027	1,015	33	**5,075**	3,327
Support and governance	7,8	2,085	1	2	**2,088**	1,653
Grants and prizes	9	(3)	-	1,678	**1,675**	1,326
		11,300	1,016	3,165	**15,481**	13,759
Total expenditure	6	11,978	1,016	3,197	**16,191**	14,279
Net income / (expenditure)		(1,241)	(1,016)	7,307	**5,050**	(1,745)
Transfers between funds	16,17	-	-	-	-	-
Other recognised losses						
Actuarial gain on defined benefit pension scheme	24g	13	-	-	**13**	1,086
Net movement in funds		(1,228)	(1,016)	7,307	**5,063**	(659)
Total funds brought forward		4,054	34,791	2,690	**41,535**	42,194
Total funds carried forward	16,17	2,826	33,775	9,997	**46,598**	41,535

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Activities

The notes on page 32 to 52 form part of these financial statements.

ROYAL BALLET SCHOOL
BALANCE SHEET
As at 31 August 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	11	**36,330**	37,094
Current assets			
Debtors	12	**1,185**	1,673
Cash at bank and in hand		**12,338**	4,267
Total current assets		**13,523**	5,940
Creditors: amounts falling due within one year			
Trade and other creditors	13	**(1,495)**	(1,200)
Deferred income	14	**(1,570)**	(20)
Net current assets		**10,458**	4,720
Total assets less current liabilities		**46,788**	41,814
Creditors: Amounts falling due after one year	15	**(190)**	(220)
Defined benefit pension scheme liability	24b	**-**	(59)
Total net assets	18	**46,598**	41,535
The funds of the charity:			
Unrestricted funds			
General fund		**2,826**	4,054
Designated funds		**33,775**	34,791
Total unrestricted funds	16	**36,601**	38,845
Restricted funds	17	**9,997**	2,690
Total charity funds		**46,598**	41,535

The financial statements on pages 32 to 52 were approved by the Board of Governors and authorised for issue on 11 January 2024 and are signed on its behalf by:

Anna Birkett
Governor

Tom Clementi
Governor

ROYAL BALLET SCHOOL
STATEMENT OF CASH FLOWS
For the year ended 31 August 2023

	Note	2023	2022
			£000
Cash flows from operating activities:			
Net cash provided / (used) by operating activities	A below	**8,457**	(1,273)
Cash flows from investing activities:			
Interest receivable		**148**	18
Interest payable		**(11)**	(11)
Proceeds from sale of fixed assets		**-**	-
Purchase of tangible fixed assets		**(493)**	(741)
Net cash used in investing activities		**(356)**	(734)
Cash flows from financing activities			
Repayments of borrowing		**(30)**	(30)
Change in cash in the reporting period		**8,071**	(2,037)
Cash at the beginning of the year		**4,267**	6,304
Cash at the end of the year	B below	**12,338**	4,267

Reconciliation of cash flows from operating activities:	Note A	**2023** £000	2022 £000
Net Expenditure, from the statement of financial activities		**5,050**	(1,745)
Adjustments for:			
Depreciation charge		**1,257**	1,308
Defined pension scheme net income		**(46)**	(27)
Interest receivable		**(148)**	(18)
Interest payable		**11**	11
Proceeds from the sale of fixed assets		**-**	-
Decrease / (increase) in debtors		**488**	(208)
Increase / (decrease) in creditors		**1,845**	(594)
Net cash provided / (used) by operating activities		**8,457**	(1,273)

Analysis of cash	Note B	**2023** £000	2022 £000
Cash at bank and in hand		**12,338**	4,267

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

1a Basis of accounting and going concern

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 - effective 1 January 2015.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

The accounts are drawn up on the historical cost basis of accounting.

The Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The financial statements have been prepared under the going concern concept, on the understanding that the School will continue to receive sufficient financial support to enable it to meet its liabilities as and when they fall due for payment.

The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as the employment of staff. There are currently significant cash balances should additional liquidity be required through this period of uncertainty. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 March 1955 (company number: 547018) and registered as a charity on 12 November 1962 (charity number: 214364).

1b Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this section, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – The charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 24.

1c Income

Income consists of school fees and expenses due and receivable, income from performances and auditions, grants receivable from the Department for Education and other bodies, donations, investment income and other income. This income is recorded in the Statement of Financial Activities when it becomes due to the School.

Government grants are recognised on the performance model when the charity has complied with any conditions attaching to the grant and the grant will be received.

1d Expenditure
Expenditure is recognised in the period in which the cost is incurred. Costs directly relating to a School activity are allocated to that activity. Support costs comprise salaries and overheads of central functions of management and administration.

Governance costs are those costs incurred in compliance with regulation and good practice and include costs relating to the statutory audit, Governors' meetings and other constitutional and statutory requirements.

1e Grant-making policy
The Governors may from time to time make grants to The Royal Ballet School Endowment Fund on the basis that they are in the interests of the School.

1f Operating leases
Rental payments under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable are an incentive to sign an operating lease and are similarly spread on a straight-line basis over the lease term.

1g Taxation
Gift aid recovered on voluntary income is included with the donation to which it relates and irrecoverable VAT is included with the item of expenditure to which it relates.

1h Tangible fixed assets and depreciation
All tangible fixed assets are stated in the balance sheet at cost less depreciation. The depreciation of assets is provided in equal annual instalments over the estimated useful lives of the assets.

1i Long leasehold property
The original cost of the White Lodge long leasehold property was fully amortised in the period 1955 to 1976, although the lease was not due to expire until 2014. Subsequent major works and additions to the leasehold property were capitalised and amortised over the unexpired period of the lease, or evenly over the expected useful lives of the major works and additions as appropriate. In November 2005 the School surrendered its existing lease and entered into an agreement to lease the land and buildings for a further 100 years. A major redevelopment was undertaken in three phases from 2005 and completed in February 2009. Relevant leasehold costs are depreciated over the term of the lease. Building costs are depreciated over 40 years.

The Floral Street leasehold property is depreciated over the term of 150 years commencing in 2002, except for building costs which are depreciated over 40 years. Up to 2009, the buildings had been depreciated over 25 years, but the policy was then reviewed and changed. The net book value at 31 August 2008 is now being depreciated over the remainder of the 40-year term.

The Jebsen House property is depreciated over the lease term of 20 years ending in 2029.

1j Freehold property
The Aud Jebsen Hall student accommodation is a freehold property and is being depreciated over 50 years from Easter 2016 when it was completed. Finance costs on loans taken out for the purchase of the property have been capitalised during the period when the property was being refurbished.

1k Furniture, fixtures and equipment
Assets with a cost of more than £1,000 are capitalised and these are depreciated over their expected useful lives as follows:

Major refurbishment and minor structural changes	10 years
Furniture, fixtures and equipment	5 -10 years
Computer equipment	3 years
Motor vehicles	4 years

Assets in construction are not depreciated.

1l Liabilities
Liabilities are recognised at the point that an obligation to make payment or transfer assets exists, and the value of that obligation can be measured with a reasonable degree of accuracy.

1m Foreign currency
Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the transaction date. All differences are taken to the Statement of Financial Activities.

1n Pension schemes
Employees of the School are entitled to join the group personal pension scheme and employer contributions are charged to expenditure in the accounting period in which they are payable.

Until March 2023, Teachers were entitled to join the Teachers' Pension Scheme, an unfunded multi-employer defined benefits pension scheme. Contributions are charged to expenditure in the accounting period in which they are payable as if the scheme were a defined contribution scheme, as the School does not have sufficient information to account as a defined benefit scheme.

The School operated a defined benefit scheme, The Royal Ballet School Pension and Life Assurance Plan, closed to new entrants in 2002 and for future accrual on 31 August 2012. The assets and liabilities of the scheme are reported in these financial statements as required by FRS 102. The statement of financial activities includes the expected return on scheme assets in investment income, the interest cost in other finance costs, and the actuarial gains and losses arising from the annual valuation. The pension liability is recognised in the balance sheet as the School has a legal obligation to settle the liability over the long term.

See note 24 for more details on the pension schemes.

1o Fund accounting
Unrestricted funds comprise the accumulated unrestricted surplus or deficit each year. They are available for use at Governors' discretion in furtherance of the general charitable objectives. The general pensions reserve represents the deficit in the defined benefit pension scheme (see note 24).

Unrestricted designated funds are amounts that have been put aside at the Governors' discretion. At the year-end, they comprised a Fixed asset fund, a Building maintenance fund and a Pension Deficit fund. The Fixed asset fund represents the extent to which donated funds are invested in fixed assets for use by the School and, therefore, are not available for other purposes. The Building maintenance fund represents funds put aside to maintain buildings, especially White Lodge. The Pension Deficit Fund represents sums set aside to support the cash flows required to purchase annuities for deferred pension members.

Restricted funds are funds subject to specific restricted conditions imposed by the donors.

Details of unrestricted funds are shown in note 16 and restricted funds in note 17.

1p Financial instruments

The School has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade debtors, accrued income and all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

2	**Charitable activities income**	**2023**	2022
		£000	£000
	School fees – note 2a	**7,352**	7,298
	Extras and performance income	**49**	132
	Fees from Associates, Summer School and teachers' courses	**1,993**	1,641
	Auditions and other income	**162**	157
		9,556	9,228

2a.	**School Fees**		
	School fees were funded by:		
	Grants from the Department for Education	**3,502**	3,803
	Bursaries from The Royal Ballet School Endowment Fund	**500**	-
	Bursaries from restricted donations	**849**	1,147
	Parents	**2,501**	2,348
		7,352	7,298

3	**Donations**	**2023**	2022
		£000	£000
	Grants	**1,131**	1,131
	Donations	**10,334**	2,093
	Friends	**21**	21
		11,486	3,245

4	**Other Income**	**2023**	2022
		£000	£000
	Investment income – bank interest	**148**	18
	Other income	**51**	42
		199	60

5 Trading subsidiary

The Charity has one wholly owned subsidiary, TRBSE Enterprises Limited, whose registered address is 46 Floral Street, London WC2E 9DA. The activities of TRBS Enterprises Limited are immaterial to those of the Group so consolidated accounts have not been prepared. Due to the presentation of the School's accounts in round thousands, the subsidiary shares of £100 held, are not shown as an investment in these financial statements. The company's trading results for the year extracted from its audited financial statements were:

	2023	2022
	£000	£000
Turnover	**218**	141
Cost of sales	**(183)**	(61)
Gross profit	**35**	80
Administrative expenses: Licence to occupy premises	**(1)**	(1)
Other expenses	**(159)**	(87)
(Loss) on ordinary activities before gift aid	**(125)**	(8)
(Loss) on ordinary activities before taxation	**(125)**	(8)
Tax on profit on ordinary activities	**-**	-
(Loss) for the year	**(125)**	(8)
Net (liabilities)	**(146)**	(21)

6 Expenditure analysis

	Staff costs	Depreciation	Other costs	**Total 2023**	Total 2022
	£000	£000	£000	**£000**	£000
Raising funds					
Development and fundraising	427	-	283	**710**	520
Charitable activities					
Teaching	2,784	-	500	**3,284**	3,764
Pastoral and welfare	1,062	-	506	**1,568**	2,172
Outreach and partnership	954	-	837	**1,791**	1,517
Premises	834	1,257	2,984	**5,075**	3,327
Support and governance	1,089	-	999	**2,088**	1,653
Grants and prizes	-	-	1,675	**1,675**	1,326
	6,723	1,257	7,501	**15,481**	13,759
Total expenditure	7,150	1,257	7,784	**16,191**	14,279

7 Governance costs

	Total 2023 £000	Total 2022 £000
Governance costs included in support costs:		
Fees payable to the auditor for the statutory audit	**28**	25
Over accrual for prior year fees relating to the statutory audit	**(1)**	(11)
Fees payable to the auditor for tax compliance	**-**	3
Fees payable to the auditor for pension compliance	**20**	-
Board and committee costs	**1**	1
Total	**28**	18

8 Finance and lease costs

	Total 2023 £000	Total 2022 £000
Bank interest payable	**11**	11
Interest on pension plan	**1**	20
Operating leases: land and buildings	**182**	184
Operating leases: pianos and office equipment	**-**	14

9 Grants and prizes expenditure

Grants are for student sponsorship and bursaries for full-time students, Associates and Intensive Course participants. Apart from a few scholarships for full-time students, all grants are means-tested.

	Total 2023 £000	Total 2022 £000
Other grants	**1,669**	1,320
Prizes	**6**	6
Total	**1,675**	1,326

10 Staff costs

	2023	2022
	£000	£000
Wages and salaries	**6,285**	5,828
Social security costs	**622**	577
Other pension costs	**581**	601
Other costs	**28**	20
	7,516	7,026

One Governor claimed travel expenses of £147 in the year (2022: £228).

Total employee benefits, including employer pension contributions and national insurance of the Senior Leadership Team, were £1,008,829 (2022: £990,052).

The School made aggregate termination payments of £nil (2022: £34,863) with none outstanding at the year end.

	2023	2022
	Number	Number
The number of higher paid employees in bands of:		
£60,001 to £70,000	**8**	2
£70,001 to £80,000	**2**	-
£80,001 to £90,000	**2**	3
£90,001 to £100,000	**1**	-
£100,001 to £110,000	**-**	1
£110,001 to £120,000	**1**	-
	14	6

The average headcount of the School's employees for the year 2023 was 255 (2022: 249).

11 Tangible fixed assets

As at 31 August 2023

Tangible Fixed Assets	Long Lease Property				Freehold Property	Furniture, fixtures and Equipment				Motor Vehicle	TOTAL
	White Lodge	White Lodge Assets in Construction	Floral Street	Jebsen House	AJH	White Lodge	Floral Street	Jebsen House	AJH		
Cost											
As at 1 September 2022	23,041	323	15,268	787	14,960	1,335	1,114	49	157	71	**57,105**
Additions	-	430	-	-	-	18	45	-	-	-	**493**
Disposals	(3)	-	1	(1)	-	2	-	(1)	-	-	**(2)**
As at 31 August 2023	**23,038**	**753**	**15,269**	**786**	**14,960**	**1,355**	**1,159**	**48**	**157**	**71**	**57,596**
Depreciation											
As at 1 September 2022	9,049	-	6,073	531	2,116	1,122	869	49	128	71	**20,008**
Charged in the year	500	-	292	39	317	42	60	(1)	9	-	**1,258**
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at 31 August 2023	**9,549**	**-**	**6,365**	**570**	**2,433**	**1,164**	**929**	**48**	**137**	**71**	**21,266**
Net book value at 31 August 2023	**13,489**	**753**	**8,904**	**216**	**12,527**	**191**	**230**	**-**	**20**	**-**	**36,330**
Net book value at 31 August 2022	13,992	323	9,195	256	12,844	213	245	-	29	-	37,097

12 Debtors

	2023	2022
	£000	£000
Amounts falling due within one year:		
Fees and recoverable extras	**30**	27
Intercompany	**320**	212
Connected charity (see Note 22)	**-**	421
Other debtors	**5**	1
Prepayments	**207**	175
Accrued Income	**417**	837
Department for Education - Music and Dance Scheme fee funding	**206**	-
Total	**1,185**	1,673

13 Creditors: amounts falling due within one year

	2023	2022
	£000	£000
Trade creditors	**401**	391
Taxation and social security	**178**	158
Other creditors	**426**	127
Accruals	**460**	313
Bank loan due within one year	**30**	30
Department for Education – Music and Dance Scheme fee funding	**-**	181
Total	**1,495**	1,200

14 Deferred income

	2023	2022
	£000	£000
Donations in advance	**70**	20
Department for Education - Music and Dance Scheme fee funding in advance	**1,500**	-
Total	**1,570**	20

15 Creditors: amounts falling due after one year	2023	2022
	£000	£000
Creditors due in 2 to 5 years		
Bank loans	**121**	121
Creditors due in 5 years		
Bank loans	**69**	99
Total	**190**	220

Bank loans at 31 August 2023 include a fixed rate loan of £219,708 (2022: £250,009) repayable by November 2030, with £30,000 due within one year, and an interest rate is 6.01% per annum. This loan is secured by a charge over the White Lodge property.

16 Unrestricted funds	Balance as at 1 Sep 22	Income	Expenditure	Transfers	Gains/ (Losses)	**Balance as at 31 Aug 23**
	£000	£000	£000	£000	£000	**£000**
Designated						
Fixed asset fund	33,841	-	(1,015)	-	-	**32,826**
Building maintenance fund	500	-	-	-	-	**500**
Pension Deficit Fund	450	-	(1)	-	-	**449**
	34,791	-	(1,016)	-	-	**33,775**
General						
Pension reserve	(59)	-	(1)	47	13	-
Free reserves	4,113	10,737	(11,977)	(47)	-	**2,826**
	4,054	10.737	(11,978)	-	529	**2,826**
Total	38,845	10,737	(12,994)	-	529	**36,601**

Unrestricted funds 2021-22	Balance as at 1 Sep 21	Income	Expenditure	Transfers	Gains/ (Losses)	**Balance as at 31 Aug 22**
	£000	£000	£000	£000	£000	**£000**
Designated						
Fixed asset fund	34,223	-	(382)	-	-	**33,841**
Building maintenance fund	500	-	-	-	-	**500**
Associate Programme	311	-	-	(311)	-	**-**
Pension Deficit Fund	450	-	-	-		**450**
Deferred IT and building maintenance fund	106	-	(106)	-		**-**
	35,590	-	(488)	(311)	-	**34,791**
General						
Pension reserve	(1,172)	-	(20)	47	1,086	**(59)**
Free reserve	4,027	10,737	(10,915)	264	-	**4,113**
	2,855	10,737	(10,935)	311	1,086	**4,054**
Total	38,445	10,737	(11,423)	-	1,086	**38,845**

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the charity. Certain unrestricted funds are designated for other purposes. The unrestricted funds are as follows:

Designated fixed asset fund
This fund represents amounts expended on tangible fixed assets required for the operation of the School.

Designated building maintenance fund
This fund represents amounts designated and set aside by Governors to fund the ongoing repairs and maintenance of White Lodge. The School has received planning permission to undertake an expansion of the Senior Boarding Block at White Lodge. These funds are set aside to support the development of the design and any associated enabling works.

Designated Pension Deficit Fund
The Royal School Pension and Life Assurance Scheme closed to new members in 2006 and ceased accrual in 2012. There are 21 deferred members, with the last member due to retire in 2034. The Triennial valuation of 1 September 2022 showed a funding deficit of £76,000 and the School has submitted a recovery plan to The Pension Regulator (see Note 24). These funds are set aside to meet future cash commitments for member annuities as the recovery payment plan is phased evenly over the remaining life of the scheme but member retirements are more sporadic.

General reserves
The pension reserve represents the School's assets in respect of The Royal Ballet School Pension and Life Assurance Plan, a defined benefit scheme now closed to new members (see note 24).

The free reserves represent the balance of unrestricted funds which have not been designated and are available for use at the discretion of the Governors in furtherance of the general charitable activities. This is before deducting the pension reserve, as the pension deficit is a long-term liability.

Transfers

i. £47,000 of general funds were transferred to the pension reserve to cover the costs of employer pension deficit repayments in the year.

17 **Restricted funds**	Balance as at 1 Sep 22 £000	Income £000	Expenditure £000	Transfers £000	**Balance as at 31 Aug 23 £000**
Capital projects	-	7,500	-	-	**7,500**
Special projects	75	50	(79)	-	**46**
Sponsorship, bursaries and prizes	555	1,479	(1,678)	(17)	**339**
Outreach and Access fund	479	425	(438)	-	**466**
Ballet and artistic funds	378	274	(331)	(48)	**273**
Healthcare	1,018	306	(542)	-	**782**
Equipment	65	-	(33)	-	**32**
Intensive Courses	120	200	(66)	65	**319**
Equal Opportunities	-	270	(30)	-	**240**
	2,690	10,504	(3,197)	-	**9,997**

Restricted funds 2021-22	Balance as at 1 Sep 21 £000	Income £000	Expenditure £000	Transfers £000	**Balance as at 31 Aug 22 £000**
Aud Jebsen Hall - Pimlico Appeal	49	-	(49)	-	-
Capital projects	8	-	(8)	-	-
Special projects	81	147	(153)	-	**75**
Sponsorship, bursaries and prizes	1,340	830	(1,615)	-	**555**
Outreach and Access fund	486	408	(415)	-	**479**
Ballet and artistic funds	432	146	(200)	-	**378**
Healthcare	1,003	265	(250)	-	**1,018**
Equipment	151	-	(86)	-	**65**
Intensive Courses	116	-	4	-	**120**
Wi-Fi cabling	20	-	(20)	-	-
Films	63	-	(63)	-	-
	3,749	1,796	(2,855)	-	**2,690**

Restricted funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. A significant proportion of donations are received in the current in advance of expenditure in the following year.

Capital projects

This donation is to fund the development of the White Lodge estate.

Special projects

The balance on this fund is to enable full-time students to broaden their educational experience through the development of professional and life skills and supporting cultural trips.

Sponsorship, bursaries and prizes
This fund includes donations for financial support for full-time students, Associates and Summer School students and some prizes. All support is means-tested apart from a small number of scholarships. The School awards places based only on talent, so this support is particularly crucial to help fund overseas students, which raises the standard for all students and allows the School to maintain its place as one of the best classical ballet schools in the world.

Outreach and Access
This fund represents grants from the Department for Education, Trusts and Foundations and other donors to further the aims and objectives of the School's Outreach and Access programme.

Ballet and artistic funds
These donations are restricted for performances and new ballets, graduate tours, choreography and the Creative Artist Programme, which all help add breadth and depth to student training. The Creative Artist Programme was introduced to broaden the students' artistic experience by exposing them to a broad range of experts who have excelled in their field, both in artistic and in other areas.

Healthcare
This donation is to help the School improve its healthcare provision for three years, through the Healthy Dancer programme.

Equipment
Donations have been received to fund the updating of the technical equipment in the Margot Fonteyn Theatre at White Lodge, and Smart screens for classrooms to allow academic teaching across the two School sites.

Intensive Courses
This fund is to support the expansion of the Intensive Course programme into Hong Kong and Japan and provide financial assistance to students from Hong Kong and Japan who may otherwise be unable to pay for the course.

Equal Opportunities

This is a new fund to offer needs-based, additional financial support to full-time students over and above fee bursaries. The fund aims to ensure equity of experience for each students, regardless of their background.

18 Allocation of assets by fund type

	Unrestricted general fund £000	Unrestricted designated funds £000	Restricted funds £000	**Total 2023 £000**
Fixed assets	3,504	32,826	-	**36,330**
Debtors	1,185	-	-	**1,185**
Cash at bank	1,392	949	9,997	**12,338**
Creditors: due within one year	(3,065)	-	-	**(3,065)**
Creditors: due after one year	(190)	-	-	**(190)**
	2,826	33,775	9,997	**46,598**

Allocation of assets by fund type 2021-22

	Unrestricted general fund £000	Unrestricted designated funds £000	Restricted funds £000	Total 2022 £000
Fixed assets	3,253	33,840	-	37,093
Debtors	1,673	-	-	1,673
Cash at bank	627	951	2,690	4,268
Creditors: due within one year	(1,220)	-	-	(1,220)
Creditors: due after one year	(220)	-	-	(220)
Defined benefit pension scheme deficit	(59)	-	-	(59)
	4,054	34,791	2,690	41,535

19 Liability of members

The Charitable company is limited by guar4antee and does not have a share capital. In the event of the Company being wound up, the maximum amount which each member is liable to contribute is £1. There were 15 (2022:16) members at the year-end who are the Governors of the School.

20 Capital commitments

The capital commitments at the end of the reporting period were £nil (2022: £69,684).

21 Commitments under operating leases

	2023	2022
	£000	£000
The total of future minimum lease payments under operating leases for each of the following periods:		
Not later than one year	**190**	186
Later than one year and not later than five years	**662**	772
Later than five years	**-**	274
	852	1,232

22 Related party transactions

TRBS Enterprises Limited
The subsidiary charity trades by hiring out School premises at times when they are not required by the School. During the year the following transactions were made with the School:

The School recharged £171,941 (2022: £5,580) of costs for staff time and other costs directly related to the activities of the subsidiary. The School charged licence fees of £1,000 (2022: £1,000) to the subsidiary.

At the end of the year the School was owed £319,548 by the subsidiary, see note 12, (2022: £211,607).

The Royal Ballet School Endowment Fund
The connected charity The Royal Ballet School Endowment Fund provides funding and facilities for the students of The Royal Ballet School. During the year the following transactions were made with the School:

The School received grants of £575,000 (2022: £29,500) from the Endowment Fund. The grants paid for bursaries for students for School fees, The Royal Ballet School collection and a grant for our Associate Programmes in Birmingham, Bath and Totnes.

The School does not charge the Endowment Fund for staff time for administering the charity.

At the end of the year the School was owed £nil by the Endowment Fund (2022: £421,077).

Governors of The Royal Ballet School
Governors did not receive any payment or expenses from the School as disclosed in note 10. The total amount of donations received from Governors in the year was £164,075 (2022: £64,314). None of the Governors' donations were given with conditions that required the charity to alter the nature of its existing activities.

23 Taxation

As a registered charity, The Royal Ballet School is potentially exempt from taxation of income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 and section 521 to 536 of the Income Tax Act 2007.

24 Pension commitments

The School operates a group personal pension scheme and also a defined benefit scheme which was closed to future accrual on 31 August 2012, known as The Royal Ballet School Pension and Life Assurance Plan.

Until 31 March 2023, the School participated in the Teachers' Pension Scheme. From 1 April 2023, teaching staff moved to the group personal pension scheme.

Group personal pension scheme
Contributions for the group personal pension scheme are charged to expenditure in the accounting period in which they are payable. Pension charges for the year were £369,000 (2022: £385,000).

Teachers' Pension Scheme
The pension charge for the year includes contributions payable to the TPS of £165,000 (2022: £216,000).

The Royal Ballet School Pension and Life Assurance Plan (the "Plan")
This defined benefit pension scheme provides benefits based on pensionable pay up to 31 August 2012 when the Scheme ceased accrual. The assets of the Plan are held separately from those of the School, being invested with Clerical Medical and General Life Assurance Society in their Pension Contract.

Contributions and triennial valuations
The contributions are recommended by an independent qualified actuary from Clerical Medical on the basis of triennial valuations carried out by the actuary on behalf of the Trustees of the Plan.
The most recent triennial valuation was as at 1 September 2022. The market value of the Plan's assets was £7,451,000 and the benefits accrued to members were £7,527,000, giving a funding deficit of £76,000 and a funding level of 99%. The actuarial assumptions underlying this valuation are different to those adopted under FRS 102 included in these financial statements.

The Trustees have agreed with the School that contributions will continue at £3,917 per month from 1 September 2022 to improve the funding level in the Plan to address the deficit. In the year to 31 August 2023, £47,004 (2022: £47,000) was paid. The balance of £29,000 will be paid in 2023/24 with the deficit repaid by May 2024.

The funding position of the Plan and contributions to be paid will be reviewed again at the next triennial valuation due as at 1 September 2025.

Valuation for these financial statements under FRS 102
The Plan was valued at the end of the reporting period by a qualified Independent Actuary in accordance with Financial Reporting Standard 102, and the following notes 24a to 24i relate to this valuation. This valuation has different actuarial assumptions to the triennial valuation.

24a The principal actuarial assumptions at the end of the reporting period (expressed as weighted averages):

	2023	**2022**
	£000	**£000**
Discount rate	**5.2%**	4.2%
RPI assumption	**3.5%**	4.0%
CPI assumption	**2.9%**	3.2%
LPI pension increases	**3.3%**	3.8%

The underlying mortality assumption is based upon the standard table known as S3PxA projected on a year of birth basis with CMI_2022 future improvement factors and a long-term rate of future improvements with 1.25% p.a. (2022: S2PxA with CMI_2021 future improvement factors and a long-term future rate of improvement of 1.25% p.a.). This results in the following life expectancies:

	Years	Years
Life expectancy for 60-year-old female	**88.7**	88.5
Life expectancy for 45-year-old female	**89.8**	89.6

24b The amounts recognised in the balance sheet:

	2023	2022
	£000	£000
Present value of Plan liabilities	**(2,043)**	(2,556)
Market value of Plan assets	**2,559**	2,497
Restrictions on recoverable surplus	**(516)**	-
Net defined benefit liability	**-**	(59)

24c Amounts included within the Statement of Financial Activities (SOFA):

	2023	2022
	£000	£000
Current service cost	**-**	-
Interest on net defined benefit asset	**(1)**	(20)
Past service cost	**-**	-
Total amount charged within net incoming resources	**(1)**	(20)

24d Changes in the present value of Plan liabilities:

	2023	2022
	£000	£000
Present value of scheme liabilities at beginning of the year	**(2,556)**	(3,574)
Past service cost	**-**	-
Benefits paid	**58**	22
Interest on Plan liabilities		(61)
	(106)	
Actuarial loss/ (gain)	**561**	1,057
Present value of Plan liabilities at end of the year	**(2,043)**	(2,556)

24e Changes in the fair value of Plan assets:

	2023	2022
	£000	£000
Market value of Plan assets at beginning of the reporting period	**2,497**	2,402
Employer contributions	**47**	47
Benefits paid	**(58)**	(22)
Interest on Plan assets	**105**	41
Return on assets, less interest included in the SOFA	**(32)**	29
Market value of the Plan assets at the end of the reporting period	**2,559**	2,497
Actual return on Plan assets	**73**	70

24f The major categories of Plan assets as a percentage of total Plan assets:

	2023	2022
Group pension contract	**100%**	100%
Cash	**0%**	0%

The Plan had no investments in property occupied by, assets used by or financial instruments issued by the School.

24g Analysis of the measurement of the net defined benefit liability recognised in Other recognised losses in the SOFA:

	2023	2022
	£000	£000
Return on assets, less interest included in the SOFA	**(32)**	29
Experience gains and losses arising on Plan liabilities	**32**	(215)
Changes in assumptions underlying the present value of Plan liabilities	**13**	1,272
Actuarial loss/(gain) recognised in Other recognised losses	**13**	1,086

24h Movement in surplus/(deficit) during the year

	2023	2022
	£000	£000
Deficit in the scheme at the beginning of the year	**(59)**	(1,172)
Interest recognised in the SOFA	**(1)**	(20)
Employer contributions	**47**	47
Actuarial loss/(gain) recognised in Other recognised losses in the SOFA	**529**	1,086
Surplus/(Deficit) in the scheme at the end of the year	**516**	(59)

25 Statement of financial activities – comparative figures for the prior period by fund

	Note	Unrestricted Funds General £000	Unrestricted Funds Designated £000	Restricted Funds £000	Total Funds 2022 £000
Income from:					
Charitable activities	2	9,228	-	1	**9,229**
Donations	3	1,450	-	1,795	**3,245**
Other income	4	60	-	-	**60**
Total income		10,738	-	1,796	**12,534**
Expenditure on:					
Raising funds					
Development and fundraising		407	-	113	**520**
		407	-	113	**520**
Charitable activities					
Teaching		3,340	-	424	**3,764**
Pastoral and welfare		1,917	-	255	**2,172**
Outreach and partnership		673	-	439	**1,112**
Intensive Courses		355	-	50	**405**
Premises		2,609	488	230	**3,327**
Support and governance	7,8	1,633	-	20	**1,653**
Grants and prizes	9	2	-	1,324	**1,326**
		10,529	488	2,742	**13,759**
Total expenditure	6	10,936	488	2,855	**14,279**
Net income / (expenditure)		(198)	(488)	(1,059)	**(1,745)**
Transfers between funds	16,17	311	(311)	-	-
Other recognised losses					
Actuarial (losses)/gain on defined benefit pension scheme	24g	1,086	-	-	1,086
Net movement in funds		1,199	(799)	(1,059)	**(659)**
Total funds brought forward		2,855	35,590	3,749	**42,194**
Total funds carried forward	16,17	4,054	34,791	2,690	**41,535**

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Activities

THE ROYAL BALLET SCHOOL

England & Wales - Charity number 214364

Accounts

Royal Ballet School
Annual report and financial statements
for the year ended
31 August 2022

Charity registration number: 214364
Company registration number: 547018
Principal and registered office: 46 Floral Street, London WC2E 9DA

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PRINCIPAL ADDRESSES

UPPER SCHOOL (students aged 16+)
The Royal Ballet School
46 Floral Street
Covent Garden
London
WC2E 9DA

WHITE LODGE (students aged 11-16)
The Royal Ballet School
White Lodge
Richmond Park
Richmond
TW10 5HR

ADVISORS

AUDITORS:
Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

BANKERS:
Barclays Bank Plc
Education Team
Level 28, Churchill Place
London E14 5HP

SOLICITORS:
Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol BS1 4QA

Sheridans
76 Wardour Street
London
W1F 0UR

INSURANCE BROKER
Circle Insurance
118 Holyhead Road
Coventry
CV1 3LY

FINANCIAL ADVISORS
Origin Financial Services

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of Royal Ballet School (the School) are the School's Charity Trustees under charity law and the Directors of the Charitable Company.

Detailed below are the Governors who served in office during the year and subsequently:

Christopher Rodrigues CBE (Chairman)
Carlos Acosta CBE
Justin Albert
Delia Barker (appointed 30 March 2022)
Anna Birkett
Suzi Brennan
Tom Clementi
Richard Dennen (appointed 16 November 2022)
David Ebstein
Janet Lambert (resigned 11 October 2022)
Menna McGregor
Kevin O'Hare CBE
Craig Ranson
Zita Saurel
Nishi Somaiya
Stephen Spurr
Kenneth Steele (resigned 11 October 2022)
Susan Wijeratna

Lady Sainsbury CBE is Governor Emerita of the School.

COMPANY SECRETARY
Pippa Adamson

EXECUTIVE LEADERSHIP TEAM

The Executive Leadership Team are responsible for the day-to-day running of the School. They are:

ARTISTIC DIRECTOR & CHIEF EXECUTIVE OFFICER
Christopher Powney

ACADEMIC & PASTORAL PRINCIPAL
David Gajadharsingh

CHIEF OPERATING OFFICER
Pippa Adamson

COMMERCIAL DIRECTOR
Carol Dray

INTRODUCTION FROM THE CHAIRMAN

'The classical school has proved itself to be a great time-traveller as well as an interpreter of its own age.'

These words, spoken by The Royal Ballet School's founder, Dame Ninette de Valois, are foremost in my mind as we head towards our centenary in 2026. While this is an opportunity to celebrate our wonderfully rich heritage and all that we have achieved, I reflect that The Royal Ballet School was built on the values of innovation and evolution. As Madam herself said, 'Someone must always be doing something new or life would get very dull.'

There is much to be proud of this year. We have maintained academic and artistic excellence across our training programmes, nurturing each of our young students holistically to ensure they are fit for the stage and for life. Following in the footsteps of nearly 100 years of world-class dancers, choreographers and teachers, students from The Royal Ballet School continue to lead the way, displaying truly remarkable artistry and technical brilliance, a comprehensive knowledge of their craft and the promise to have a tremendous impact in the dance world and beyond.

We have championed excellence through our professional development programmes, equipping dance teachers around the world with the tools to create positive studio environments and unleash each student's potential. We have developed our digital capability, using an audience-focused mindset and carefully curated content to share what we do on a global scale and extend access to high-quality ballet education to many more people. By recognising the possibilities that a digital world affords, we have been able to inspire and influence, increasing our reach and value to society, opening up opportunities for new partnerships and firmly cementing our unique platform and voice.

There have been challenges, and there are more ahead of us. My goal is simple, to ensure the School is put on a stable footing financially for its second century, so that it sustains its position as a world leader, setting the global standard artistically, academically, in recreational dance, in dance teaching, in health and pastoral care and beyond. To do this, our centenary appeal will have two key themes.

Firstly, we are embarking on an essential project to expand accommodation at White Lodge. By adding 32 extra beds to our White Lodge accommodation, we can train more exceptionally talented young students, populating generations of artists and securing the future of the art form. In addition, the economics of the School will be fundamentally improved, with the School benefitting from a net increase in income of around £700,000 per year, every year. We are currently fundraising for this £7 million project.

Secondly, we want to take advantage of our centenary to grow our bursary scheme. This programme allows any student of uncommon talent, whatever their financial resources, to receive world-class Royal Ballet School training. The bursaries have become ever more crucial in these testing and uncertain times.

Finally, there is a near and present challenge for many of our students. To be able to fully benefit from the Royal Ballet School experience, they need support beyond the cost of their education, for uniforms, shoes, kit, and travel expenses. We have started an equal opportunities fund to help students with these additional expenses.

I am deeply grateful to all our staff who continue to show resilience, adaptability and great enthusiasm for our work as we navigate our way through a post-COVID world. This year, we were particularly delighted that Hope Keelan was awarded the Royal Ballet Governors Gold Medal in recognition of her 50 years of outstanding teaching.

I would also like to take this opportunity to welcome our newest governors, Delia Barker and Richard Dennen, and to express our gratitude to Janet Lambert and Kenneth Steele as they reach the end of their tenure. As always, my thanks to all our Governors for their tireless hard work and constant support.

I extend my heartfelt gratitude to our supporters, without whom we could not maintain our unmatched reputation and the incomparable training and care we offer these extraordinary young people, nor could we extend our reach to give access to so many who wouldn't otherwise have the opportunity to experience the life-enriching properties of dance.

Finally, we were honoured to be part of the celebrations for our late Queen's Jubilee in August, marking her 70 years as monarch and 66 years of our Royal Charter. The Royal Ballet School motto, 'Strength and Grace', reflects the style in which Her Majesty served her country. Her remarkable dedication will never be forgotten and she is an inspiring example to us all as we enter the next era of our country's shared future. We will forever be grateful for her patronage and support.

REPORT FROM THE ARTISTIC DIRECTOR & CEO

In 2021/22 we were delighted to welcome all students back to the School for a full year of uninterrupted training. While it has been inspiring and heartening to see the endurance, adaptability and positivity of our students and staff throughout the COVID pandemic, it is a joy to now embrace what we hope is a new COVID-free normality.

I'm immensely proud to say that 25 Pre-professional students graduated from the School in 2022, with 22 going on to full-time employment with ballet companies, five of these with The Royal Ballet and five with Birmingham Royal Ballet. In addition, two short-term contracts were offered and two students are repeating the Pre-professional year due to injury leading to them missing the audition season. The achievements of this group of dancers are exceptional, considering that their full three years at Upper School and the current work field were affected by the pandemic: they have shown resilience, fortitude and dedication in such challenging circumstances.

We were overjoyed to present a full Summer Performance season, with a total of 22 performances across four weeks: ten at the Margot Fonteyn Theatre at White Lodge, six in the Linden Theatre at Upper School, five at Opera Holland Park, culminating in our final performance on the Royal Opera House main stage. We presented works from a diverse range of choreographers, showcasing the artistry and versatility of our brilliant students, including Sir Frederick Ashton's pas de douze from *Swan Lake*, Wayne McGregor's *PreSentient*, John Neumeier's *Yondering* and Marius Petipa's *Raymonda Act III*, as well as new works by Jason Mabana, Mikaela Polley and Joseph Toonga. The students and staff produced some exceptional performances to great acclaim, and bringing the entire student body together on stage for the iconic *Grand Defilé* for the first time in three years was a glorious moment to witness.

The matinée performance at the Royal Opera House was dedicated to Lord John Sainsbury, who sadly died in January. The impact of Lord and Lady Sainsbury's philanthropy on The Royal Ballet School cannot be overstated, and the difference they have made to the lives and careers of generations of young ballet students is truly immeasurable. We will forever remember Lord Sainsbury with the most heartfelt gratitude.

In September 2021, we introduced a new structure to our eight-year training programme, introducing four stand-alone cohorts, each with an Artistic Manager. I congratulate the staff for a successful transition to the new structure and all the students who completed one of the training programmes in 2022. I'd also like to congratulate all students on another year of excellent academic results, demonstrating their focus and commitment to their academic studies alongside their passion for ballet.

I'm thrilled that we have continued our ground-breaking work in dance teacher training with our new Affiliate Training and Assessment Programme, a unique and innovative approach to teaching dance in the recreational sector which was met with great enthusiasm. In addition, we celebrated another cohort of graduates from our prestigious Diploma of Dance Teaching, and we've continued to embed our teacher training ethos both with the exceptional teachers we have in the School and to dance teachers globally through our highly-regarded seminar and webinar series, having a clear impact in raising standards and changing the way ballet is taught.

Our full Intensive Courses programme returned this year, with cohorts of students from all over the world joining us in London for both our Spring and Summer Intensives. We also launched Primary

Steps on Demand, a digital programme for primary schools, expanding the work of our in-person Primary Steps programme to all primary school-aged children around the world. Our commitment to widening access to our unique expertise and experience and to high-quality ballet education continues with the expansion of our international and UK auditions, masterclasses and recreational programmes.

As ever, I'd like to thank the dedicated staff of The Royal Ballet School, our devoted Governors, collaborators and partners, and our steadfast supporters, who help to make our students' extraordinary achievements and the School's important work possible.

AIMS AND OBJECTIVES OF CHARITY

OUR VISION

Our vision is to be the best classical ballet school in the world.

OUR MISSION

Our mission is to nurture, train and educate exceptional young dancers for the Royal Ballet companies and other leading UK and international companies, and to inspire the future of classical ballet training.

OUR VALUES

1. STRIVING FOR EXCELLENCE
The Royal Ballet School is always working towards excellence in everything we do. We bring the utmost integrity, passion and dedication to our work, always. Through our constant drive to achieve the highest standards, we set the standard for others, enriching and inspiring our sector and defining its future.

2. NURTURING INDIVIDUALS
We believe in the unique potential of each individual. We nurture each human holistically, equipping them with the tools they need to shape their futures as healthy, resilient human beings. We are committed to equity and ensuring all individuals have what they need to reach their potential. We cultivate supportive, nourishing environments built on trust, respect, open communication and kindness.

3. ACTIVELY WIDENING ACCESS
Ballet and creative dance education should be accessible to all. We work proactively to create opportunities for people to engage with ballet wherever we can and to expand our reach across the UK and globally, including through digital access. It is particularly important to us to work to improve access routes to ballet in areas with little access to arts education.

4. OUR HERITAGE NOURISHES OUR FUTURE
We have a rich and unique heritage and we champion ballet excellence throughout the ages, respecting, preserving and honouring what has gone before, while also valuing our history as instructive, enabling us to acknowledge, learn and develop. Our heritage is the foundation from which we sustain and evolve the School and reach outwards, impacting our sector and society as a whole.

5. ALWAYS INNOVATING
We are a bold, forward-thinking organisation, dedicated to continuous evolution. We take an innovative, pioneering outlook, committed to creative thinking to ensure we remain at the forefront of all we do. We act as thought leaders and contribute to setting the agenda for classical ballet globally. We actively seek to work with other individuals and organisations, sharing knowledge and building on our research collaboratively.

CHARITABLE ACTIVITIES

As well as full-time training, The Royal Ballet School offers a variety of programmes aimed at engaging with and training in classical ballet.

The Artistic Director of The Royal Ballet School, The Royal Ballet and Birmingham Royal Ballet work closely together and the School benefits from the Artistic Directors of both companies being Governors of the School. Their commitment and input into the School as Governors and as industry advisors are invaluable.

FULL TIME STUDENT TRAINING

The School is located across two sites; White Lodge in Richmond Park is a boarding school for 11 to 16-year-olds and Upper School in Covent Garden trains students aged 16 to 19. Upper School students board at Aud Jebsen Hall in Pimlico and Jebsen House in Covent Garden.

Training is split across four programmes with each programme tailored to support the training needs of a specific cohort of students.

- Foundation Programme for Years 7-9
- Development Programme for Years 10-11
- Vocational Programme for Years 12-13; and
- Pre-professional Programme or Year 14.

ASSOCIATE TRAINING

The School provides dance training to young Associate students, introducing them to the School's System of Training. Many Associates with significant potential go on to gain a full-time place at the School.

Weekend classes are run for Junior Associates for ages 8 to 11 at nine centres across the United Kingdom; Mid Associate classes for ages 11-14 are held in six centres across the United Kingdom; Senior Associates classes for ages 14 to 16 are held in London and Birmingham and Advanced Associate classes for 16 to 18-year-olds are held in London. As well as regular classes, workshops are run throughout the year.

INSIGHT AND ACCESS OPPORTUNITIES

The School invites young dancers aged between 8 and 15 years to attend special events around the country and online. Insight opportunities include experiencing a typical Associate lesson, learning what it is like to audition for the School and giving primary and secondary schools a behind-the-scenes look at classical ballet training.

INTENSIVE COURSES AND MASTERCLASSES

The Intensive Course and Masterclass Programme offers young people aged 10 to 20 the opportunity to experience Royal Ballet School training.

Typically, intensive courses run from one to five weeks in the UK and overseas. UK intensive courses are held at White Lodge and Upper School. While some courses are non-residential and students can attend daily, some are residential, giving students the chance to experience life at the School alongside training.

Masterclasses are held on a single day and are open to any young person who would like to

experience Royal Ballet School training.

PRIMARY STEPS

The Royal Ballet School is committed to broadening access to the study of classical ballet and creative dance as part of a child's wider academic education. The Primary Steps programme introduces primary school children to classical ballet through regular dance classes.

Primary Steps is a national junior school programme which provides class groups in Years 3-6 (7-11 years old) with a positive introduction to ballet, followed by initial creative ballet training for selected children who would not otherwise have the opportunity. The programme gives access to ballet education for thousands of children, targeting areas of social, economic and cultural diversity.

In June 2022, the School launched Primary Steps on Demand, making high-quality creative dance education from The Royal Ballet School available to all primary schools via its online platform. The programme provides educators with everything they need to integrate ballet education into their curriculum without the need for any dance teaching experience. The programme is developed to be accessible to all, including those with special educational needs or physical disabilities. It uses inclusive language and content.

DIPLOMA OF DANCE TEACHING

The Royal Ballet School's Diploma of Dance Teaching is a two-year part-time course that trains professional dancers and teachers to teach classical ballet at a vocational and pre-professional level to a world-class standard. The course provides a sound foundation in technical and creative approaches to teaching ballet to a broad range of students using the School's vocational vocabulary and methodology and drawing on the most recent relevant pedagogy.

PROFESSIONAL DEVELOPMENT

Inspire seminars are held in the UK and internationally. The seminars support the professional development of teachers from all backgrounds and levels of experience. Alongside giving teachers a comprehensive understanding of the teaching of classical ballet technique, the seminars offer fresh, innovative ideas to guide teachers in their approach. They are non-syllabus-based and grounded in good teaching practice.

Enlighten webinars provide invaluable insight and information surrounding all aspects of dance teaching and learning and are taught online by expert staff. The webinars draw on the School's heritage and knowledge as a world leader in dance training and education.

AFFILIATE TRAINING AND ASSESSMENT PROGRAMME

The Affiliate Training and Assessment Programme (ATAP) extends the School's System of Training to recreational dance teachers, driving forward the standard of recreational dance training and keeping pace with the changing needs of the art form.

The innovative programme offers an alternative to the current model of examination study offered by recreational dance organisations. The programme is based on providing high-quality training rather than student examination. Affiliate Teachers are empowered with the responsibility for guiding and assessing their own students' learning, and have autonomy in their approach, providing teachers with ongoing professional development and greater creative and professional fulfilment.

EQUITY DIVERSITY AND INCLUSION

The Royal Ballet School is committed to creating and nurturing a community where each student and member of staff is valued equally. We are proud that admission to the School has for many years been based solely on talent and potential. The Royal Ballet School is committed to being accessible regardless of cultural, social and economic backgrounds.

ACADEMIC EDUCATION

The Royal Ballet School is a non-selective school for academic education, and students arrive with differing educational needs. The School believes that students become better creative artists by using their brains and bodies. Academic work is of equal importance to artistic training.

We are delighted that once again, this year our students have performed well in their academic examinations.

BA (HONS): CLASSICAL BALLET AND DANCE PERFORMANCE

(Validated by The University of Roehampton)

Year 14 (Pre-professional) was the third cohort to complete the BA (Hons) degree. There were 22 entries, of which 16 were awarded 1st Class Honours and the remaining were classed as Upper Second, 2:1.

FOUNDATION DEGREE: CLASSICAL BALLET AND DANCE PERFORMANCE

(Validated by The University of Roehampton)

The foundation degree is completed by our Year 13 students, (2nd Year). We were delighted that 13 of our 14 candidates achieved a Distinction. The remaining candidate was awarded a Merit.

A LEVEL RESULTS

Students may choose to take one A-Level alongside the degree programme. The numbers of entries are small. In 2021/22 three students took an A-Level with two students achieving an A* and the third student achieving an A.

EXTENDED PROJECT QUALIFICATION (EPQ) RESULTS

As part of the academic enrichment programme at the Upper School, students may choose to study a range of academic and vocational courses in addition to the degree. One of the options is the Extended Project Qualification. This is organised and supervised by the academic team. The 2022 cohort was the first to enter this qualification. There were seven entries of which two gained an A*, two earned Bs and 2 received Cs.

GCSE

This year saw GCSE examinations return to pre-COVID norms with students sitting exams. There were 201 exam entries of which 95% received a Grade 4-9 (equivalent to A*-C under the previous grading system) with a 100% pass rate.

STUDENT WELLBEING

Excellent physical and mental healthcare is vital for a student to achieve their potential as a dancer. The School is committed to caring for its students holistically so that they become healthy, resilient humans, able to succeed in whichever path they choose to pursue.

- The School is committed to the highest standards of training. This includes how teachers and students behave in and out of the studio. Each year, teachers and students commit to a set of behaviour expectations, which are displayed around the School and in every studio.
- Visiting teachers, repetiteurs and choreographers receive a personalised induction into safeguarding and studio behaviours before they start work with our students.
- Our safeguarding team work closely with The Royal Ballet and Birmingham Royal Ballet to ensure the highest standards of safeguarding while our students work with the companies.
- Students have access to an online, anonymous reporting system to raise concerns over any pastoral or safeguarding issues.
- Staff have access to a reporting system to raise concerns about the welfare of any of the students in the School's care.
- All students are supplied with private medical cover. This ensures that students, regardless of financial means, have access to immediate specialist healthcare.
- The School is proud of its commitment to mental well-being as well as physical. Students have access to in-house counsellors on both sites and can be referred or self-refer.
- The School supports students to take age-appropriate responsibility for monitoring their own well-being, with strength and conditioning embedded as part of their normal training. Daily monitoring is done via a Wellness App which allows students to quickly and simply log data such as sleep quality and hydration.
- The School is committed to creating a nurturing environment where all students feel welcome regardless of background. The School has a uniform and hair policy that embraces different student ethnicities. Hardship bursaries are available to students to ensure they can participate in any extra-curricular activities. All students entering Year 7 are issued with a School iPad, providing equal access to technology.

TRAINING AND ACCESS

The Training and Access Team deliver a wide range of programmes that sit outside of the full-time student training.

In 2021/22:

- we trained 541 Associate students; 27 were offered a place to join the School for full time training from September 2022.
- 555 young people participated in an Insight Day
- we hosted eleven primary schools and seven secondary schools for online Insight Days
- 990 participants joined an Intensive Course
- 94 in person and 224 online students took part in the Audition Insight Day in 2021.
- 15 graduated from the two-year Diploma of Dance Teaching
- 444 teachers joined an Inspire seminar or Enlighten webinar
- We enrolled and trained 49 teachers in the new Affiliate Teacher Training Programme.
- 2,018 primary school students were offered a creative dance workshop as part of the Primary Steps Programme.
- In the first few weeks of its launch, we signed up 27 schools for the on-demand Primary Steps programme.
- Of the Year 6 students who completed three years training through Primary Steps, 19 have kept dancing on a regular basis. Two students joined The Royal Ballet School at White Lodge; four have been awarded places at their regional Centre for Advanced Training; five have joined local youth dance companies; seven are taking lessons at a local dance school; four have continued at their next school.

FUNDRAISING

Fundraising is an essential part of the School finances without which we could not offer support, training and performance opportunities to so many students and young people. Total donations were £3,245,000 (2021: £3,358,000) which included £1,131,000 of government grants (2021: £1,131,000).

COVID reduced the activities the School has been able to offer over the last two years. 2021/22 saw activities return to previous levels and increased demand for student bursary support.

This year, our generous donors funded:

• Full-time student bursaries:	£1,147,000
• Bursaries for Associate student fees	£108,000
• Bursaries for intensive course participants	£63,000
• Performance and artistic programme	£200,000
• Primary Steps Programme	£415,000
• The Healthy Dancer Programme	£336,000
• The development of the School's digital programme	£63,000
• One-off projects	£230,000
• General support for the School	£719,000

Direct expenditure on fundraising is kept to a minimum. Non-staff costs were £15,000 (2021: £11,000) increasing to £178,000 (2021: £156,000) with staff costs included. This amounts to 5% of donated income.

All fundraising is carried out by the School's Development Team with support from members of the Development Committee and Governors. The school does not engage with any external third-party fundraisers. Governors receive regular updates on fundraising regulations and guidance from the Head of Development and the Development Committee.

The School abides by the appropriate code of conduct for all its fundraising, including consideration of the issues raised in the Etherington Review into Charity Fundraising Practice issued in September 2015, which emphasised donor experience. The School takes its responsibility to anyone who might be vulnerable very seriously and will continue to consider this in the Charity's approach to fundraising activity. The School does not engage in any cold-calling or put pressure on an individual to donate funds, property or other assets.

There have been no complaints in the period regarding inappropriate or intrusive contact.

FINANCIAL REVIEW

Each year, the School's financial objective is to break even across the total of its activities.

The full-time school runs at an annual loss with the deficit filled by philanthropic support and revenue-generating programmes. In 2021/22 the Charity delivered a loss of £198,000 on its day-to-day operations before transfers, some depreciation and pension revaluation.

INCOME

The School only makes offers of full-time training to those who have the potential to become excellent dancers, so our ability to fill places depends on the calibre of applicants. In the year the School exceeded its target to have 214 students in the School, starting the year with 227 students.

The School returned to a near-normal year of activities post-COVID. Students remained in school for the full year and we offered almost a full programme of Training and Access activities. However, the intensive course and masterclass programmes in Hong Kong, Japan and South Korea could not go ahead due to continued COVID restrictions. Income from charitable activities rose by £940,000 to £9,229,000 (2021: £8,289,000).

Unrestricted income of £10,738,000 (£2021: £9,720,000) was supplemented by restricted income of £1,796,000 (2021: £2,047,000) totalling £12,534,000 (2021: £11,767,000).

EXPENDITURE

During the year, expenditure was closely monitored and well controlled. The School's main costs relate to staffing, premises and food and these are generally fixed in nature. Specific programme costs or donor-funded activities vary annually and typically, have matching income streams. Total expenditure for the year was £14,279,000 (2021: £12,888,000); the increase due to the reintroduction of the School's wider programmes cancelled during COVID.

In the last 12 months, the School has been able to draw down on restricted donations received in previous years where COVID delayed or curtailed spend; specifically bursary support for Associates and intensive course students, building projects and programmes to enhance our full time student experience. Total expenditure of restricted funds for the year was £2,855,000 (2021: £1,667,000)

The total costs of raising funds remained low at £520,000 (2021: £350,000) which amounted to 16% of donated income. This figure includes expenditure on fundraising and all marketing and communications activity. The increase is due to the expansion of the School's digital offer offset by £63,000 of donated income.

PENSION PROVISION

Although the defined benefit pension scheme is now closed for future accrual, it remains a significant risk for the School, particularly as the scheme reaches the end of its life circa 2034. The deficit as valued by FRS 102 is included in the balance sheet as a long-term liability and balanced by a negative pension reserve. The triennial valuation continues to be used to calculate any repayments required, and these payments are incorporated into the longer-term financial planning of the School so that these commitments can be met as they fall due in the future.

A designated fund of £450,000 has been set aside to meet the cash commitments of purchasing member annuities.

PLANS FOR FUTURE PERIODS

During the financial year 2021/22, the financial landscape started to shift. Inflation set in alongside shortages of goods and labour. The School's most immediate need is to ensure its financial sustainability through the next few years. The School is wresting with a business model that relies on Government investment in a period of high inflation and anticipated cuts to government spending.

Alongside the financial discussions sit wider questions of

- finding the right balance between elite training requirements and effective support for the whole child;
- supporting young people who do not make it through the School;
- the environmental, social and governance agenda;
- the place of ballet today and in the future;
- embedding our brand internally and externally;

DESIGNATED FUNDS

Post-COVID, the Governors set aside a designated fund for works that were scheduled but unable to be carried out during the lockdown. Most of the works were completed during 2020/21 with the final works carried out in 2021/22.

The Governors have set aside a further £450,000 in the Designated Pension Deficit Fund to fund the deficit on the School's final salary pension scheme, The Royal Ballet School Pension and Life Assurance Plan. The Scheme is expected to run for another 12 years and while a recovery plan is in place, the amounts paid in monthly will not always meet the cash requirements for annuities as members retire. This fund ensures the School has the funds to meet its obligations to its members. Further details on the pension fund can be found in Note 24.

FUNDS AND RESERVES POLICY

The School's unrestricted general reserves at the year-end amount to £4,054,000 (2021: £2,855,000). Amounts designated for depreciation on property assets, maintenance and pension funds total £34,791,000 (2021: £35,590,000). Adding in restricted funds of £2,690,000 (2021: £3,749,000) bring total reserves to £41,535,000 (2021: £42,194,000).

The unrestricted general fund is held to provide financial stability to the School while making sure that funds are used to achieve the School's aims wherever possible. The general fund allows the School to meet its financial obligations and operate its business while managing risks and funding future work and development. The level of the unrestricted funds less those set aside for depreciation and the pension deficit under the most recent triennial valuation at the year-end is £3,173,000, equivalent to 3.0 months average unrestricted operating costs. At this time, the Governors, having assessed the financial stability of the School believe the level of reserves to be adequate. However, in the longer term, the focus will be to build reserves for six months.

Governors have reviewed the reserves policy in line with Charity Commission CC19 Guidance. Given the uncertainty around funding and the economic environment, the School considers it necessary to hold reserves of a level equivalent to three to six months of operating costs.

The unrestricted designated fund has been put aside by Governors and represents the funds that are invested in property and other fixed assets for the use of the School and are therefore not available for other purposes. A further unrestricted designated fund is set aside for the Clerical Medical

pension fund deficit. The designated fund of £500,000 for the White Lodge Building Maintenance Fund, will be used in 2023 to fund the design and enabling works for the White Lodge expansion.

Restricted funds are the balance of unspent funds received subject to specific conditions imposed by the donors, and are held separately to be spent in future periods.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors are responsible for the management of the risks faced by the School. The Board reviews the risk register and major risks regularly. The major risks identified include the following:

- Managing the School in an uncertain economic environment with high inflation and supply chain issues due to the war in Ukraine.
- Loss of or reduced levels of funding from the DfE in the face of stretched public finances.
- Managing safeguarding to ensure that students and staff understand how to identify risk and how and when to raise a concern, and are confident to come forward.
- Impact of the cost of living on the recruitment and retention of staff.
- Impact of the cost of living on staff and students and their families.

It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

GOING CONCERN

Governors are acutely aware of the pressures on public funding, the current cost of living crisis and the high inflationary environment. The School's Development Team are continuing to raise additional funds for the School and students to provide much needed support. Equally the Governors have invested in new commercial programmes to maximise the School's Training and Access programme while generating new revenue streams. Governors regularly review the School's management accounts, cash position and five year forecast.

The Governors have reviewed the current position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as the employment of staff. There are currently significant cash balances should additional liquidity be required through this period of uncertainty. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

GOVERNANCE

The Royal Ballet School (the School) is a charitable company limited by guarantee (registered number 547018) and not having a share capital, and it is also a registered charity (number 214364). It was established in 1955 under a Memorandum of Association which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The School's objects and principal activity is to train and educate full-time students for a career as classical ballet dancers.

The School has a wholly owned trading subsidiary TRBS Enterprises Limited which sells branded merchandise and hires out School premises, gifting its profits to the School. Consolidated accounts have not been prepared as the activities of the subsidiary are immaterial, but the trading results are shown in Note 5 of the financial statements and any gifted profits are included in the Statement of Financial Activities.

The Royal Ballet School Endowment Fund is a connected charity whose purpose is to provide funding and facilities for the students at The Royal Ballet School. The connected charity is a separate charity with trustees who are responsible for that charity and their financial statements which are not reported on in these accounts.

The School is the official School of both The Royal Ballet and Birmingham Royal Ballet companies and as a result, has close working relationships with both Artistic Directors and their staff. The Artistic Directors of each Company are Governors of the School.

HOW WE ARE GOVERNED

The School is governed by the Board of Governors whose members are also directors of the Charitable Company and charity trustees. Governors hold office for an initial three-year term and may be re-elected for a further two three-year terms. On occasion and for the benefit of the Charity, Governors may be invited to remain on the Board for a further one-year term.

The Board is responsible for overseeing the strategy and policies of the School and meets formally at least three times a year as well as holding other meetings for strategic planning discussions as required to perform its duties.

The Board of Governors during the financial year and to the date of this report are shown on page 4.

The Board has established eight standing committees which meet regularly throughout the year and report to the Board of Governors. Each Committee is chaired by a Governor and is supported by a member of the Executive Leadership Team. These committees between them have a responsibility to the Board for all the major areas of its accountability.

Committee	Focus/outcomes
Academic	• Core school teaching and learning standards enabling every student to fulfil their potential
Finance, Audit, Operations and Risk	• Ensuring sustainable finances, robust financial management, efficient operations and the identification and mitigation of risk

Development	• Fundraising to support the School's development, in line with philanthropic standards
Estates	• Buildings and estates fit for the School's current and future needs
Artistic	• World-class artistic standards
Student and Staff Welfare	• Physical and mental well-being of all students and staff (including safeguarding)
Governance	• Long term organisational sustainability including Equity, diversity and inclusion, sustainability, nominations, HR, remuneration and succession planning

The Student and Staff Welfare Committee will have responsibility for formal student safeguarding and a remit to look after the interests of teachers and other staff. However safeguarding is reported on and reviewed at every Board Meeting and remains everyone's responsibility, throughout the organisation.

Nominations for new Board members are made by the Governors and Executive Officers to the Governance Committee, who then make recommendations to the Board who elect new members. Candidates are selected based on their professional skills, knowledge, competence and experience, and Governors ensure that there is an appropriate balance of relevant skills and expertise across the Board. There is a regular review of the composition of the Board, taking into account the need for succession planning as existing Governors retire. Where appropriate to ensure that the widest range of candidates is considered, professional recruitment agencies may be used.

GOVERNOR TRAINING

All Governors are inducted into the governance and operations of the School through briefings with the Chairman and members of the Executive Leadership Team. All Governors are trained to Level 2 in Child Protection and Safeguarding and a minimum of two Governors to Level 3. Governors are issued with a copy of the AGBIS Guidelines for Governors laying out best practice in the governance of independent schools. The training needs of Governors are reviewed from time to time and support is provided as necessary. Additionally, regular presentations and reports are made to the Governing body on key issues of current and ongoing importance.

The Trustees adhere to the Charity Governance Code published in 2017 which sets out the principles and recommended practices for good governance within the sector.

ORGANISATIONAL MANAGEMENT

The day-to-day operations of the School are managed by the Executive Leadership Team which is made up of the Artistic Director, Chief Operating Officer, Academic and Pastoral Principal and Commercial Director. The Executive Leadership Team are supported by a wide Senior Leadership Team.

EMPLOYMENT POLICY

To promote an environment in which the School can call upon the widest possible range of knowledge, skill and experience, as well as ensure compliance with the relevant legislation and

codes of practice, the Royal Ballet School is committed to achieving and maintaining a workforce which represents the population within its recruitment area. The School has an equality policy to ensure fairness and equality of opportunity to all staff regardless of their status regarding age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

The School regularly reviews the operation of its recruitment, promotion, training and development policies to ensure that no applicant for employment or member of staff is disadvantaged by conditions or requirements which cannot be shown to be justifiable.

PUBLIC BENEFIT

The School remains committed to the aim of providing public benefit in accordance with its founding principles. The Governors' have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

The School makes a major contribution to the country's global reputation for arts and culture, specialising in the area of classical ballet. A place at the School is open to any young person possesses the potential and talent to become a professional classical ballet dancer irrespective of their social or financial background. A combination of public, private and charitable funding is available to give financial support and bursaries to students, and each year, about 85% of our students receive such support. Each year, the School is able to offer up to 184 bursaries to qualifying students, via the Department for Education's Music and Dance Scheme.

The School's Training and Access department provides national Associate programmes which offer young people regular access to classical ballet training classes and workshops. There are nine Associate centres across the United Kingdom; London, Birmingham, Bath, Manchester, Leeds, Totnes, Eastleigh, Newcastle and Dundee. All students are selected based on their potential as a classical ballet dancer rather than their ability to pay, and means-tested financial support is available irrespective of age or nationality. Donor supported travel bursaries are made available to Associate students to support with the costs of attending classes and valuable access to live performances at the Royal Opera House and other venues.

The Intensive Courses department deliver a programme of courses throughout the year allowing students of classical ballet, to experience Royal Ballet School training. Annual courses are held at The Royal Ballet School and internationally. Courses are open to British and international students aged 10 to 20 years old. Again, all students are selected based on their ability rather than financial means and means-tested bursary support is available for all intensive courses.

Alongside the offer of studio-based classes, the School provides a programme of online classes. Students from all over the world are able to access these classes which cover a wide range of content for various abilities.

The School also runs a national community access programme called Primary Steps. Funded by the DfE, Primary Steps partners with state schools to offer a complete dance programme for KS2. There are five school centres for the programme around the country in Blackpool, Bury St Edmonds, Dagenham, Swindon and Mansfield. In June 2022, the School made the Primary Steps programme available to all primary schools via its online platform at a cost of £3 per student per year.

Other access opportunities are available, such as demonstrations for state school students studying GSCE dance or various Insight events for the general public. A programme of professional development is available for teachers of classical ballet.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each of the Governors is aware, there is no relevant audit information of which the charitable company's auditor is unaware. Each Governor has taken all the steps that they ought to have taken as a Governor to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also directors for the purposes of company law) are responsible for preparing the Governors' annual report and financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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 charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 11 June 2023. This approval includes the approval, in their capacity as company directors, of the Directors' and Strategic Reports contained within the Annual Report. The Annual Report is signed as authorised on behalf of the Board of Governors by:



Christopher Rodrigues CBE
Chair of Governors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL BALLET SCHOOL

OPINION

We have audited the financial statements of The Royal Ballet School for the year ended 31 August 2022 which comprise the Statement of Financial Activities, Balance Sheet, 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 2022 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were the Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR) and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of voluntary income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

USE OF OUR REPORT

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

company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

27 June 2023

ROYAL BALLET SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
As at 31 August 2022

STATEMENT OF FINANCIAL ACTIVITIES	Note	Unrestricted Funds General £000	Unrestricted Funds Designated £000	Restricted Funds £000	Total Funds 2022 £000	Total Funds 2021 £000
Income from:						
Charitable activities	2	9,228	-	1	**9,229**	8,289
Donations	3	1,450	-	1,795	**3,245**	3,358
Other income	4	60	-	-	**60**	120
Total income		10,738	-	1,796	**12,534**	11,767
Expenditure on:						
Raising funds						
Development and fundraising		407	-	113	**520**	350
		407	-	113	**520**	350
Charitable activities						
Teaching		3,340	-	424	**3,764**	3,478
Pastoral and welfare		1,917	-	255	**2,172**	1,996
Outreach and partnership		673	-	439	**1,112**	1,364
Intensive Courses		355	-	50	**405**	-
Premises		2,609	488	230	**3,327**	3,325
Support and governance	7,8	1,633	-	20	**1,653**	1,528
Grants and prizes	9	2	-	1,324	**1,326**	847
		10,529	488	2,742	**13,759**	12,538
Total expenditure	6	10,936	488	2,855	**14,279**	12,888
Net income / (expenditure)		(198)	(488)	(1,059)	**(1,745)**	(1,121)
Transfers between funds	16,17	311	(311)	-	-	-
Other recognised losses						
Actuarial gain on defined benefit pension scheme	24g	1,086	-	-	**1,086**	96
Net movement in funds		1,199	(799)	(1,059)	**(659)**	(1,025)
Total funds brought forward		2,855	35,590	3,749	**42,194**	43,219
Total funds carried forward	16,17	4,054	34,791	2,690	**41,535**	42,194

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Activities

The notes on page 31 to 53 form part of these financial statements.

ROYAL BALLET SCHOOL
BALANCE SHEET
As at 31 August 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	11	**37,094**	37,661
Current assets			
Debtors	12	**1,673**	1,465
Cash at bank and in hand		**4,267**	6,304
Total current assets		**5,940**	7,769
Creditors: amounts falling due within one year			
Trade and other creditors	13	**(1,200)**	(1,814)
Deferred income	14	**(20)**	-
Net current assets		**4,720**	5,955
Total assets less current liabilities		**41,814**	43,616
Creditors: Amounts falling due after one year	15	**(220)**	(250)
Defined benefit pension scheme liability	24b	**(59)**	(1,172)
Total net assets	18	**41,535**	42,194
The funds of the charity:			
Unrestricted funds			
General fund		**4,054**	2,855
Designated funds		**34,791**	35,590
Total unrestricted funds	16	**38,845**	38,445
Restricted funds	17	**2,690**	3,749
Total charity funds		**41,535**	42,194

The financial statements on pages 31 to 53 were approved by the Board of Governors and authorised for issue on 11 June 2023 and are signed on its behalf by:



Christopher Rodrigues CBE
Chair of Governors



Tom Clementi
Governor

ROYAL BALLET SCHOOL
STATEMENT OF CASH FLOWS
For the year ended 31 August 2022

	Note	2022	2021
			£000
Cash flows from operating activities:			
Net cash (used)/ provided by operating activities	A below	**(1,273)**	1,613
Cash flows from investing activities:			
Interest receivable		**18**	3
Interest payable		**(11)**	(18)
Proceeds from sale of fixed assets		**-**	-
Purchase of tangible fixed assets		**(741)**	(332)
Net cash used in investing activities		**(734)**	(347)
Cash flows from financing activities			
Repayments of borrowing		**(30)**	(30)
Change in cash in the reporting period		**(2,037)**	1,236
Cash at the beginning of the year		**6,304**	5,068
Cash at the end of the year	B below	**4,267**	6,304

Reconciliation of cash flows from operating activities:	Note A	**2022**	2021
		£000	£000
Net Expenditure, from the statement of financial activities		**(1,745)**	(1,121)
Adjustments for:			
Depreciation charge		**1,308**	1,224
Defined pension scheme net income		**(27)**	(27)
Interest receivable		**(18)**	(3)
Interest payable		**11**	18
Proceeds from the sale of fixed assets		**-**	-
(Increase) / decrease in debtors		**(208)**	1,021
(decrease) / increase in creditors		**(594)**	501
Net cash (sed)/provided by operating activities		**(1,273)**	1,613

Analysis of cash	Note B	**2022**	2021
		£000	£000
Cash at bank and in hand		**4,267**	6,304

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

1a Basis of accounting and going concern

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 - effective 1 January 2015.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

The accounts are drawn up on the historical cost basis of accounting.

The Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The financial statements have been prepared under the going concern concept, on the understanding that the School will continue to receive sufficient financial support to enable it to meet its liabilities as and when they fall due for payment.

The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as the employment of staff. There are currently significant cash balances should additional liquidity be required through this period of uncertainty. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 March 1955 (company number: 547018) and registered as a charity on 12 November 1962 (charity number: 214364).

1b Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this section, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – The charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 24.

1c Income

Income consists of school fees and expenses due and receivable, income from performances and auditions, grants receivable from the Department for Education and other bodies, donations, investment income and other income. This income is recorded in the Statement of Financial Activities when it becomes due to the School.

Government grants are recognised on the performance model when the charity has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate. Included in Income is an amount of £0 (2021: £98,000) in respect of the Coronavirus furlough scheme.

1d Expenditure
Expenditure is recognised in the period in which the cost is incurred. Costs directly relating to a School activity are allocated to that activity. Support costs comprise salaries and overheads of central functions of management and administration.

Governance costs are those costs incurred in compliance with regulation and good practice and include costs relating to the statutory audit, Governors' meetings and other constitutional and statutory requirements.

1e Grant-making policy
The Governors may from time to time make grants to The Royal Ballet School Endowment Fund on the basis that they are in the interests of the School. The grant funds will be combined with the funds of The Royal Ballet School Endowment Fund to maximise investment returns whilst protecting capital. Grants to The Royal Ballet School Endowment Fund are restricted for specific purposes and subject to a schedule of conditions.

1f Operating leases
Rental payments under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable are an incentive to sign an operating lease and are similarly spread on a straight-line basis over the lease term.

1g Taxation
Gift aid recovered on voluntary income is included with the donation to which it relates and irrecoverable VAT is included with the item of expenditure to which it relates.

1h Tangible fixed assets and depreciation
All tangible fixed assets are stated in the balance sheet at cost less depreciation. The depreciation of assets is provided in equal annual instalments over the estimated useful lives of the assets.

1i Long leasehold property
The original cost of the White Lodge long leasehold property was fully amortised in the period 1955 to 1976, although the lease was not due to expire until 2014. Subsequent major works and additions to the leasehold property were capitalised and amortised over the unexpired period of the lease, or evenly over the expected useful lives of the major works and additions as appropriate. In November 2005 the School surrendered its existing lease and entered into an agreement to lease the land and buildings for a further 100 years. A major redevelopment was undertaken in three phases from 2005 and completed in February 2009. Relevant leasehold costs are depreciated over the term of the lease. Building costs are depreciated over 40 years.

The Floral Street leasehold property is depreciated over the term of 150 years commencing in 2002, except for building costs which are depreciated over 40 years. Up to 2009, the buildings had been depreciated over 25 years, but the policy was then reviewed and changed. The net book value at 31 August 2008 is now being depreciated over the remainder of the 40-year term.

The Jebsen House property is depreciated over the lease term of 20 years.

1j Freehold property
The Aud Jebsen Hall student accommodation is a freehold property and is being depreciated over 50 years from Easter 2016 when it was completed. Finance costs on loans taken out for the purchase of

the property have been capitalised during the period when the property was being refurbished.

1k Furniture, fixtures and equipment
Assets with a cost of more than £1,000 are capitalised and these are depreciated over their expected useful lives as follows:

Major refurbishment and minor structural changes	10 years
Furniture, fixtures and equipment	5 -10 years
Computer equipment	3 years
Motor vehicles	4 years

1l Liabilities
Liabilities are recognised at the point that there exists an obligation to make payment or transfer assets and the value of that obligation can be measured with a reasonable degree of accuracy.

1m Foreign currency
Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1n Pension schemes
Employees of the School are entitled to join the group personal pension scheme and employer contributions are charged to expenditure in the accounting period in which they are payable.

Teachers are entitled to join the Teachers' Pension Scheme which is an unfunded multi-employer defined benefits pension scheme. Contributions are charged to expenditure in the accounting period in which they are payable as if the scheme were a defined contribution scheme, as the School does not have sufficient information to account as a defined benefit scheme.

The School operated a defined benefit scheme, The Royal Ballet School Pension and Life Assurance Plan, which was closed to new entrants in 2002 and for future accrual on 31 August 2012. The assets and liabilities of the scheme are reported in these financial statements as required by FRS 102. The statement of financial activities includes the expected return on scheme assets in investment income, the interest cost in other finance costs, and the actuarial gains and losses arising from the annual valuation. The pension liability is recognised in the balance sheet as the School has a legal obligation to settle the liability over the long term.

See note 24 for more detail on the pension schemes.

1o Fund accounting
Unrestricted funds comprise the accumulated unrestricted surplus or deficit each year. They are available for use at the discretion of Governors in furtherance of the general charitable objectives. The general pensions reserve represents the deficit in the defined benefit pension scheme (see note 24).

Unrestricted designated funds are amounts that have been put aside at the discretion of the Governors. At the year-end, they comprised a Fixed asset fund, a Building maintenance fund and an Associate Programme fund. The Fixed asset fund represents the extent to which donated funds are invested in fixed assets for use by the School and therefore are not available for other purposes. The Building maintenance fund represents funds put aside to maintain buildings, especially White Lodge. The Associate Programme fund represents a legacy with a stated preference for the funds to be spent on the Associate Programme.

Restricted funds are funds subject to specific restricted conditions imposed by the donors.

Details of unrestricted funds are shown in note 16 and restricted funds in note 17.

1p Financial instruments

The School has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade debtors, accrued income and all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

2	**Charitable activities income**	**2022**	2021
		£000	£000
	School fees – note 2a	**7,298**	6,716
	Extras and performance income	**132**	129
	Fees from Associates, Summer School and teachers' courses	**1,641**	1,322
	Auditions and other income	**157**	122
		9,228	8,289

2a.	**School Fees**		
	School fees were funded from:		
	Grants from the Department for Education	**3,803**	3,678
	Bursaries from The Royal Ballet School Endowment Fund	**-**	149
	Bursaries from restricted donations	**1,147**	637
	Parents	**2,348**	2,252
		7,298	6,716

3	**Donations**	**2022**	2021
		£000	£000
	Grants	**1,131**	1,131
	Donations	**2,093**	2,213
	Friends	**21**	14
		3,245	3,358

4	**Other Income**	**2022**	2021
		£000	£000
	Investment income – bank interest	**18**	3
	Other income	**42**	19
	Coronavirus furlough scheme	**-**	98
		60	120

5 Trading subsidiary

The Charity has one wholly owned subsidiary, TRBSE Enterprises Limited, whose registered address is 46 Floral Street, London WC2E 9DA. The activities of TRBS Enterprises Limited are immaterial to those of the Group so consolidated accounts have not been prepared. Due to the presentation of the School's accounts in round thousands, the subsidiary shares of £100 held, are not shown as an investment in these financial statements. The company's trading results are the year, extracted from its audited financial statements were:

	2022	2021
	£000	£000
Turnover	**142**	47
Cost of sales	**(64)**	(39)
Gross profit	**78**	8
Administrative expenses: Licence to occupy premises	**(1)**	(1)
Other expenses	**(87)**	(20)
(Loss) on ordinary activities before gift aid	**(10)**	(13)
(Loss) on ordinary activities before taxation	**(10)**	(13)
Tax on profit on ordinary activities	**-**	-
(Loss) for the year	**(10)**	(13)
Net (liabilities)	**(22)**	(12)

6 Expenditure analysis

	Staff costs	Depreciation	Other costs	**Total 2022**	Total 2021
	£000	£000	£000	**£000**	£000
Raising funds					
Development and fund raising	340	-	180	**520**	350
Charitable activities					
Teaching	3,306	-	458	**3,764**	3,478
Pastoral and welfare	938	-	1,234	**2,172**	1,996
Outreach and partnership	1,094	-	423	**1,517**	1,364
Premises	786	1,308	1,233	**3,327**	3,325
Support and governance	562	-	1,091	**1,653**	1,528
Grants and prizes	-	-	1,326	**1,326**	847
	6,686	1,308	5,765	**13,759**	12,538
Total expenditure	7,026	1,308	5,945	**14,279**	12,888

7 Governance costs

	Total 2022 £000	Total 2021 £000
Governance costs included in support costs:		
Fees payable to the auditor for the statutory audit	**25**	34
Over accrual for prior year fees relating to the statutory audit	**(11)**	(2)
Fees payable to the auditor for tax advice	**3**	-
Fees payable to the auditor for Teacher Pension advice	**-**	1
Board and committee costs	**1**	16
Total	**18**	49

8 Finance and lease costs

	Total 2022 £000	Total 2021 £000
Bank interest payable	**11**	18
Interest on pension plan	**20**	20
Operating leases: land and buildings	**184**	177
Operating leases: pianos and office equipment	**14**	26

9 Grants and prizes expenditure

Grants are for student sponsorship and bursaries for full-time students, Associates and Intensive Course participants. Apart from a few scholarships for full-time students, all grants are means-tested.

	Total 2022 £000	Total 2021 £000
Other grants	**1,320**	841
Prizes	**6**	6
Total	**1,326**	847

10 Staff costs

	2022	2021
	£000	£000
Wages and salaries	**5,828**	5,476
Social security costs	**577**	524
Other pension costs	**601**	545
Other costs	**20**	18
	7,026	6,563

One Governor claimed travel expenses of £228 in the year (2021: Nil).

Total employee benefits including employer pension contributions and national insurance of the Senior Leadership Team were £990,052 (2021: £962,430).

The School made aggregate termination payments of £34,863 (2021: £6,194) with none outstanding at the year end.

	2022	2021
	Number	Number
The number of higher paid employees in bands of:		
£60,001 to £70,000	**2**	6
£70,001 to £80,000	**0**	1
£80,001 to £90,000	**3**	1
£100,001 to £110,000	**1**	1
	6	9

The average headcount of the School's employees for the year 2022 was 249 (2021: 241).

11 Tangible fixed assets

As at 31 August 2022

Tangible Fixed Assets	Long Lease Property				Freehold Property	Furniture, fixtures and Equipment				Motor Vehicle	TOTAL
	White Lodge	White Lodge Assets in Construction	Floral Street	Jebsen House	AJH	White Lodge	Floral Street	Jebsen House	AJH		
Cost											
As at 1 September 2021	23,041	-	15,268	787	14,960	1,177	1,686	49	157	76	**57,201**
Additions	-	323	-	-	-	279	145	-	-	-	**747**
Disposals	-	-	-	-	-	(342)	(496)	-	-	(5)	**(843)**
As at 31 August 2022	**23,041**	**323**	**15,268**	**787**	**14,960**	**1,114**	**1,335**	**49**	**157**	**71**	**57,105**
Depreciation											
As at 1 September 2021	8,553	-	5,746	492	1,804	1,142	1,587	49	106	61	**19,540**
Charged in the year	496	-	327	39	312	69	31	-	22	15	**1,311**
Disposals	-	-	-	-	-	(342)	(496)	-	-	(5)	**(843)**
As at 31 August 2022	**9,049**	**-**	**6,073**	**531**	**2,116**	**869**	**1,122**	**49**	**128**	**71**	**20,008**
Net book value at 31 August 2022	**13,992**	**323**	**9,195**	**256**	**12,844**	**245**	**213**	**-**	**29**	**-**	**37,097**
Net book value at 31 August 2021	14,488	-	9,522	295	13,156	35	99	-	51	15	37,661

12	**Debtors**	**2022**	2021
		£000	£000
	Amounts falling due within one year:		
	Fees and recoverable extras	**27**	105
	Intercompany	**212**	209
	Connected charity (see Note 22)	**421**	385
	Other debtors	**1**	34
	Prepayments	**175**	184
	Accrued Income	**837**	548
	Total	**1,673**	1,465

13	**Creditors: amounts falling due within one year**	**2022**	2021
		£000	£000
	Trade creditors	**391**	648
	Taxation and social security	**158**	160
	Other creditors	**127**	85
	Accruals	**313**	145
	Bank loan due within one year	**30**	30
	Department for Education – Music and Dance Scheme funding	**181**	746
	Total	**1,200**	1,814

14	**Deferred income**	**2022**	2021
		£000	£000
	Fees in advance	**20**	-
	Total	**20**	-

15	**Creditors: amounts falling due after one year**	**2022**	2021
		£000	£000
	Creditors due in 2 to 5 years		
	Bank loans	**121**	121
	Creditors due in 5 years		
	Bank loans	**99**	129
	Total	**220**	250

Bank loans at 31 August 2022 include a fixed rate loan of £250,009 (2021: £281,000) repayable by November 2030, with £30,000 due within one year, and an interest rate is 6.01% per annum. This loan is secured by charge over the White Lodge property.

16	**Unrestricted funds**	Balance as at 1 Sep 21	Income	Expenditure	Transfers	Gains/ (Losses)	**Balance as at 31 Aug 22**
		£000	£000	£000	£000	£000	**£000**
	Designated						
	Fixed asset fund	34,223	-	(382)	-	-	**33,841**
	Building maintenance fund	500	-	-	-	-	**500**
	Associate Programme	311	-	-	(311)	-	**-**
	Pension Deficit Fund	450	-	-	-	-	**450**
	Deferred IT and building maintenance fund	106	-	(106)	-	-	**-**
		35,590	-	(488)	(311)	-	**34,791**
	General						
	Pension reserve	(1,172)	-	(20)	47	1,086	**(59)**
	Free reserves	4,027	10,737	(10,915)	264	-	**4,113**
		2,855	10.737	(10,935)	311	1,086	**4,054**
	Total	38,445	10,737	(11,423)	-	1,086	**38,845**

Unrestricted funds 2020-21	Balance as at 1 Sep 20	Income	Expenditure	Transfers	Gains/ (Losses)	**Balance as at 31 Aug 21**
	£000	£000	£000	£000	£000	**£000**
Designated						
Fixed asset fund	35,371	-	(1,148)	-	-	**34,223**
Building maintenance fund	500	-	-	-	-	**500**
Associate Programme	367	-	(56)	-	-	**311**
Pension Deficit Fund	450	-		-		**450**
Deferred IT and building maintenance fund	247	-	(141)	-		**106**
	36,935	-	(1,345)	-	-	**35,590**
General						
Pension reserve	(1,295)	-	(20)	47	96	**(1,172)**
Free reserve	4,210	9,720	(9,856)	(47)	-	**4,027**
	2,915	9,720	(9,876)	-	96	**2,855**
Total	39,850	9,720	(11,221)	-	96	**38,445**

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the charity. Certain unrestricted funds are designated for other purposes. The unrestricted funds are as follows:

Designated fixed asset fund
This fund represents amounts expended on tangible fixed assets required for the operation of the School.

Designated building maintenance fund
This fund represents amounts designated and set aside by Governors to fund the ongoing repairs and maintenance of White Lodge. The School has received planning permission to undertake an expansion of the Senior Boarding Block at White Lodge. These funds will be used in 2022/23 to fund the design and enabling works for this project.

Designated Associate Programme fund
This fund represents amounts designated and set aside by Governors to support the Associate Programme. This fund has now been released.

Designated Pension Deficit Fund
The Royal School Pension and Life Assurance Scheme closed to new members in 2006 and ceased accrual in 2012. There are 26 deferred members with the last member due to retire in 2034. The Triennial valuation of 1 September 2019 showed a funding deficit of £486,000 and the School has submitted a recovery plan to The Pension Regulator (see Note 24). These funds are set aside to meet future cash commitments for member annuities as the recovery payment plan is phased evenly over the remaining life of the scheme but member retirements are more sporadic.

General reserves
The negative pension reserve represents the School's liabilities in respect of The Royal Ballet School Pension and Life Assurance Plan which is a defined benefit scheme that is now closed to new members (see note 24).

The free reserves represent the balance of unrestricted funds which have not been designated and are available for use at the discretion of the Governors in furtherance of the general charitable activities. This is before deducting the pension reserve, as the pension deficit is a long-term liability.

Transfers

i. £311,000 of designated funds set aside for the Associate Programme were released back to the General Fund.

ii. £47,000 of general funds were transferred to the pension reserve to cover the costs of employer pension deficit repayments in the year.

iii.

17	**Restricted funds**	Balance as at 1 Sep21 £000	Income £000	Expenditure £000	Transfers £000	**Balance as at 31 Aug 22 £000**
	Aud Jebsen Hall - Pimlico Appeal	49	-	(49)	-	-
	Capital projects	8	-	(8)	-	-
	Special projects	81	147	(153)	-	**75**
	Sponsorship, bursaries and prizes	1,340	830	(1,615)	-	**555**
	Outreach and Access fund	486	408	(415)	-	**479**
	Ballet and artistic funds	432	146	(200)	-	**378**
	Healthcare	1.003	265	(250)	-	**1,018**
	Equipment	151	-	(86)	-	**65**
	Intensive Courses	116	-	4	-	**120**
	WiFi cabling	20	-	(20)	-	-
	Films	63	-	(63)	-	-
		3,749	1,796	(2,855)	-	**2,690**

Restricted funds 2020-21	Balance as at 1 Sep 20 £000	Income £000	Expenditure £000	Transfers £000	**Balance as at 31 Aug 21 £000**
Aud Jebsen Hall - Pimlico Appeal	49	-	-	-	**49**
Capital projects	8	-	-	-	**8**
Special projects	11	278	(208)	-	**81**
Sponsorship, bursaries and prizes	1,139	1,004	(803)	-	**1,340**
Outreach and Access fund	317	407	(238)	-	**486**
Ballet and artistic funds	476	105	(149)	-	**432**
Healthcare	1,073	180	(250)	-	**1,003**
Equipment	151	10	(10)	-	**151**
Intensive Courses	125	-	(9)	-	**116**
Wi-Fi cabling	20	-	-	-	**20**
Films	-	63	-		**63**
	3,369	2,047	(1,667)	-	**3,749**

Restricted funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. A significant proportion of donations are received in the current in advance of expenditure in the following year.

White Lodge Appeal fund
The balance on this fund represents gifts and donations generated by fundraising appeals to acquire a new 100-year lease at White Lodge and to redevelop the land and buildings at White Lodge.

Sponsorship, bursaries and prizes
This fund includes donations for financial support for full-time students, Associates and Summer School

students and some prizes. All support is means-tested apart from a small number of scholarships. The School awards places based only on talent, so this support is particularly crucial to help fund overseas students, which raises the standard for all students and allows the School to maintain its place as one of the best classical ballet schools in the world.

Outreach and Access
This fund represents grants from the Department for Education, Trusts and Foundations and other donors to further the aims and objectives of the School's Outreach and Access programme.

Ballet and artistic funds
These donations are restricted for performances and new ballets, graduate tours, choreography and the Creative Artist Programme, which all help add breadth and depth to student training. The Creative Artist Programme was introduced to broaden the students' artistic experience by exposing them to a broad range of experts who have excelled in their field, both in artistic and in other areas.

Healthcare
This donation is to help the School improve its healthcare provision for three years, through the Healthy Dancer programme.

Equipment
Donations have been received to fund the updating of the technical equipment in the Margot Fonteyn Theatre at White Lodge, and Smart screens for classrooms to allow academic teaching across the two School sites.

Intensive Courses
This fund is to support the expansion of the Intensive Course programme into Hong Kong and provide financial assistance to students from Hong Kong who may otherwise be unable to pay for the course.

18 Allocation of assets by fund type

	Unrestricted general fund £000	Unrestricted designated funds £000	Restricted funds £000	**Total 2022 £000**
Fixed assets	3,253	33,840	-	**37,094**
Debtors	1,673	-	-	**1,673**
Cash at bank	627	951	2,690	**4,267**
Creditors: due within one year	(1,220)	-	-	**(1,220)**
Creditors: due after one year	(220)	-	-	**(220)**
Defined benefit pension scheme deficit	(59)	-	-	**(59)**
	4,054	34,791	2,690	**41,535**

Allocation of assets by fund type 2020-21

	Unrestricted general fund £000	Unrestricted designated funds £000	Restricted funds £000	Total 2020 £000
Fixed assets	3,380	34,223	58	37,661
Debtors	1,332	-	-	1,332
Cash at bank	1,245	1,367	3,691	6,303
Creditors: due within one year	(1,680)	-	-	(1,680)
Creditors: due after one year	(250)	-	-	(250)
Defined benefit pension scheme deficit	(1,172)	-	-	(1,172)
	2,855	35,590	3,749	42,194

19 Liability of members

The Charitable company is limited by guarantee and does not have a share capital. In the event of the Company being wound up, the maximum amount which each member is liable to contribute is £1. There were 16 (2021:17) members at the year-end who are the Governors of the School.

20 Capital commitments

There were £69,684 capital commitments at the end of the reporting period (2021: £112,600).

21 Commitments under operating leases

	2022	2021
	£000	£000
The total of future minimum lease payments under operating leases for each of the following periods:		
Not later than one year	**186**	195
Later than one year and not later than five years	**772**	553
Later than five years	**274**	645
	1,232	1,393

22 Related party transactions

TRBS Enterprises Limited

The subsidiary charity trades by hiring out School premises at times when they are not required by the School. During the year the following transactions were made with the School:

The School recharged £5,580 (2021: £5,580) of costs for staff time and other costs directly related to the activities of the subsidiary. The School charged licence fees of £1,000 (2021: £1,000) to the subsidiary.

At the end of the year the School was owed £211,607 by the subsidiary, see note 12, (2021: £209,245).

The Royal Ballet School Endowment Fund

The connected charity The Royal Ballet School Endowment Fund provides funding and facilities for the students of The Royal Ballet School. During the year the following transactions were made with the School:

The School received grants of £29,500 (2021: £381,076) from the Endowment Fund. The grants paid for bursaries for students for School fees, The Royal Ballet School collection and a grant for repairs to White Lodge.

The School does not charge the Endowment Fund for staff time for administering the charity.

At the end of the year the School was owed £421,077 by the Endowment Fund (2021: £384,977).

Governors of The Royal Ballet School

Governors did not receive any payment or expenses from the School as disclosed in note 10. The total amount of donations received from Governors in the year was £64,314 (2021: £129,500). None of the Governors' donations were given with conditions that required the charity to alter the nature of its existing activities.

Employees of The Royal Ballet School

During the year the School engaged the wife of the Artistic Director to deliver contemporary dance classes. A fee of £1,218 (2021: £4,078) was paid.

23 Taxation

As a registered charity, The Royal Ballet School is potentially exempt from taxation of income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 and section 521 to 536 of the Income Tax Act 2007.

24 Pension commitments

The School operates a group personal pension scheme, a defined benefit scheme with the Teachers' Pension Scheme and also a defined benefit scheme which was closed to future accrual on 31 August 2012, known as The Royal Ballet School Pension and Life Assurance Plan.

Group personal pension scheme

Contributions for the group personal pension scheme are charged to expenditure in the accounting period in which they are payable. Pension charges for the year were £385,000 (2021: £316,455).

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £216,000 (2021: £208,422) and at the year-end £nil (2019 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a 'pay as you go' basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 Valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation

may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The Royal Ballet School Pension and Life Assurance Plan (the "Plan")
This defined benefit pension scheme provides benefits based on pensionable pay up to 31 August 2012 when the Scheme ceased accrual. The assets of the Plan are held separately from those of the School, being invested with Clerical Medical and General Life Assurance Society in their Pension Contract.

Contributions and triennial valuations
The contributions are recommended by an independent qualified actuary from Clerical Medical on the basis of triennial valuations carried out by the actuary on behalf of the Trustees of the Plan.
The most recent triennial valuation was as at 1 September 2019. The market value of the Plan's assets was £2,370,000 and the benefits accrued to members were £2,856,000, giving a funding deficit of £486,000 and a funding level of 83%. The actuarial assumptions underlying this valuation are different to those adopted under FRS 102 included in these financial statements.

The Trustees have agreed with the School that contributions will continue at £47,000 per annum from 1 September 2021 to improve the funding level in the Plan to address the deficit. In the year to 31 August 2022, £47,000 (2021: £47,000) was paid. The expected recovery end date is August 2031.

The funding position of the Plan and contributions to be paid will be reviewed again at the next triennial valuation due as at 1 September 2022, which will be completed during the 2022/23 financial year.

Valuation for these financial statements under FRS 102
The Plan was valued at the end of the reporting period by a qualified Independent Actuary in accordance with Financial Reporting Standard 102, and the following notes 24a to 24i relate to this valuation. This valuation has different actuarial assumptions to the triennial valuation.

24a The principal actuarial assumptions at the end of the reporting period (expressed as weighted averages):

	2022 £000	2021 £000
Discount rate	**4.2%**	1.7%
RPI assumption	**4.0%**	3.7%
CPI assumption	**3.2%**	2.9%
LPI pension increases	**3.8%**	3.5%

The underlying mortality assumption is based upon the standard table known as S2PXA projected on a year of birth basis with CMI_2020 future improvement factors and a long-term rate of future improvements with 1.25% p.a. (2020: S2PXA with CMI_2019 future improvement factors and a long-term future rate of improvement of 1.25% p.a.). This results in the following life expectancies:

	Years	Years
Life expectancy for 60-year-old female	**88.5**	88.4
Life expectancy for 45-year-old female	**89.6**	89.6

24b The amounts recognised in the balance sheet:

	2022 £000	2021 £000
Present value of Plan liabilities	**(2,556)**	(3,574)
Market value of Plan assets	**2,497**	2,402
Net defined benefit liability	**(59)**	(1,172)

24c Amounts included within the Statement of Financial Activities (SOFA):

	2022 £000	2021 £000
Current service cost	**-**	-
Interest on net defined benefit asset	**(20)**	(20)
Past service cost	**-**	-
Total amount charged within net incoming resources	**(20)**	(20)

24d Changes in the present value of Plan liabilities:

	2022 £000	2021 £000
Present value of scheme liabilities at beginning of the year	**(3,574)**	(3,591)
Past service cost	**-**	-
Benefits paid	**22**	37
Interest on Plan liabilities	**(61)**	(57)
Actuarial loss/ (gain)	**1,057**	37
Present value of Plan liabilities at end of the year	**(2,556)**	(3,574)

24e Changes in the fair value of Plan assets:

	2022 £000	2021 £000
Market value of Plan assets at beginning of the reporting period	**2,402**	2,296
Employer contributions	**47**	47
Benefits paid	**(22)**	(37)
Interest on Plan assets	**41**	37
Return on assets, less interest included in the SOFA	**29**	59
Market value of the Plan assets at the end of the reporting period	**2,497**	2,402
Actual return on Plan assets	**70**	96

24f The major categories of Plan assets as a percentage of total Plan assets:

	2022	2021
Group pension contract	**100%**	100%
Cash	**0%**	0%

The Plan had no investments in property occupied by, assets used by or financial instruments issued by the School.

24g Analysis of the measurement of the net defined benefit liability recognised in Other recognised losses in the SOFA:

	2022	2021
	£000	£000
Return on assets, less interest included in the SOFA	**29**	59
Experience gains and losses arising on Plan liabilities	**(215)**	74
Changes in assumptions underlying the present value of Plan liabilities	**1,272**	(37)
Actuarial loss/(gain) recognised in Other recognised losses	**1,086**	96

24h Movement in deficit during the year

	2022	2021
	£000	£000
Deficit in the scheme at the beginning of the year	**(1,172)**	(1,295)
Interest recognised in the SOFA	**(20)**	(20)
Employer contributions	**47**	47
Actuarial loss/(gain) recognised in Other recognised losses in the SOFA	**1,086**	96
96		
Deficit in the scheme at the end of the year	**(59)**	(1,172)

25 Statement of financial activities – comparative figures for the prior period by fund

	Note	Unrestricted Funds General £000	Unrestricted Funds Designated £000	Restricted Funds £000	Total Funds 2021 £000
Income from:					
Charitable activities	2	8,287	-	2	**8,289**
Donations	3	1,313	-	2,045	**3,358**
Other income	4	120	-	-	**120**
Total income		9,720	-	2,047	**11,767**
Expenditure on:					
Raising funds					
Development and fundraising		350	-	-	**350**
		350	-	-	**350**
Charitable activities					
Teaching		3,385	-	93	**3,478**
Pastoral and welfare		1,734	-	262	**1.996**
Outreach and partnership		1,099	-	265	**1,364**
Premises		1,866	1,252	207	**3,325**
Support and governance	7,8	1,426	93	9	**1,528**
Grants and prizes	9	16	-	831	**847**
		9,526	1,345	1,667	**12,538**
Total expenditure	6	9,876	1,345	1,667	**12,888**
Net income / (expenditure)		(156)	(1,345)	380	**(1,121)**
Transfers between funds	16,17	-	-	-	-
Other recognised losses					
Actuarial (losses)/gain on defined benefit pension scheme	24g	96	-	-	96
Net movement in funds		(60)	(1,345)	380	**(1,025)**
Total funds brought forward		2,915	36,935	3,369	**43,219**
Total funds carried forward	16,17	2,855	35,590	3,749	**42,194**

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Activities

THE ROYAL BALLET SCHOOL

England & Wales - Charity number 214364

Accounts

Royal Ballet School
Annual report and financial statements
for the year ended
31 August 2021

Charity registration number: 214364
Company registration number: 547018
Principal and registered office: 46 Floral Street, London WC2E 9DA

Royal Ballet School
Annual report and financial statements
Year ended 31 August 2021

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GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of Royal Ballet School (the School) are the School's Charity Trustees under charity law and the Directors of the Charitable Company. Detailed below are the Governors who served in office during the year and subsequently:

Christopher Rodrigues CBE (Chairman)
Carlos Acosta CBE
Justin Albert (appointed 2 February 2021)
Anna Birkett
Tom Clementi
Genevieve Davies (resigned 27 January 2021)
Sarah Dorfman (resigned 25 March 2021)
David Ebstein (appointed 2 February 2021)
David Fletcher (resigned 31 December 2021)
Janet Lambert
Menna McGregor
Kevin O'Hare CBE
Madeleine Plaut (resigned 19 July 2021)
Craig Ranson (appointed 2 February 2021)
Zita Saurel
Nishi Somaiya
Stephen Spurr
Kenneth Steele
Susan Wijeratna
Suzanne Brennan (appointed 23rd July 2021)

Lady Sainsbury CBE is Governor Emerita of the School.

COMPANY SECRETARY

Pippa Adamson

PRINCIPAL AND REGISTERED OFFICE

46 Floral Street, London WC2E 9DA

OFFICERS – SENIOR LEADERSHIP TEAM

Christopher Powney	Artistic Director
Pippa Adamson	Chief Operating Officer
David Gajadharsingh	Academic and Pastoral Principal
Carol Dray	Commercial Director
Jill Tait-Harris	Assistant Principal (Pastoral and Welfare)
Mark Annear	Head of Training and Access
Samira Saidi	Head of Intensive Courses and International Relations
Sarah Eliot-Cohen	Head of Development and Communications
Roger Atkinson	Head of Site Operations
Jason Hughes	Compliance Officer
Huw Goodwin	Healthcare Manager (maternity cover) and Designated Safeguarding Lead
Christian Gallagher	Head of HR

ADVISORS

AUDITORS:
Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

BANKERS:
Barclays Bank plc
Education Team
Level 28, Churchill Place
London E14 5HP

SOLICITORS:
Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol BS1 4QA

The Governors present their annual report for the year ended 31 August 2021 under the Charities Act 2011, including the Directors' and Strategic Reports under the Companies Act 2006, together with the audited financial statements for the year.

DIRECTORS' REPORT

CONSTITUTION, OBJECTS AND ORGANISATIONAL STRUCTURE

The Royal Ballet School (the School) is a charitable company limited by guarantee (registered number 547018) and not having a share capital, and it is also a registered charity (number 214364). It was established in 1955 under a Memorandum of Association which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The School's objects and principal activity is to train and educate full time students for a career as classical ballet dancers.

The School has a wholly owned trading subsidiary TRBS Enterprises Limited which sells branded merchandise and hires out School premises, gifting its profits to the School. Consolidated accounts have not been prepared as the activities of the subsidiary are immaterial, but the trading results are shown in Note 5 of the financial statements and any gifted profits are included in the Statement of Financial Activities.

The Royal Ballet School Endowment Fund is a connected charity whose purpose is to provide funding and facilities for the students at the Royal Ballet School. The connected charity is a separate charity with trustees who are responsible for that charity and their financial statements which are not reported on in these accounts.

The School is the official School of both the Royal Ballet and Birmingham Royal Ballet companies and as a result, has close working relationships with both Artistic Directors and their staff. The Artistic Directors of each Company are Governors of the School.

VISION, MISSION AND VALUES OF THE ROYAL BALLET SCHOOL

OUR VISION

The School's vision is to be the best classical dance ballet school in the world.

OUR MISSION

Our mission is to nurture, train and educate exceptional young dancers for the Royal Ballet companies and other leading UK and international companies and to inspire the future of classical ballet training.

OUR VALUES

Student focused
Students are at the heart of everything we do at the School and their training and welfare are the basis of all decisions

Innovative and pioneering
We are a bold, forward-thinking organisation and bring this approach to all areas of our work with the utmost integrity

Promoting excellence
We maintain the highest standards of excellence in classical ballet training

Training versatile dancers
Our highly skilled dancers are able to adapt to a broad range of styles

Respectful of our heritage
We ensure the rich heritage of the School is at the heart of our training

Faithful to our core mission
To provide the two Royal Ballet companies with top calibre dancers. We take a fully collaborative and inclusive approach with both companies

One team
We support each other, creating a warm, nurturing environment for students to maximise their potential

Committed to academic education
We give students the best possible education and in so doing open up their opportunities beyond ballet

Nurturing our students
We are respectful of our dancers as aspiring artists and as individual, ir telligent human-beings

Broadening access
Sharing our expertise in classical ballet training, engaging with the wider community through our Outreach & Access programme

Pioneering in healthcare
We are at the forefront of physical and mental health provision for pre-professional dancers working to create stronger, happier and more resilient dancers.

Respect
Equity and Integrity are fundamental to our School environment that teaches students about their rights and promotes rights-respected relationships

GOVERNANCE

The School is governed by the Board of Governors whose members are also directors of the Charitable Company and charity trustees. The Board is responsible for overseeing the strategy and policies for the School and meets formally once a term (three times annually) as well as holding other meetings, especially for strategic planning discussions, as required to perform its duties.

The Board of Governors during the financial year and to the date of this report are shown on page 2.

The Board has established the following standing committees which meet before each regular meeting of the Governors or as shown:

Artistic and Academic Committee
Dance Policy Committee (meets as required)
Development Committee
Estates Committee
Finance Committee
Nominations Committee
Pastoral and Compliance Committee
Remuneration Committee (meets as required)

These committees between them have a responsibility to the Board for all the major areas of its accountability.

Nominations for new Board members are made by the Governors and Executive Officers to the Nominations Committee, who then make recommendations to the Board who elect new members. Candidates are selected based on their professional skills, knowledge, competence and experience, and Governors ensure that there is an appropriate balance of relevant skills and expertise across the Board. There is a regular review of the composition of the Board, taking into account the need for succession planning as existing Governors retire. Where appropriate to ensure that the widest range of candidates are considered, professional recruitment agencies may be used.

GOVERNOR TRAINING

All Governors are inducted into the governance and operations of the School through briefings with the Chairman and members of the Executive and Senior Leadership Teams. All Governors are trained to Level 2 in Child Protection and Safeguarding and a minimum of two Governors to Level 3. Governors are issued with a copy of the AGBIS Guidelines for Governors laying out best practice in the governance of independent schools. The training needs of Governors are reviewed from time to time and support provided as necessary. Additionally, regular presentations and reports are made to the Governing body on key issues of current and ongoing importance.

The Trustees adhere to the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector.

ORGANISATIONAL MANAGEMENT

The day-to-day operations of the School are managed by the Executive Leadership Team which is made up of the Artistic Director, Chief Operating Officer, Academic and Pastoral Principal and Commercial Director. The Executive Leadership Team are supported by members of the wider Senior Leadership Team. Both teams are led by the Artistic Director, Christopher Powney. The Artistic Director is in control of the day-to-day running of the School but is not a member of the Board of Governors nor a company director. The rest of the Senior Leadership Team who support the Artistic Director are listed on page 3.

PUBLIC BENEFIT

The School remains committed to the aim of providing public benefit in accordance with its founding principles. The Governors' have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

The School makes a major contribution to the country's global reputation for arts and culture, specialising in the area of classical ballet. A place at the School is open to any young person from the UK who possesses the potential and talent to become a professional classical ballet dancer irrespective of their social or financial background. This also applies to most overseas students from age 16 and occasionally under this age. To this end, a combination of public, private and charitable funding is available to give financial support and bursaries to students, and each year, about 85% of our students receive such support.

The Department for Education (DfE) provides means-tested grants through its Music and Dance Scheme for up to 184 students. To qualify, students must have resided in the UK for two calendar years. Most overseas students over age 16 receive means-tested support at a similar level to the DfE scheme, funded by donations from individuals, trusts and foundations. The School will continue to expand the provision of donor funded bursaries to ensure no young person is turned away due to lack of financial means.

The School's Training and Access department provides national Associate programmes which offer

young people regular access to classical ballet training classes and workshops. There are nine Associate centres across the United Kingdom; London, Birmingham, Bath, Manchester, Leeds, Totnes, Eastleigh, Newcastle and Dundee. All students are selected based on their potential as a classical ballet dancer rather than their ability to pay, and means-tested financial support is available irrespective of age or nationality. Donor supported travel bursaries are made available to Associate students to support with the costs of attending classes and valuable access to live performances at the Royal Opera House and other venues.

The Intensive Courses department deliver a programme of courses throughout the year allowing students of classical ballet, to experience Royal Ballet School training. Annual courses are held at The Royal Ballet School and internationally. Courses are open to British and international students aged 10 to 20 years old. Again, all students are selected based on their ability rather than financial means and means-tested bursary support is available for all intensive courses.

Alongside the offer of studio-based classes, the School provides a programme of online classes. Students from all over the world are able to access these classes which cover a wide range of content for various abilities.

The School also runs a national community access programme called Primary Steps, funded by the DfE. Primary Steps partners with state schools to give children of primary school age access to classical ballet through the School's students and the network of teach ng expertise. There are five school centres for the programme around the country in Blackpool, Bury St Edmonds, Dagenham, Swindon and Mansfield.

Other access opportunities are available, such as demonstrations for state school students studying GSCE dance or various Insight events for the general public. A programme of professional development is available for teachers of classical ballet.

The Royal Ballet School Special Collections are being catalogued and digitised to ensure they are widely available as a leading educational resource. A Ballet History Timeline, publicly available through the School's website, tells the story of ballet in Britain, and how it relates to the wider history of Classical ballet as a theatre art form. The Timeline is illustrated by archival treasures from The Royal Ballet School Special Collections
https://www.royalballetschool.org.uk/discover/history/ballet-history-t meline/

EMPLOYMENT POLICY

To promote an environment in which the School can call upon the widest possible range of knowledge, skill and experience, as well as ensuring compliance with the relevant legislation and codes of practice, the Royal Ballet School is committed to achieving and maintaining a workforce which represents the population within its recruitment area.

The School has an equality policy to ensure fairness and equality of opportunity to all staff regardless of their status regarding age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientat on.

The School regularly reviews the operation of its recruitment, promotion, training and development policies to ensure that no applicant for employment or member of staff is disadvantaged by conditions or requirements which cannot be shown to be justifiable.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each of the Governors is aware, there is no relevant audit information of which the charitable company's auditor is unaware. Each Governor has taken all the steps that they ought to have taken as a Governor to make themselves aware of any relevant audit information and to

establish that the charitable company's auditor is aware of that information.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also directors for the purposes of company law) are responsible for preparing the Governors' annual report and the financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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 charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

The School is located across two sites where full-time students are trained and educated: White Lodge in Richmond Park is a boarding school for 11 to 16-year olds and Upper School in Covent Garden trains students aged 16 to 19. Upper School students board at Aud Jebsen Hall in Pimlico and Jebsen House in Covent Garden. Training is split across four programmes; the Foundation Course for Years 7-9, the Development Course for Years 10-11, the Vocational Course for Years 12-13 and the Pre-Professional Course for Year 14. Each programme is tailored to support the training needs of a specific cohort of students.

The Artistic Director of The Royal Ballet School, Royal Ballet and Birmingham Royal Ballet work closely together to ensure the three organisations are aligned on matters such as training standards, healthcare, diversity, performance opportunities and the Royal Ballet brand. The School benefits from the Artistic Directors of both companies being Governors of the School. Their commitment and input into the School as Governors and as industry advisors is invaluable.

The School's Training and Access Programme provides dance training to young Associates and gives the School the opportunity to support the most talented students to gain a full-time training place. Weekend classes are run for Junior Associates for ages 8 to 11 held in nine centres across the United Kingdom; Mid Associate classes for ages 11-14 are held in six centres across the United Kingdom; Senior Associates classes for ages 14 to 16 are held in London and Birmingham and Advanced Associate classes for 16 to 18-year olds are held in London. As well as regular classes, workshops are run throughout the year. Insight and access opportunities are provided in additional locations across the UK to ensure the programme's widest possible reach.

The School offers professional development to teachers of classical ballet through its programme of Inspire seminars and Enlighten webinars. In-person seminars are run throughout the year across the UK and when possible, overseas.

The Royal Ballet School's Diploma of Dance Teaching is a two-year part-time course which provides a sound foundation in both technical and creative approaches to teaching ballet. The first year of the two-year diploma focuses on the foundations of ballet technique, pedagogy, anatomy, reflective practice, and the workplace context for dance teachers. The second year of the course allows participants to specialise in either vocational dance training or teaching dance in the education sector.

The Intensive Course Programme offers young people aged 10 to 20 the opportunity to experience Royal Ballet School training. Typically, courses run from one week to five weeks and attract students from the UK and overseas. UK courses are run for one week during the Easter at White Lodge and five weeks during the Summer at White Lodge and Upper School. Each year, the School aims to run courses internationally to give international students access to The Royal Ballet School's system of training. Courses can vary from short masterclasses to week long intensives.

The partnership programme was established to open up the School to young people from state schools across the UK, sharing our expertise and training. This is carried out through the Primary Steps programme as described in the Public Benefit section on page 6. The Primary Steps programme offers a term of workshops to Year 3 students in partner primary schools. Selected student goes on to receive free dance tuition in a primary school, local to them, until Year 6.

The School's primary aim is to ensure the highest standards of classical ballet training and education of all its students, and the students are at the heart of everything we do. The main key performance indicator measures are the rate of employment of graduating students by ballet companies around

the world and the students' academic results in public examinations.

The objectives for the year to help achieve the School's aims were to:

- manage the School through the continuing Coronavirus pandemic;
- drive excellence in classical ballet training and maintain a high level of graduate employment despite the challenging recruitment market;
- continue the underpinning of our training with the Health Dancer Programme;
- to achieve academic results above national averages at GCSE;
- to maintain excellent standards of pastoral care;
- to develop a stable financial model striking a balance between the Music and Dance Scheme grants, donor support, private funding and income generation;
- strengthen and develop the ties with The Royal Ballet companies.

ACHIEVEMENTS AND PERFORMANCE

In September 2020, after six months of closure, the School was delighted to open its doors again to students and staff. The joy was short lived when in January 2021, the country went back into lockdown. As lockdown was announced, several international students had already started their long journeys back to School. We quickly opened White Lodge where staff could look after the small community of students, from across the School.

Again, the School staff pulled together to deliver the best experience possible for the students in these challenging circumstances. In line with UK Government guidance. academic and artistic lessons were delivered via Zoom and MS Teams to all students, including those living at White Lodge. Classes were well received and student engagement was high. However, the challenges of a further lockdown, missed studio training and reduced performance opportunities have had lasting effects on our students.

We were delighted to welcome students and all staff back to the School in March 2021.

ARTISTIC

The School aims to have 214 pupils throughout the year with each student being able to demonstrate the desire and level of ability to become a professional classical ballet dancer. At the start of the year in September 2020 the School had 135 full-time pupils at White Lodge and 85 full-time pupils at Upper School, a total of 220.

Once again, artist training and opportunities were hampered by the lockdown. Students who, at school, had access to world-class studios and facilities were forced to train at home, often in small spaces such as kitchens and bedrooms. The students' engagement remained exceptionally high with all students accessing their lessons, often working within different time zones and some in countries with limited IT infrastructure.

The Ballet Teachers switched back to remote delivery of lessons via Zoom. Building on the previous lockdown experience and by developing the technology available, this time we were able to bring live pianists back to ballet training. Live accompaniment improved the experience for both teacher and student.

The Healthcare and Wellbeing Team ensured that they engaged with, encouraged and adapted to the students' changed physical and emotional needs. Counselling and wellbeing support were available to students throughout lockdown.

Despite the challenges of attending auditions and reduced funding for many companies, we were delighted that all pre-professional students gained employment with a reputable ballet company. This is testament to our hard-working students and the training that they receive at the School.

The School was forced to cancel the Summer performance programme at Opera Holland Park but maintained a reduced programme at The Linbury and the Royal Opera House Matinee. In an effort to keep students' numbers down, only the Upper School and Year 11 of White Lodge were able to participate in the Matinee. However, the magic of film meant that all White Lodge students joined the Grand Defile, on stage, digitally. It was a remarkable end to a challenging year.

To ensure that all students had the opportunity to perform and gain valuable stage experience, a series of in-house performances were curated for each individual year group. All eight, year groups gave four performances to a reduced live audience and via Zoom; a total of 32 performances. Parents and families of international students were able to see their child perform and every student had an opportunity to be on stage. Such was the success of the program; a reduced version will be rolled out in future years.

ACADEMIC

The School believes that students become better creative artists by using their brains as well as their bodies and so considerable emphasis is placed on the importance of academic work.

Despite the period of remote learning and the uncertainty of examination assessment, the students delivered outstanding results.

The GCSE results were again outstanding, with 100% at Level 4 and above against an average of 79% across schools in England. 77% of students achieved grades 9-7, the equivalent of A/A* under the previous marking system. Each year, the School measures the 'Value Added' score for the GCSE cohort measuring how well students have performed compared to others of the same ability nationally. In 2021 the 'Value Added' score was 1.03 meaning that on average, students achieved 1.03 of a grade more than children of a similar ability nationally. The School is very proud of its academic achievement given that students are selected purely on their ability to dance and not academic attainment.

At A Level the pass rate of 100% was maintained with all results being A* to B.

Students at the School study a three-year degree in Classical Ballet and Dance Performance in association with University of Roehampton. The students gain significant benefit from the research that underpins their practical development and are well supported with regard to their physical and emotional wellbeing. In July 2021, the second cohort of students, completed their degree with 18 of the 20 candidates being awarded a first-class honour.

The foundation degree was completed by 20, Year 13 students with 100% achieving a 'Distinction' grade.

PASTORAL AND WELLBEING

In September, the School supported students returning to School after an extended period of lockdown and being at home. It was a period of adjustment for all but by January 2021, students were asked to stay at home once more.

During lockdown, the Pastoral team maintains regular contact with students, arranging shared activities to maintain the sense of community within the year groups. The School cared for the small community of international students who had already arrived prior to the lockdown announcement.

Each student's experience of COVID differed and the Pastoral Team were on hand to offer individual support to those whose who found the situation more challenging.

Excellent physical and mental healthcare are vital for a student to achieve their potential as a dancer. All students are supplied with private medical cover as part of School fees. This ensures that students, regardless of financial means, have access to immediate specialist healthcare.

The School is proud of its commitment to mental wellbeing as well as the physical. Students have access to in house counsellors on both sites and can be referred or self-refer. Provision is three days a week at White Lodge and two days a week at Upper School. Should there be a waiting list, students are offered access to an external counselling provision. Counselling provision remains available to students throughout the year.

The School supports students to take age appropriate responsibility for monitoring their own wellbeing, with strength and conditioning embedded as part of their normal training. Daily monitoring is done via a Wellness App which allows students to quickly and simply log data such as sleep quality and hydration. Graduating students have reported that they continue these habits into their professional careers.

TRAINING AND ACCESS

The School's ability to offer its full programme of Training and Access classes was challenged by the ongoing pandemic. For many of the Associate and Primary Steps centres, live classes did not return until the Summer Term with students given access to recorded classes or activities.

Where live Associate classes were able to start earlier in the year, student numbers were kept low to maintain social distancing and minimise the risk of COVID-19. All classes were virtual during the lockdown period. An online Junior Engagement Programme was launched for students who were unable to participate in the Associate Programme. 103 students participated in ten, online classes with very positive feedback. The online Junior Associate Insight had 603 participants with three of the girl's classes selling out within 24 hours.

Maintaining engagement with virtual, after-school Primary Steps classes was a challenge, particularly during a second year of online delivery. After the lockdown, a number of partner schools opted to deliver online sessions during the school day or as part of an after-school activity.

The Diploma of Dance Teaching continued with online delivery during the Autumn and Spring Term, moving to a hybrid model of studio and online delivery during the Summer Term.

The School is committed to raising teaching standard throughout the global dance community and provides a programme of CPD for dance teachers. Due to lockdown restrictions, the programme of Enlighten webinars and Inspire seminars were delivered remotely. There was high demand for the sessions with the majority selling out.

Both the UK Spring and Summer residential intensive courses were able to take place albeit with fewer students. The students were delighted to be back in the studios and for many, it was the first time they had danced in a studio for over a year. Alongside the residential courses, the School provided an online programme of classes and talks. Talks included a popular session on the Healthy Dancer Programme.

Sadly, the international programme of intensive courses and masterclasses had to be cancelled due to travel restrictions. Auditions were moved online and the School was able to see applicants in Australia, Portugal, Italy, Czech Republic, South Korea and Japan.

FUNDRAISING

Fundraising is an essential part of the School finances without which we would not be able to offer training to as many students. The cost of full-time student support through bursaries and scholarships was £786,000 (2020: £650,000). Given the current economic and political climate, we only expect this to increase. Financial assistance is also available to all qualifying students on our

Associate programme and intensive courses.

In addition to the generous donations received for student support, other donations included £1,312,000 for revenue funding; £61,000 for performances, £190,000 for the Healthy Dancer Programme and £62,500 to support the digital development of the School. Without this support, the School would not be able to realise so many projects or offer the level of training that we do.

The total costs of raising funds remained low at £350,000 (2020: £293,000) which amounted to 10.4% of donated income. This figure includes expenditure on fundraising, marketing and communications.

Expenditure on fundraising is kept to a minimum. Non-staff costs were £11,000 (2020: £7,000) increasing to £156,000 (2020: £153,000) with staff costs included.

The School spent £194,000 (2020: £140,000) of expenditure on marketing and communications, including staff costs. How we engaged with our audiences radically changed during the 2020 lockdown and focus moved to digital content. The School has continued developing and investing in digital communication, segmenting our audiences to deliver ambitious and relevant content.

All fundraising is carried out by the School's Development Team with support from members of the Development Committee and Governors. The school does not engage with any external third-party fundraisers. Governors receive regular updates on fundraising regulations and guidance from the Head of Development and the Development Committee.

The School abides by the appropriate code of conduct for all its fundraising, including consideration of the issues raised in the Etherington Review into Charity Fundraising Practice issued in September 2015, which put an emphasis on donor experience. The School takes its responsibility to anyone who might be vulnerable very seriously and will continue to consider this in the Charity's approach to fundraising activity. The School does not engage in any cold calling or put pressure on an individual to donate funds, property or other assets.

There have been no complaints in the period regarding inappropriate or intrusive contact.

BUSINESS REVIEW

Each year, the School's financial objective is to break even across all its activities. The School achieved this aim in the face of a second lockdown, the cancellation of international programmes and reduced student numbers across its outreach programmes.

During the lockdown period, there was a freeze on expenditure. Cost savings offset the loss of fee revenue where parents were offered a discount on their contribution to fees during the period of closure.

Due to a decade of below inflation funding increases, the core, full-time school operations are no longer able to breakeven. The deficit each year is made up by activities such as the intensive course programme. Governors are seeking to address this issue by diversifying and increasing income streams.

FINANCIAL REVIEW

2020/21 brought another year of uncertainty due to the pandemic. However well controlled expenditure offset the reduction in income.

INCOME

The School only makes offers of full-time training to those who have potential to become excellent dancers, so our ability to fill places depends on the calibre of applicants and numbers can vary. In

the year we exceeded our budget to have 214 students in the School. Means-tested support continued for UK and EU students from the UK Government's Music and Dance Scheme and for overseas students at Upper School from bursary funding. In the year 87% of students at the School received some form of financial support. In addition to full time student support, the School raises additional funds through donations to offer means-tested fee support and travel bursaries to Associate and Intensive Course students.

Due to Coronavirus, Associate fee income fell by 28% as classes and events were cancelled, class sizes were reduced and discounts were offered to students where they could not fully participate in ballet classes from home.

Intensive course participants were reduced with only residential places offered on each UK course. All international courses were cancelled due to travel restrictions.

Donation income includes grant awards from the DfE towards running the School, the Outreach and Partnership work and for the Primary Steps programme.

Unrestricted income of £9,720,000 was supplemented by restricted income of £2,047,000 which included donations of £181,000 to pay for the restoration of White Lodge and the replacement of essential air conditioning plant at Upper School. Restricted donations are typically received in advance of expenditure and this year, resulted in a surplus of £380,000 restricted funds in the year.

EXPENDITURE

During the year, expenditure was closely monitored and well controlled. The period of lockdown naturally caused a stop to some expenditure. While the School was empty, the Estates Teams took the opportunity deliver some larger projects such as upgrading the emergency lighting to LED, reconfiguration of office space, refurbishment of the studio theatre at White Lodge and the redecoration corridors, communal spaces and student rooms.

Depreciation costs were largely expensed against a designated property fund where amounts have been aside to cover the annual cost. Overall, the depreciation charge of £1,140,000 against the designated funds and the actuarial gain on the revaluation of the defined pension scheme of £96,000 led to a total deficit of £1,025,000

DESIGNATED FUNDS

In 2019/20, recognising the delayed nature of the maintenance works, the Governors have designated funds to the Deferred IT and Building Maintenance Fund. The majority of these works were carried out in 2020/21 but some remain outstanding due to the second lockdown. Of the £247,000 set aside last year, £141,000 was spent. Works to spend the remaining funds are programmed for 2021/22.

The Governors have set aside a further £450,000 in the Designated Pension Deficit Fund to fund the deficit on the School's final salary pension scheme - The Royal Ballet School Pension and Life Assurance Plan. The Scheme is expected to run for another 13 years and while a recovery plan is in place, the amounts paid in monthly will not always meet the cash requirements for annuities as members retire. This fund ensures the School has the funds to meet its obligations to its members. Further details on the pension fund can be found in Note 24.

FUNDS AND RESERVES POLICY

The School's unrestricted general reserves at the year-end amount to £2,855,000 (2020: £2,915,000). Amounts designated for depreciation on property assets, the Associate programme, maintenance and pension funds total £35,590,000 (2020: £36,935,000) Adding in restricted funds of £3,749,000 (2020: £3,369,000) bring total reserves to £42,194,000 (2020: £43,219,000).

The unrestricted general fund is held to provide financial stability to the School while making sure that funds are used to achieve the School's aims wherever possible. The general fund allows the School to meet its financial obligations and operate its business while managing risks and funding future work and development. The level of the unrestricted funds less those set aside for depreciation and the pension deficit under the most recent triennial valuation at the year end is £3,449,000, equivalent of four months average unrestricted operating costs. At this time, the Governors, having assessed the financial stability of the School believe the level of reserves to be adequate. However, in the longer term, the focus will be to build reserves to six months.

Governors have reviewed the reserves policy in line with Charity Commission CC19 Guidance. Given the uncertainty around funding, the pressures of the Coronavirus pandemic and the reduction in student funding as a result of Brexit from September 2021, the School considers it necessary to hold reserves of a level equivalent to three to six months operating costs.

The unrestricted designated fund has been put aside by Governors, and represents the funds that are invested in property and other fixed assets for the use of the School and are therefore not available for other purposes. Further unrestricted designated funds are set aside for the Associates programme and the Clerical Medical pension fund deficit.

Restricted funds are the balance of unspent funds received subject to specific conditions imposed by the donors, and are held separately to be spent in future periods.

In summary, our finances remain stable and well managed thanks to the collective team efforts of our Governors, staff and generous supporters.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors are responsible for the management of the risks faced by the School. The Board reviews the risk register and major risks regularly. The major risks identified include the following:

- Managing the School in an uncertain economic environment with high inflation and supply chain issues due to COVID and the war in Ukraine.
- Managing safeguarding to ensure that students and staff understand how to identify risk, how and when to raise a concern and are confident to come forward.
- Negative or contentious publicity about The Royal Ballet School, its Governors, staff, students or graduates.
- Managing the impact of the ongoing Coronavirus pandemic on student and staff health and wellbeing, revenue, reserves, student numbers, graduate employment opportunities, delivery of tuition and staffing structures.
- Loss of or reduced levels of funding from the DfE in the face of stretched public finances.
- Financial changes affecting the sector such as loss of business rate relief, impact of minimum wage rate increases and contributions to the Teachers' Pension Scheme.
- Increased compliance agenda across all activities of the School.
- Impact of the cost of living in London on the recruitment of the best qualified and experienced staff.

Governors consider strategy throughout the year aligning decision making with the School's objectives. Governors ensure that business and financial strategies are in place to manage and mitigate risks wherever possible, to ensure that they do not adversely affect the School's operations or the welfare of its students. The School continues to look for funds from new sources to help mitigate the impact of future standstill funding from the DfE.

It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

PENSION PROVISION

Although the defined benefit pension scheme is now closed for future accrual, it remains a significant risk for the School, particularly as the scheme reaches the end of its life circa 2034. The deficit as valued by FRS 102 is included in the balance sheet as a long-term liability and balanced by a negative pension reserve. The triennial valuation continues to be used to calculate any repayments required, and these payments are incorporated into the longer-term financial planning of the School so that these commitments can be met as they fall due in the future.

A designated fund of £450,000 has been set aside to meet the cash commitments of purchasing member annuities.

PLANS FOR FUTURE PERIODS

In September 2021, the Trustees undertook a full review of the School's longer-term strategy and business plan in the face of continued financial uncertainty.

The core School operations run at a loss annually, exacerbated by the Coronavirus pandemic, inflationary pressures and the post-Brexit challenges of costs and supply. After years of below inflation or standstill funding through the Music and Dance Scheme, the gap between fee income and costs is widening. The Charity relies entirely on the delivery of Intensive Courses and the generosity of donors to breakeven.

The Royal Ballet School is classed as an independent school and receives no additional funding support for changes in government policy. However, unlike an independent school, the School has no ability to increase fees to cover additional costs as these are set by the Department for Education.

Amongst the financial concerns, Governors continue to consider how the School can maintain its position as one of the best ballet schools attracting the best talent, in the face of ever-increasing global competition.

Looking ahead, the budget for 2021/22 has been agreed with a small surplus to manage the risks associated with COVID. The budget includes £300,000 of revenue from the international intensive course programme, all of which is uncertain due to the continuing pandemic.

Expenditure remains streamlined although we will continue to focus resources to achieve our objectives. However, food and energy process are a concern alongside general inflation. As with most of London, recruitment of staff is an increasing challenge. More people move away from London and wish to embrace a more hybrid style of working. As a School, most of the roles available are student facing and the majority of staff are required to attend site every day.

On 11 March 2020, was designated a global pandemic by the World Health Organisation. Almost two years on and the School is wrestling with constant uncertainty in respect of student attendance and staffing due to illness or requirements to isolate.

The Governors have undertaken detailed planning and forecasting for 2021/22 and continue to monitor the developing situation closely. Governors are focussed on developing new revenue streams to increase the financial stability of the School.

Despite the current circumstances the directors believe that the company's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

The objectives for 2021/22 are:

ARTISTIC

- to pursue excellence in classical ballet training allowing students to achieve their potential despite the difficulties of COVID;
- to support graduate students in securing jobs in a time of great uncertainty for the performing arts, globally;
- to remain at the forefront of community engagement through relevant and exciting access programmes including digital provision;

ACADEMIC

- to deliver the highest standards of academic provision and offering value-add to students' academic achievements;
- to support those students who are taking public examinations during the extended period of uncertainty;

PASTORAL AND WELFARE

- to support students in all aspects of their physical and mental wellbeing.
- to ensure that we safeguard and promote the well-being of all of our students developing strategies to support them with the challenges of elite training and external pressures;

HOLISTIC HEALTH

- to be at the forefront of dance training creating healthy, strong and resilient young dancers.

DIGITAL

- to positively promote our brand, standards and School and to develop relevant content for those platforms.
- to deepen the relationship with our current audience and to develop new audiences in new markets
- to provide access to a wide range of young people who cannot participate in in-person classes;

ESTATES

- to maintain and, where possible, enhance facilities to ensure that students have the best possible experience while studying at the School;
- to focus on improvements to the provision of boarding accommodation at White Lodge;

FINANCE AND GOVERNANCE

- to develop initiatives to put the School on a secure financial footing in the longer term, removing the reliance on donors and public funds for core operations; and
- to review the School's Memorandum and Articles of Association to ensure they are fit for purpose and reflect the School as it is today;

The subject of Equity, Diversity and Inclusion (EDI) remains high on the agenda. The School is engaging with its students, staff, alumni and the wider industry to continue its work in this area. Topics include uniform, barriers to access, diversity amongst staff, role models and repertoire.

Finally, we wish to thank the retiring members of the Governing body for their contribution to the School and warmly welcome our newly appointed Governors.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was

approved by the Board of Governors on 30 March 2022. This approval includes the approval, in their capacity as company directors, of the Directors' and Strategic Reports contained within the Annual Report. The Annual Report is signed as authorised on behalf of the Board of Governors by:



Christopher Rodrigues CBE
Chair of Governors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL BALLET SCHOOL

OPINION

We have audited the financial statements of The Royal Ballet School for the year ended 31 August 2021 which comprise the Statement of Financial Activities, Balance Sheet, 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 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate and proper accounting records have not been kept or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR) and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of voluntary income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

USE OF OUR REPORT

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

charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Tina Allison

Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

20 May 2022

ROYAL BALLET SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
As at 31 August 2021

STATEMENT OF FINANCIAL ACTIVITIES	Note	Unrestricted Funds		Restricted Funds	Total Funds	Total Funds
		General	Designated		**2021**	2020
		£000	£000	£000	**£000**	£000
Income from:						
Charitable activities	2	8,287	-	2	**8,289**	7,841
Donations	3	1,313	-	2,045	**3,358**	3,939
Other income	4	120	-	-	**120**	579
Total income		9,720	-	2,047	**11,767**	12,359
Expenditure on:						
Raising funds						
Development and fundraising		350	-	-	**350**	293
		350	-	-	**350**	293
Charitable activities						
Teaching		3,385	-	93	**3,478**	3,391
Pastoral and welfare		1,734	-	262	**1,996**	1,875
Outreach and partnership		1,099	-	265	**1,364**	1,203
Premises		1,866	1,252	207	**3,325**	2,999
Support and governance	7,8	1,426	93	9	**1,528**	1,465
Grants and prizes	9	16	-	831	**847**	745
		9,526	1,345	1,667	**12,538**	11,678
Total expenditure	6	9,876	1,345	1,667	**12,888**	11,971
Net income / (expenditure)		(156)	(1,345)	380	**(1,121)**	388
Transfers between funds	16,17	-	-	-	-	-
Other recognised losses						
Actuarial gain on defined benefit pension scheme	24g	96	-	-	**96**	3
Net movement in funds		(60)	(1,345)	380	**(1,025)**	391
Total funds brought forward		2,915	36,935	3,369	**43,219**	42,828
Total funds carried forward	16,17	2,855	35,590	3,749	**42,194**	43,219

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Act vities

The notes on page 26 to 47 form part of these financial statements.

ROYAL BALLET SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
As at 31 August 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	11	**37,661**	38,553
Current assets			
Debtors	12	**1,465**	2,487
Cash at bank and in hand		**6,304**	5,068
Total current assets		**7,769**	7,555
Creditors: amounts falling due within one year			
Trade and other creditors	13	**(1,814)**	(1,313)
Deferred income	14	**-**	-
Net current assets		**5,955**	6,242
Total assets less current liabilities		**43,616**	44,795
Creditors: Amounts falling due after one year	15	**(250)**	(281)
Defined benefit pension scheme liability	24b	**(1,172)**	(1,295)
Total net assets	18	**42,194**	43,219
The funds of the charity:			
Unrestricted funds			
General fund		**2,855**	2,915
Designated funds		**35,590**	36,935
Total Unrestricted funds	16	**38,445**	39,850
Restricted funds	17	**3,749**	3,369
Total charity funds		**42,194**	43,219

The financial statements on pages 26 to 47 were approved by the Board of Governors and authorised for issue on 30 March 2022 and are signed on its behalf by:

Christopher Rodrigues CBE
Chair of Governors

Tom Clementi
Governor

ROYAL BALLET SCHOOL
STATEMENT OF CASH FLOWS
For the year ended 31 August 2021

	Note	2021	2020
			£000
Cash flows from operating activities:			
Net cash provided by operating activities	A below	**1,613**	302
Cash flows from investing activities:			
Interest receivable		**3**	14
Interest payable		**(18)**	(20)
Proceeds from sale of fixed assets		**-**	-
Purchase of tangible fixed assets		**(332)**	(260)
Net cash used in investing activities		**(347)**	(266)
Cash flows from financing activities			
Repayments of borrowing		**(30)**	(30)
Change in cash in the reporting period		**1,236**	6
Cash at the beginning of the year		**5,068**	5,062
Cash at the end of the year	B below	**6,304**	5,068

Reconciliation of cash flows from operating activities:	Note A	**2021**	2020
		£000	£000
Net income, from the statement of financial activities		**(1,121)**	388
Adjustments for:			
Depreciation charge		**1,224**	1,184
Defined pension scheme net income		**(27)**	(13)
Interest receivable		**(3)**	(14)
Interest payable		**18**	20
Proceeds from the sale of fixed assets		**-**	-
Decrease / (increase) in debtors		**1,021**	(13)
Increase / (decrease) in creditors		**501**	(1,250)
Net cash provided by operating activities		**1,613**	302

Analysis of cash	Note B	**2021**	2020
		£000	£000
Cash at bank and in hand		**6,304**	5,068

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

1a Basis of accounting and going concern

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 - effective 1 January 2015.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

The accounts are drawn up on the historical cost basis of accounting.

The Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The financial statements have been prepared under the going concern concept, on the understanding that the School will continue to receive sufficient financial support to enable it to meet its liabilities as and when they fall due for payment.

At the time of approval of the Annual Report, the Coronavirus pandemic continues. The long-term impact on the charity, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. There are currently significant cash balances should additional liquidity be required through this period of uncertainty. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 March 1955 (company number: 547018) and registered as a charity on 12 November 1962 (charity number: 214364).

1b Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this section, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – The charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 24.

1c Income

Income consists of school fees and expenses due and receivable, income from performances and auditions, grants receivable from the Department for Education and other bodies, donations, investment income and other income. This income is recorded in the Statement of Financial

Activities when it becomes due to the School.

Government grants are recognised on the performance model, when the charity has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to. Included in Income is an amount of £98,000 (2020: £306,000) in respect of the Coronavirus furlough Scheme.

1d Expenditure
Expenditure is recognised in the period in which the cost is incurred. Costs directly relating to a School activity are allocated to that activity. Support costs comprise salaries and overheads of central functions of management and administration.

Governance costs are those costs incurred in compliance with regulation and good practice and include costs relating to the statutory audit, Governors' meetings and other constitutional and statutory requirements.

1e Grant making policy
The Governors may, from time to time make grants to the Royal Ballet School Endowment Fund on the basis that they are in the interests of the School. The grant funds will be combined with the funds of the Royal Ballet School Endowment Fund to maximise investment returns whilst protecting capital. Grants to the Royal Ballet School Endowment Fund are restricted for specific purposes and subject to a schedule of conditions.

1f Operating leases
Rental payments under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable are an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1g Taxation
Gift aid recovered on voluntary income is included with the donation to which it relates and irrecoverable VAT is included with the item of expenditure to which it relates.

1h Tangible fixed assets and depreciation
All tangible fixed assets are stated in the balance sheet at cost less depreciation. The depreciation of assets is provided in equal annual instalments over the estimated useful lives of the assets.

1i Long leasehold property
The original cost of the White Lodge long leasehold property was fully amortised in the period 1955 to 1976, although the lease was not due to expire until 2014. Subsequent major works and additions to the leasehold property were capitalised and amortised over the unexpired period of the lease, or evenly over the expected useful lives of the major works and additions as appropriate. In November 2005 the School surrendered its existing lease and entered into an agreement to lease the land and buildings for a further 100 years. A major redevelopment was undertaken in three phases from 2005 and completed in February 2009. Relevant leasehold costs are depreciated over the term of the lease. Building costs are depreciated over 40 years.

The Floral Street leasehold property is depreciated over the term of the 150 years commencing in 2002, except for building costs which are depreciated over 40 years. Up to 2009 the buildings had been depreciated over 25 years, but the policy was then reviewed and changed. The net book value at 31 August 2008 is now being depreciated over the remainder of the 40-year term.

Jebsen House property is depreciated over the lease term of 20 years.

1j Freehold property
The Aud Jebsen Hall student accommodation is freehold property and is being depreciated over 50

years from Easter 2016 when it was completed. Finance costs on loans taken out for the purchase of the property have been capitalised during the period when the property was being refurbished.

1k Furniture, fixtures and equipment
Assets with a cost of more than £1,000 are capitalised and these are depreciated over their expected useful lives as follows:

Major Refurbishment and minor structural changes	10 years
Furniture, fixtures and equipment	5 -10 years
Computer equipment	3 years
Motor vehicles	4 years

1l Liabilities
Liabilities are recognised at the point that there exists an obligation to make payment or transfer assets and the value of that obligation can be measured with a reasonable degree of accuracy.

1m Foreign currency
Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1n Pension schemes
Employees of the School are entitled to join the group personal pension scheme and employer contributions are charged to expenditure in the accounting period in which they are payable.

Teachers are entitled to join the Teachers' Pension Scheme which is an unfunded multi-employer defined benefits pension scheme. Contributions are charged to expenditure in the accounting period in which they are payable as if the scheme were a defined contribution scheme, as the School does not have sufficient information to account as a defined benefit scheme.

The School operated a defined benefit scheme, The Royal Ballet School Pension and Life Assurance Plan, which was closed to new entrants during 2002 and for future accrual on 31 August 2012. The assets and liabilities of the Scheme are reported in these financial statements as required by FRS 102. The Statement of financial activities includes the expected return on scheme assets in investment income, the interest cost in other finance costs, and the actuarial gains and losses arising from the annual valuation. The pension liability is recognised in the balance sheet as the School has a legal obligation to settle the liability over the long term.

See note 24 for more detail of the pension schemes.

1o Fund accounting
Unrestricted funds comprise of the accumulated unrestricted surplus or deficit each year. They are available for use at the discretion of Governors in furtherance of the general charitable objectives. The general pensions reserve represents the deficit in the defined benefit pension scheme (see note 24).

Unrestricted designated funds are amounts that have been put aside at the discretion of the Governors. At the year-end they comprised of a Fixed asset fund, a Building maintenance fund and an Associate Programme fund. The Fixed asset fund represents the extent to which donated funds are invested in fixed assets for use by the School and therefore are not available for other purposes. The Building maintenance fund represents funds put aside to maintain buildings, especially White Lodge. The Associate Programme fund represents a legacy with a stated preference for the funds to

be spent on the Associates Programme.

Restricted funds are funds subject to specific restricted conditions imposed by the donors.

Details of unrestricted funds are shown in note 16 and restricted funds in note 17.

1p Financial instruments

The School has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade debtors, accrued income and all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

2	**Charitable activities income**	**2021**	2020
		£000	£000
	School fees – note 2a	**6,716**	6,682
	Extras and performance income	**129**	136
	Fees from Associates, Summer School and Teachers' courses	**1,322**	833
	Auditions and other income	**122**	190
		8,289	7,841

2a.	**School Fees**		
	School fees were funded from:		
	Grants from the Department for Education	**3,678**	3,721
	Bursaries from The Royal Ballet School Endowment Fund	**149**	245
	Bursaries from restricted donations	**637**	400
	Parents	**2,252**	2,317
		6,716	6,683

3	**Donations**	**2021**	2020
		£000	£000
	Grants	**1,131**	1,131
	Donations	**2,213**	2,792
	Friends	**14**	16
		3,358	3,939

4	**Other Income**	**2021**	2020
		£000	£000
	Investment income – bank interest	**3**	14
	Other income	**19**	259
	Coronavirus furlough scheme	**98**	306
		120	579

5 Trading subsidiary

The Charity has one wholly owned subsidiary, TRBSE Enterprises Limited, whose registered address is 46 Floral Street, London WC2E 9DA. The activities of TRBS Enterprises Limited are immaterial to those of the Group so consolidated accounts have not been prepared. Due to the presentation of the School's accounts in round thousands, the subsidiary shares of £100 held, are not shown as an investment in these financial statements. The company's trading results are the year, extracted from its audited financial statements were:

	2021	2020
	£000	£000
Turnover	**47**	10
Cost of sales	**(39)**	(5)
Gross profit	**8**	5
Administrative expenses: Licence to occupy premises	**(1)**	(1)
Other expenses	**(20)**	(9)
(Loss) on ordinary activities before gift aid	**(13)**	(5)
(Loss) on ordinary activities before taxation	**(13)**	(5)
Tax on profit on ordinary activities	**-**	-
(Loss) for the year	**(13)**	(5)
Net (liabilities) / assets	**(12)**	1

6 Expenditure analysis

	Staff costs	Depreciation	Other Costs	**Total 2021**	Total 2020
	£000	£000	£000	**£000**	£000
Raising Funds					
Development and Fund raising	273	-	77	**350**	293
Charitable activities					
Teaching	3,045	-	433	**3,478**	3,391
Pastoral and Welfare	864	-	1,132	**1,996**	1,875
Outreach & Partnership	1,129	-	235	**1,364**	1,203
Premises	552	1,224	1,549	**3,325**	2,999
Support and Governance	689	-	839	**1,528**	1,465
Grants and Prizes	-	-	847	**847**	745
	6,279	1,224	5,035	**12,538**	11,678
Total Expenditure	6,552	1,224	5,112	**12,888**	11,971

7 Governance costs

	Total 2021 £000	Total 2020 £000
Governance costs included in support costs:		
Fees payable to the auditor for the statutory audit	**34**	29
Under accrual for prior year fees relating to the statutory audit	**(2)**	(12)
Fees payable to the auditor for tax advice	**-**	2
Fees payable to the auditor for Teacher Pension advice	**1**	-
Board and committee costs	**16**	9
Total	**49**	28

8 Finance and lease costs

	Total 2021 £000	Total 2020 £000
Bank interest payable	**18**	20
Interest on pension plan	**20**	23
Operating leases: land and buildings	**177**	163
Operating leases: pianos and office equipment	**26**	26

9 Grants and prizes expenditure

Grants are for student sponsorship and bursaries for full-time students, Associates and Intensive Course participants. Apart from a few scholarships for full-time students, all grants are means-tested.

	Total 2021 £000	Total 2020 £000
Other grants	**841**	739
Prizes	**6**	6
Total	**847**	745

10 Staff costs

	2021	2020
	£000	£000
Wages and salaries	**5,476**	5,187
Social security costs	**524**	481
Other pension costs	**545**	548
Other costs	**18**	18
	6,563	6,234

No School Governors received any remuneration, expenses or any other benefits from the School or any connected body.

Total employee benefits including employer pension contributions and national insurance of the Senior Leadership Team were £962,430 (2020: £789,146).

The School made aggregate termination payments of £6,194 (2020: £2,000) with none outstanding at the year end

	2021	2020
	Number	Number
The number of higher paid employees in bands of:		
£60,001 to £70,000	**6**	4
£70,001 to £80,000	**1**	1
£80,001 to £90,000	**1**	1
£100,001 to £110,000	**1**	1
	9	7

The average headcount of the School's employees for the year 2021 was 241 (2020: 240).

11 Tangible Fixed Assets

	Long leasehold property			Freehold property	Furniture, fixtures and equipment				Motor vehicles	Total
	Floral Street £000	White Lodge £000	Jebsen House £000	Aud Jebsen Hall £000	Floral Street £000	White Lodge £000	Jebsen House £000	Aud Jebsen Hall £000	£000	**£000**
Cost or valuation										
1 September 2020	15,219	22,825	787	14,920	1,165	1,671	49	157	76	**56,869**
Additions	49	216	-	40	12	15	-	-	-	**332**
31 August 2021	15,268	23,041	787	14,960	1,177	1,686	49	157	76	**57,201**
Depreciation										
1 September 2020	5,465	8,057	453	1,494	1,109	1,558	49	84	47	**18,316**
Charged in the year	281	496	39	310	33	29	-	22	14	**1,224**
31 August 2021	5,746	8,553	492	1,804	1,142	1,587	49	106	61	**19,540**
Net book value										
31 August 2021	**9,522**	**14,488**	**295**	**13,156**	**35**	**99**	**-**	**51**	**15**	**37,661**
31 August 2020	9,754	14,768	334	13,426	56	113	-	73	29	38,553

12 Debtors

	2021 £000	2020 £000
Amounts falling due within one year:		
Fees and recoverable extras	**105**	301
Intercompany	**209**	95
Connected charity (see Note 22)	**385**	1,363
Other debtors	**34**	28
Prepayments	**184**	91
Accrued Income	**548**	609
Department for Education – Music and Dance Scheme funding	**-**	-
Total	**1,465**	2,487

13 Creditors: amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	**648**	422
Taxation and social security	**160**	116
Other creditors	**85**	79
Accruals	**145**	162
Bank Loan due within one year	**30**	30
Department for Education – Music and Dance Scheme funding	**746**	504
Total	**1,814**	1,313

14 Deferred income

	2021 £000	2020 £000
Fees in advance	**-**	-
Department of Education paid in advance	**-**	-
Total	**-**	-

15	**Creditors: amounts falling due after one year**	**2021**	2020
		£000	£000
	Creditors due in 2 to 5 years		
	Bank loans	**121**	121
	Creditors due in 5 years		
	Bank loans	**129**	160
	Total	**250**	281

Bank loans at 31 August 2021 include a fixed rate loan of £281,000 (2020: £311,00) repayable by November 2030, with £30,000 due within one year, and an interest rate is 6.01% per annum. This loan is secured by charge over the White Lodge property.

16	**Unrestricted funds**	Balance as at 1 Sep 20	Income	Expenditure	Transfers	Gains/ (Losses)	**Balance as at 31 Aug 21**
		£000	£000	£000	£000	£000	**£000**
	Designated						
	Fixed asset fund	35,371	-	(1,148)	-	-	**34,223**
	Building Maintenance fund	500	-	-	-	-	**500**
	Associate Programme	367	-	(56)	-	-	**311**
	Pension Deficit Fund	450	-	-	-	-	**450**
	Deferred IT and Building Maintenance Fund	247	-	(141)	-	-	**106**
		36,935	-	(1,345)	-	-	**35,590**
	General						
	Pension reserve	(1,295)	-	(20)	47	96	**(1,172)**
	Free reserve	4,210	9,720	(9,856)	(47)	-	**4,027**
		2,915	9,720	(9,876)	-	96	**2,855**
	Total	39,850	9,720	(11,221)	-	96	**38,445**

Unrestricted funds 2019-20	Balance as at 1 Sep 19	Income	Expenditure	Transfers	Gains/ (Losses)	Balance as at 31 Aug 20
	£000	£000	£000	£000	£000	£000
Designated						
Fixed asset fund	36,447	-	(1,076)	-	-	**35,371**
Building Maintenance fund	500	-	-	-	-	**500**
Associate Programme	377	-	(10)	-	-	**367**
Pension Deficit Fund	-	-		450		**450**
Deferred IT & Building Maintenance Fund	-	-		247		**247**
	37,324	-	(1,086)	697	-	**36,935**
General						
Pension reserve	(1,311)	-	(23)	36	3	**(1,295)**
Free reserve	4,162	10,103	(9,320)	(735)	-	**4,210**
	2,851	10,103	(9,343)	(699)	3	**2,915**
Total	40,175	10,103	(10,429)	(2)	3	**39,850**

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the charity. Certain unrestricted funds are designated for other purposes. The unrestricted funds are as follows:

Designated fixed asset fund
This fund represents amounts expended on tangible fixed assets required for the operation of the School.

Designated building maintenance fund
This fund represents amounts designated and set aside by Governors to fund the ongoing repairs and restoration of White Lodge. In the last two years, the School has undertaken a programme of repair to White Lodge. Phase One and Two have been funded by donation but further works are estimated to be in excess of £1,000,000. It is unlikely that that the School will be able to raise the full funding required. The remaining works are expected to complete in 2024, subject to funding.

Designated Associate programme fund
This fund represents amounts designated and set aside by Governors to support the Associate Programme. The funds were received through a legacy where the legator expressed a preference for her donation to support the Associate Programme.

Designated Pension Deficit Fund
The Royal School Pension and Life Assurance Scheme closed to new members in 2006 and ceased accrual in 2012. There are 26 deferred members with the last member due to retire in 2034. The Triennial valuation of 1 September 2019 showed a funding deficit of £486,000 and the School has submitted a recovery plan to The Pension Regulator (see Note 24). These funds are set aside to meet future cash commitments for member annuities as the recovery payment plan is phased evenly over the remaining life of the scheme but member retirements are more sporadic.

Deferred IT and Building Maintenance Fund
During the Coronavirus pandemic, IT upgrades and hardware replacement and essential building

maintenance works had to be deferred during the period of School closure. This sum reflects the deferred list of works that the School anticipates completing in 2021 and 2022.

General reserves

The negative pension reserve represents the School's liabilities in respect of The Royal Ballet School Pension and Life Assurance Plan which is a defined benefit scheme that is now closed to new members (see note 24).

The free reserves represent the balance of unrestricted funds which have not been designated and are available for use at the discretion of the Governors in furtherance of the general charitable activities. This is before deducting the pension reserve, as the pension deficit is a long-term liability.

Transfers

i. £247,000 was transferred from unrestricted funds to designated funds to pay for essential maintenance delayed due to the Coronavirus shutdown in 2020 £141,000 has been utilised in 2021.

ii. £450,000 was set aside from unrestricted funds to designated funds to meet the cash requirements of purchasing annuities for members of The Royal Ballet School Pension and Life Assurance Plan in 2020. There has been no movement in 2021.

17 **Restricted funds**	Balance as at 1 Sep20 £000	Income £000	Expenditure £000	Transfers £000	**Balance as at 31 Aug 21 £000**
White Lodge Appeal Fund	-	-	-		-
Aud Jebsen Hall- Pimlico Appeal	49	-	-		49
Capital projects	8	-	-		8
Special projects	11	278	(208)		81
Sponsorship, bursaries and prizes	1,139	1,004	(803)		1,340
Outreach and Access fund	317	407	(238)		486
Ballet and artistic funds	476	105	(149)		432
Healthcare	1.073	180	(250)		1,003
Equipment	151	10	(10)		151
Intensive Courses	125	-	(9)		116
WiFi Cabling	20	-			20
Films		63	-		63
	3,369	2,047	(1,667)		3,749

Restricted funds 2019-20	Balance as at 1 Sep 19 £000	Income £000	Expenditure £000	Transfers £000	**Balance as at 31 Aug 20 £000**
White Lodge Appeal Fund	-	146	(146)	-	-
Aud Jebsen Hall- Pimlico Appeal	49	-	-	-	**49**
Capital projects	31	-	(23)	-	**8**
Special projects	**11**	5	(5)	-	**11**
Sponsorship, bursaries and prizes	757	1,123	(743)	2	**1,139**
Outreach and Access fund	177	405	(265)	-	**317**
Ballet and artistic funds	459	90	(73)	-	**476**
Healthcare	851	472	(250)	-	**1,073**
Equipment	155	15	(19)	-	**151**
Intensive Courses	140	-	(15)	-	**125**
Wi-Fi Cabling	23	-	(3)	-	**20**
	2,653	2,256	(1,542)	2	**3,369**

Restricted funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. A significant proportion of donations are received in the current in advance of expenditure in the following year.

White Lodge Appeal fund
The balance on this fund represents gifts and donations generated by fundraising appeals to acquire a new 100-year lease at White Lodge and to redevelop the land and buildings at White Lodge.

Sponsorship, bursaries and prizes
This fund includes donations for financial support for full-time students, Associates and Summer School

students and some prizes. All support is means-tested apart from a small number of scholarships. The School awards places based only on talent, so this support is particular y crucial to help fund overseas students, which raises the standard for all students and allows the School to maintain its place as one of the best classical ballet schools in the world.

Outreach and Access
This fund represents grants from the Department for Education, Trusts and Foundations and other donors to further the aims and objectives of the School's Outreach and Access programme.

Ballet and artistic funds
These donations are restricted for performances and new ballets, graduate tours, choreography and the Creative Artist Programme, which all help add breadth and depth to student training. The Creative Artist Programme was introduced to broaden the students' artistic experience by exposing them to a broad range of experts who have excelled in their field, both in artistic and in other areas.

Healthcare
This donation is to help the School improve its healthcare provision for three years, through the Healthy Dancer programme.

Equipment
Donations have been received to fund the updating of the technical equipment in the Margot Fonteyn Theatre at White Lodge, and Smart screens for classrooms to allow academic teaching across the two School sites.

Intensive Courses
This fund is to support the expansion of the intensive course programme into Hong Kong and provide financial assistance to students from Hong Kong who may otherwise be unable to pay for the course.

Wi-Fi Cabling
This fund represents support received from the Royal Ballet School PTA to upgrade the Wi-Fi provision at White Lodge. The annual depreciation charge will be made against this fund until it is fully expensed.

18 Allocation of assets by fund type

	Unrestricted General Fund £000	Unrestricted Designated Funds £000	Restricted Funds £000	**Total 2021 £000**
Fixed Assets	3,380	34,223	58	**37,661**
Debtors	1,332	-	-	**1,332**
Cash at Bank	1,245	1,367	3,691	**6,303**
Creditors: due within one year	(1,680)	-	-	**(1,680)**
Creditors: due after one year	(250)	-	-	**(250)**
Defined benefit pension scheme deficit	(1,172)	-	-	**(1,172)**
	2,855	35,590	3,749	**42,194**

Allocation of assets by fund type 2019-20	Unrestricted General Fund £000	Unrestricted Designatec Funds £000	Restricted Funds £000	Total 2020 £000
Fixed Assets	267	38,222	64	**38,553**
Debtors	2,487	-	-	**2,487**
Cash at Bank	3,050	(1,287)	3,305	**5,068**
Creditors: due within one year	(1,313)	-	-	**(1,313)**
Creditors: due after one year	(281)	-	-	**(281)**
Defined benefit pension scheme deficit	(1,295)	-	-	**(1,295)**
	2,915	36,935	3,369	**43,219**

19 Liability of members

The Charitable company is limited by guarantee and does not have a share capital. In the event of the Company being wound up, the maximum amount which each member is liable to contribute is £1. There were 17 (2020:16) members at the year end who are the Governors of the School.

20 Capital commitments

There were £112,660 capital commitments at the end of the reporting period (2020: £Nil).

21 Commitments under operating leases

		2021	2020
		£000	£000
20	The total of future minimum lease payments under operating leases for each of the following periods:		
	Not later than one year	**195**	168
	Later than one year and not later than five years	**553**	653
	Later than five years	**645**	571
		1,393	1,392

22 Related party transactions

TRBS Enterprises Limited

The subsidiary charity trades by hiring out School premises at times when they are not required by the School. During the year the following transactions were made with the School:

The School recharged £5,580 (2020: £5,580) of costs for staff time and other costs directly related to the activities of the subsidiary. The School charged licence fees of £1,000 (2020: £1,000) to the subsidiary.

At the end of the year the School was owed £209,245 by the subsidiary see note 12, (2019: £96,068).

The Royal Ballet School Endowment Fund

The connected charity, the Royal Ballet School Endowment Fund provices funding and facilities for the students of The Royal Ballet School. During the year the following transactions were made with the School:

The School received grants of £381,076 (2020: £460,014) from the Endowment Fund. The grants paid for bursaries for students for School fees, the Royal Ballet School collection and a grant for repairs to White

Lodge.

The School does not charge the Endowment Fund for staff time for administering the charity.

At the end of the year the School was owed £384,977 by the Endowment Fund (2020: £1,363,200).

Governors of The Royal Ballet School
Governors did not receive any payment or expenses from the School as disclosed in note 10. The total amount of donations received from Governors in the year was £129,500 (2020: £383,310). None of the Governors' donations were given with conditions that required the charity to alter the nature of its existing activities.

Employees of The Royal Ballet School
During the year the School engaged the wife of the Artistic Director to deliver contemporary dance classes. A fee of £4,078 (2020: £6,180) was paid.

23 Taxation

As a registered charity, The Royal Ballet School is potentially exempt from taxation of income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 and section 521 to 536 of the Income Tax Act 2007.

24 Pension commitments

The School operates a group personal pension scheme, a defined benefit scheme with the Teachers' Pension Scheme and also a defined benefit scheme which was closed to future accrual on 31 August 2012, known as The Royal Ballet School Pension and Life Assurance Plan.

Group personal pension scheme
Contributions for the group personal pension scheme are charged to expenditure in the accounting period in which they are payable. Pension charges for the year were £316,455 (2020: £298,094).

Teachers' Pension Scheme
The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £208,422 (2020: £251,293) and at the year-end £nil (2019 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the

discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 Valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The Royal Ballet School Pension and Life Assurance Plan (the "Plan")
This defined benefit pension scheme provides benefits based on pensionable pay up to 31 August 2012 when the Scheme ceased accrual. The assets of the Plan are held separately from those of the School, being invested with Clerical Medical and General Life Assurance Society in their Pension Contract.

Contributions and triennial valuations
The contributions are recommended by an independent qualified actuary from Clerical Medical on the basis of triennial valuations carried out by the actuary on behalf of the Trustees of the Plan.
The most recent triennial valuation was as at 1 September 2019. The market value of the Plan's assets was £2,370,000 and that the benefits accrued to members were £2,856,000, giving a funding deficit of £486,000 and a funding level of 83%. The actuarial assumptions underlying this valuation are different to those adopted under FRS 102 included in these financial statements.

The Trustees have agreed with the School that contributions will continue at £47,000 per annum from 1 September 2021 to improve the funding level in the Plan to address the deficit. In the year to 31 August 2021, £47,000 (2020: £36,000) was paid. The expected recovery end date is August 2031.

The funding position of the Plan and contributions to be paid will be reviewed again at the next triennial valuation due as at 1 September 2022, which will be completed during the 2022/23 financial year.

Valuation for these financial statements under FRS 102
The Plan was valued at the end of the reporting period by a qualified Independent Actuary in accordance with Financial Reporting Standard 102, and the following notes 24a to 24i relate to this valuation. This valuation has different actuarial assumptions to the triennial valuation.

24a The principal actuarial assumptions at the end of the reporting period (expressed as weighted averages):

	2021 £000	2020 £000
Discount rate	**1.7%**	1.6%
RPI assumption	**3.7%**	3.4%
CPI assumption	**2.9%**	2.6%
LPI pension increases	**3.5%**	3.3%

The underlying mortality assumption is based upon the standard table known as S2PXA projected on a year of birth basis with CMI_2020 future improvement factors and a long-term rate of future improvements with 1.25% p.a. (2020: S2PXA with CMI_2019 future improvement factors and a long-term future rate of improvement of 1.25% p.a.). This results in the following life expectancies:

	Years	Years
Life expectancy for 60 year old female	**88.4**	88.3
Life expectancy for 45 year old female	**89.6**	89.5

24b The amounts recognised in the balance sheet:

	2021 £000	2020 £000
Present value of Plan liabilities	**(3,574)**	(3,591)
Market value of Plan assets	**2,402**	2,296
Net defined benefit liability	**(1,172)**	(1,295)

24c Amounts included within the Statement of Financial Activities (SOFA):

	2021 £000	2020 £000
Current service cost	**-**	-
Interest on net defined benefit asset	**(20)**	(23)
Past service cost	**-**	-
Total amount charged within net incoming resources	**(20)**	(23)

24d Changes in the present value of Plan liabilities:

	2021	2020
	£000	£000
Present value of scheme liabilities at beginning of the year	**(3,591)**	(3,713)
Past service cost	**-**	-
Benefits paid	**37**	158
Interest on Plan liabilities	**(57)**	(65)
Actuarial loss/ (gain)	**37**	29
Present value of Plan liabilities at end of the year	**(3,574)**	(3,591)

24e Changes in the fair value of Plan assets:

	2021	2020
	£000	£000
Market value of Plan assets at beginning of the reporting period	**2,296**	2,402
Employer contributions	**47**	36
Benefits paid	**(37)**	(158)
Interest on Plan assets	**37**	42
Return on assets, less interest included in the SOFA	**59**	(26)
Market value of the Plan assets at the end of the reporting period	**2,402**	2,296
Actual return on Plan assets	**96**	16

24f The major categories of Plan assets as a percentage of total Plan assets:

	2021	2020
Group pension contract	**100%**	100%
Cash	**0%**	0%

The Plan had no investments in property occupied by, assets used by or financial instruments issued by the School.

24g Analysis of the measurement of the net defined benefit liability recognised in Other recognised losses in the SOFA:

	2021	2020
	£000	£000
Return on assets, less interest included in the SOFA	**59**	(26)
Experience gains and losses arising on Plan liabilities	**74**	78
Changes in assumptions underlying the present value of Plan liabilities	**(37)**	(49)
Actuarial loss/(gain) recognised in Other recognised losses	**96**	3

24h Movement in deficit during the year

	2021	2020
	£000	£000
Deficit in the scheme at the beginning of the year	**(1,295)**	(1,311)
Interest recognised in the SOFA	**(20)**	(23)
Employer contributions	**47**	36
Actuarial loss/(gain) recognised in Other recognised losses in the SOFA	**96**	3
Deficit in the scheme at the end of the year	**(1,172)**	(1,295)

25 Statement of financial activities – comparative figures for the prior period by fund

	Note	Unrestricted Funds		Restricted Funds	Total Funds
		General	Designated		2020
		£000	£000	£000	£000
Income from:					
Charitable activities	2	7,841	-	0	**7,841**
Donations	3	1,683	-	2,256	**3,939**
Other income	4	579	-	-	**579**
Total income		10,103	-	2,256	12,359
Expenditure on:					
Raising funds					
Development and fundraising		293	-	-	**293**
		293	-	-	**293**
Charitable activities					
Teaching		3,344	-	47	**3,391**
Pastoral and welfare		1,606	-	269	**1.875**
Outreach and partnership		888	10	305	**1,203**
Premises		1,747	1,076	176	**2,999**
Support and governance	7,8	1,465	-	-	**1,465**
Grants and prizes	9	-	-	745	**745**
		9,050	1,086	1,542	**11,678**
Total expenditure	6	9,343	1,086	1,542	**11,971**
Net income / (expenditure)		760	(1,086)	714	**388**
Transfers between funds	16,17	(699)	697	2	-
Other recognised losses					
Actuarial (losses)/gain on defined benefit pension scheme	24g	3	-	-	3
Net movement in funds		64	(389)	716	**391**
Total funds brought forward		2,851	37,324	2,653	42,828
Total funds carried forward	16,17	2,915	36,935	3,369	**43,219**

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Activities

THE ROYAL BALLET SCHOOL

England & Wales - Charity number 214364

Accounts

Royal Ballet School
Annual report and financial statements
for the year ended
31 August 2020

Charity registration number: 214364
Company registration number: 547018
Principal and registered office: 46 Floral Street, London WC2E 9DA

Royal Ballet School
Annual report and financial statements
Year ended 31 August 2020

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GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of Royal Ballet School (the School) are the School's Charity Trustees under charity law and the Directors of the Charitable Company. Detailed below are the Governors who served in office during the year and subsequently:

The Duchess of Wellington OBE (Chairman to 16 March and resigned 17 March 2020)
Christopher Rodrigues (appointed 26 November 2019 and Chairman from 17 March 2020)
Carlos Acosta (appointed 17 June 2020)
Justin Albert (appointed 2 February 2021)
Suneel Bakhshi (resigned 29 January 2020)
Anna Birkett
Jonathan Chenevix-Trench (resigned 26 March 2020)
Tom Clementi
Genevieve Davies (resigned 27 January 2021)
Sarah Dorfman (resigned 25 March 2021)
David Ebstein (appointed 2 February 2021)
Clarissa Farr (resigned 26 November 2019)
David Fletcher
Candida Hurst-Brown (resigned 31 March 2020)
Janet Lambert
Menna McGregor
Kevin O'Hare
Madeleine Plaut
Craig Ranson (appointed 2 February 2021)
Zita Saurel
Nishi Somaiya (appointed 17 June 2020)
Stephen Spurr
Kenneth Steele
Susan Wijeratna (appointed 26 November 2019)

Lady Sainsbury CBE is Governor Emerita of the School.

COMPANY SECRETARY

Pippa Adamson

PRINCIPAL AND REGISTERED OFFICE

46 Floral Street, London WC2E 9DA

OFFICERS – SENIOR LEADERSHIP TEAM

Christopher Powney	Artistic Director
Pippa Adamson	Chief Operating Officer
David Gajadharsingh	Academic and Pastoral Principal
Carol Dray	Commercial Director (appointed 1 September 2020)
Jill Tait-Harris	Assistant Principal (Pastoral and Welfare)
Mark Annear	Head of Training and Access
Samira Saidi	Head of Intensive Courses and International Relations
Sarah Eliot-Cohen	Head of Development and Communications
Roger Atkinson	Head of Site Operations
Jason Hughes	Compliance Officer
Huw Goodwin	Healthcare Manager (appointed 1 January 2021)

ADVISORS

AUDITORS:
Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

BANKERS:
Barclays Bank plc
Education Team
Level 28, Churchill Place
London E14 5HP

SOLICITORS:
Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol BS1 4QA

Winckworth Sherwood
Minerva House
5 Montague Close
London SE1 9DF

The Governors present their annual report for the year ended 31 August 2020 under the Charities Act 2011, including the Directors' and Strategic Reports under the Companies Act 2006, together with the audited financial statements for the year.

DIRECTORS' REPORT

CONSTITUTION, OBJECTS AND ORGANISATIONAL STRUCTURE

The Royal Ballet School (the School) is a charitable company limited by guarantee (registered number 547018) and not having a share capital, and it is also a registered charity (number 214364). It was established in 1955 under a Memorandum of Association which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The School's objects and principal activity is to train and educate full time students for a career as classical ballet dancers.

The School has a wholly owned trading subsidiary TRBS Enterprises Limited which sells branded merchandise and hires out School premises, gifting its profits to the School. Consolidated accounts have not been prepared as the activities of the subsidiary are immaterial, but the trading results are shown in Note 5 of the financial statements and any gifted profits are included in the Statement of Financial Activities.

The Royal Ballet School Endowment Fund is a connected charity whose purpose is to provide funding and facilities for the students at the Royal Ballet School. The connected charity is a separate charity with trustees who are responsible for that charity and their financial statements which are not reported on in these accounts.

The School is the official School of both the Royal Ballet and Birmingham Royal Ballet companies and as a result, has close working relationships with both Artistic Directors and their staff. The Artistic Directors of each Company have a place on the Royal Ballet School's Board of Governors for the duration of office.

VISION, MISSION AND VALUES OF THE ROYAL BALLET SCHOOL

OUR VISION

The School's vision is to be the best classical dance ballet school in the world.

OUR MISSION

Our mission is to nurture, train and educate exceptional young dancers for the Royal Ballet companies and other leading UK and international companies and to inspire the future of classical ballet training.

OUR VALUES

Student focused
Students are at the heart of everything we do at the School and their training and welfare are the basis of all decisions

Innovative and pioneering
We are a bold, forward-thinking organisation and bring this approach to all areas of our work with the utmost integrity

Promoting excellence
We maintain the highest standards of excellence in classical ballet training

Training versatile dancers
Our highly skilled dancers are able to adapt to a broad range of styles

Respectful of our heritage
We ensure the rich heritage of the School is at the heart of our training

Faithful to our core mission
To provide the two Royal Ballet companies with top calibre dancers. We take a fully collaborative and inclusive approach with both companies

One team
We support each other, creating a warm, nurturing environment for students to maximise their potential

Committed to academic education
We give students the best possible education and in so doing open up their opportunities beyond ballet

Nurturing our students
We are respectful of our dancers as aspiring artists and as individual, intelligent human-beings

Broadening access
Sharing our expertise in classical ballet training, engaging with the wider community through our Outreach & Access programme

Pioneering in healthcare
We are at the forefront of physical and mental health provision for pre-professional dancers working to create stronger, happier and more resilient dancers.

GOVERNANCE

The School is governed by the Board of Governors whose members are also directors of the Charitable Company and charity trustees. The Board is responsible for overseeing the strategy and policies for the School and meets formally once a term (three times annually) as well as holding other meetings, especially for strategic planning discussions, as required to perform its duties.

The Board of Governors during the financial year and to the date of this report are shown on page 2.

The Board has established the following standing committees which meet before each regular meeting of the Governors or as shown:

Artistic and Academic Committee
Dance Policy Committee (meets as required)
Development Committee
Estates Committee
Finance Committee
Nominations Committee
Pastoral and Compliance Committee
Remuneration Committee (meets as required)

These committees between them have a responsibility to the Board for all the major areas of its accountability.

Nominations for new Board members are made by the Governors and Executive Officers to the Nominations Committee, who then make recommendations to the Board who elect new members. Candidates are selected based on their professional skills, knowledge, competence and experience,

and Governors ensure that there is an appropriate balance of relevant skills and expertise across the Board. The Nominations Committee meets regularly and reviews the composition of the Board, taking into account the need for succession planning as existing Governors retire. Where appropriate to ensure that the widest range of candidates are considered, professional recruitment agencies may be used.

Remuneration of staff is set by the Remuneration Committee with the policy objectives of rewarding staff fairly. Remuneration levels are reviewed annually to make sure that salaries are comparative with the market.

GOVERNOR TRAINING

All Governors are inducted into the governance and operations of the School through briefings with the Chairman and members of the Executive and Senior Leadership Teams. All Governors are trained to Level 2 in Child Protection and Safeguarding and a minimum of three Governors to Level 3. Governors are issued with a copy of the AGBIS Guidelines for Governors laying out best practice in the governance of independent schools. The training needs of Governors are reviewed from time to time and support provided as necessary. Additionally, regular presentations and reports are made to the Governing body on key issues of current and ongoing importance.

The Trustees adhere to the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector.

ORGANISATIONAL MANAGEMENT

The day-to-day operations of the School are managed by the Executive Leadership Team which is made up of the Artistic Director, Chief Operating Officer, Academic and Pastoral Principal and from September 2020, a Commercial Director. The Executive are supported by members of the wider Senior Leadership Team. Both teams are led by the Artistic Director, Christopher Powney. The Artistic Director is in control of the day-to-day running of the School but is not a member of the Board of Governors nor a company director. The rest of the Senior Leadership Team who support the Artistic Director are listed on page 3.

PUBLIC BENEFIT

The School remains committed to the aim of providing public benefit in accordance with its founding principles. The Governors' have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

The School makes a major contribution to the country's global reputation for arts and culture, specialising in the area of classical ballet. A place at the School is open to any young person from the UK who possesses the potential and talent to become a professional classical ballet dancer irrespective of their social or financial background. This also applies to most overseas students from age 16 and occasionally under this age. To this end, a combination of public, private and charitable funding is available to give financial support and bursaries to students, and each year, about 90% of our students receive such support.

The Department for Education (DfE) provides means-tested grants through its Music and Dance Scheme for up to 184 students. These students can be from the UK (grants for tuition and boarding fees) or from the European Economic Area (grants for tuition fees only where a student is over age 16). Most overseas students over age 16 receive means-tested support at a similar level to the DfE scheme, funded by donations from individuals, trusts and foundations. Post Brexit, new students from the European Economic Area will no longer be able to apply for Music and Dance Scheme

funding. The School anticipates expanding the provision of donor funded bursaries.

The School's Training and Access department provide national Associate programmes which offer young people regular access to classical ballet training classes and workshops. There are nine Associate centres across the United Kingdom; London, Birmingham, Bath, Manchester, Leeds, Totnes, Eastleigh, Newcastle and Dundee. All students are selected based on their potential as a classical ballet dancer rather than their ability to pay, and means-tested financial support is available irrespective of age or nationality.

The Intensive Courses department deliver a programme of courses throughout the year allowing students of classical ballet, to experience Royal Ballet School training. Annual courses are held at The Royal Ballet School and internationally. Courses are open to British and international students aged 10 to 20 years old. Again, all students are selected based on their ability rather than financial means and means-tested bursary support is available for all intensive courses.

The School also runs a national community access programme called Primary Steps, funded by the DfE. Primary Steps partners with state schools to give children of primary school age access to classical ballet through the School's students and the network of teaching expertise. There are five school centres for the programme around the country in Blackpool, Bury St Edmonds, Dagenham, Swindon and Mansfield.

Other access opportunities are available, such as demonstrations for state school students studying GSCE dance or various Insight events for the general public. A programme of professional development is available for teachers of classical ballet.

The Royal Ballet School Special Collections are being catalogued and digitised to ensure they are widely available as a leading educational resource. A Ballet History Timeline, publicly available through the School's website, tells the story of ballet in Britain, and how it relates to the wider history of Classical ballet as a theatre art form. The Timeline is illustrated by archival treasures from The Royal Ballet School Special Collections http://timeline.royalballetschool.org.uk/information/

EMPLOYMENT POLICY

To promote an environment in which the School can call upon the widest possible range of knowledge, skill and experience, as well as ensuring compliance with the relevant legislation and codes of practice, the Royal Ballet School is committed to achieving and maintaining a workforce which represents the population within its recruitment area.

The School has an equality policy to ensure fairness and equality of opportunity to all staff regardless of their status regarding age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

The School regularly reviews the operation of its recruitment, promotion, training and development policies to ensure that no applicant for employment or member of staff is disadvantaged by conditions or requirements which cannot be shown to be justifiable.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each of the Governors is aware, there is no relevant audit information of which the charitable company's auditor is unaware. Each Governor has taken all the steps that he/she ought to have taken as a Governor to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also directors for the purposes of company law) are responsible for preparing the Governors' annual report and the financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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 charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

The School is located across two sites where full-time students are trained and educated: White Lodge in Richmond Park is a boarding school for 11 to 16 year olds and Upper School in Covent Garden trains students aged 16 to 19. Upper School students board at Aud Jebsen Hall in Pimlico (1st and 2nd Years) and Jebsen House in Covent Garden (3rd Years).

The School's Training and Access Programme provides dance training to young Associates and gives the School the opportunity to support the most talented students to gain a full-time training place. Weekend classes are run for Junior Associates for ages 8 to 11 held in nine centres across the United Kingdom; Mid Associate classes for ages 11-14 are held in six centres across the United Kingdom; Senior Associates classes for ages 14 to 16 are held in London and Birmingham and Advanced Associate classes for 16 to 18 year olds are held in London. As well as regular classes, workshops are run throughout the year. Insight and access opportunities are provided in additional locations across the UK to ensure the programme's widest possible reach.

The School offers professional development to teachers of classical ballet through its programme of Inspired seminars. Series 1 offers six one-day seminars that contain a mix of practical and pedagogic study. Series 2 consists of four one-day observation classes delivered to students of the participating teachers. Seminars are run throughout the year across the UK and overseas.

The Royal Ballet School's Diploma of Dance Teaching is a two-year part-time course which provides a sound foundation in both technical and creative approaches to teaching ballet. The first year of the two-year diploma focuses on the foundations of ballet technique, pedagogy, anatomy, reflective practice, and the workplace context for dance teachers. The second year of the course allows participants to specialise in either vocational dance training or teaching dance in the education sector.

The Intensive Course Programme offers young people aged 10 to 20 the opportunity to experience Royal Ballet School training. Typically, courses run from one week to five weeks and attract students from the UK and overseas. UK courses are run for one week during the Easter at White Lodge and five weeks during the Summer at White Lodge and Upper School. Each year, the School aims to run courses internationally to give international students access to The Royal ballet school's system of training. Courses can vary from short masterclasses to week long intensives. In 2020, in response to the pandemic, two weeks of online courses were delivered offering greater access to the School.

The partnership programme was established to open up the School to young people from state schools across the UK, sharing our expertise and training. This is carried out through the Primary Steps programme as described in the Public Benefit section on page 6.

The School's primary aim is to ensure the highest standards of classical ballet training and education of all its students, and the students are at the heart of everything we do. The main key performance measures are the rate of employment of graduating students by ballet companies around the world and the students' academic results in public examinations.

The objectives for the year to help achieve the aim were to:

- manage the School through the Coronavirus pandemic and subsequent lockdown;
- drive excellence in classical ballet training and maintain a high level of graduate employment;
- explore new avenues for talent identification;

- continue the underpinning of our training with the Health Dancer Programme;
- to achieve academic results above national averages at GCSE;
- to aim to secure stability of funding from the Music and Dance Scheme and private sector;
- to maintain excellent standards of pastoral care;
- to undertake the third phase of repair and refurbishment to White Lodge's brickwork and windows;
- to exploit new income generating initiatives;
- secure the future of The Royal Ballet School collections; and
- strengthen and develop the ties with The Royal Ballet companies.

ACHIEVEMENTS AND PERFORMANCE

On 11 March 2020 the World Health Organisation declared Coronavirus a global pandemic and on 20 March 2020, the School closed and students returned home. The School continued to operate remotely but did not physically reopen its doors until September 2020. All staff started to work remotely. The academic year was dominated by this ongoing event.

The School staff pulled together to deliver the best experience possible for the students in new and challenging circumstances. Academic and artistic lessons were delivered via Zoom and MS Teams. Initially delivering a full programme of 'live' lessons, the timetable was subsequently adapted in response to feedback from students and parents. Classes were well received and student engagement was high.

Throughout the Summer Term, the Governors met every two weeks to address the emerging issues and agree the School's response.

In June 2020, Carlos Acosta was appointed to the Board of Governors, for the duration of his office as Artistic Director of Birmingham Royal Ballet. This mirrors the appointment of Kevin O'Hare, Artistic Director of the Royal Ballet. The appointment of both Artistic Directors ensures that the School is best serving its ultimate customers and cements the relationship between the three organisations.

ARTISTIC

The School aims to have 214 pupils over the year with each student being able to demonstrate the desire and level of ability to become a professional classical ballet dancer. At the start of the year in September 2019 the School had 135 full-time pupils at White Lodge and 85 full-time pupils at Upper School, a total of 220.

From March 2020, artist training and opportunities were hampered by the lockdown. Students who at school had access to world-class studios and facilities were forced to train at home, often in small spaces such as kitchens and bedrooms. The students' engagement remained exceptionally high with all students accessing their lessons, often working within different time zones and some in countries with limited IT infrastructure.

The Ballet Teachers switched quickly to remote delivery of lessons via Zoom, picking up new skills and grasping the use of new technology. The Healthcare and Wellbeing Team ensured that engaged, encouraged and adapted to the students' changed physical and emotional needs.

The School was fortunate to have complete the audition cycle for 2020/21 academic year just prior to lockdown however there were many students who were unable to attend the audition due to

travel restrictions.

The School was forced to cancel the Summer performance programme at Opera Holland Park, the Linbury Theatre and the Royal Opera House. This was undoubtedly a major blow to all our students and particularly those graduating from the School, who lost the opportunity to showcase their achievements after several years of training and dedication.

Despite the difficulties, 92% of graduate students gained an employment contract prior to the March 2020 lockdown. Six joined the Royal Ballet Aud Jebsen Young Dancers Programme; three students joined Birmingham Royal Ballet and the remainder gained contracts around the world.

The School's Training and Access provision was equally impacted. Associate and Primary Steps live classes were replaced with access to recorded classes or activities, alongside a successful weekly newsletter. There was a high level of engagement with students throughout the lockdown and feedback from students and parents was positive.

The Diploma of Dance Teaching cohort successfully completed the final term of their course via Zoom with their graduation taking place on 24 October 2020.

With many of the regular Insight Days and events cancelled, the Training and Access Team looked for other opportunities to engage with audiences and to launch some new initiatives. The teacher training webinars were particularly successful with the initial sessions selling out within 48 hours of launch. Further sessions were added with equal success and the School will continue to deliver a programme of regular webinars for dance teachers.

Coronavirus resulted in the cancellation of both the Spring Intensive Courses at White Lodge and in Hong Kong. The Summer Courses could not go ahead as residential courses and in a matter of five weeks, the team quickly developed a three-week virtual summer intensive. Classes were carefully curated to ensure suitability of online participation and included ballet technique masterclasses, focus classes, mime, Pilates, healthcare talks and guest interviews. 250 sessions were delivered and enjoyed by 1,813 participants. Student feedback was excellent and the courses offered access to The Royal Ballet School to students around the world, who might otherwise be unable to attend a residential course.

ACADEMIC

The School believes that students become better creative artists by using their brains as well as their bodies and so considerable emphasis is placed on the importance of academic work.

Despite the switch to remote learning in March and change from examinations to assessment grades, the students delivered outstanding results.

The GCSE results were outstanding with 100% at Level 4 and above against a national average of 76%. 75% of students achieved grades 9-7, the equivalent of A/A* under the previous marking system. Each year, the School measures the 'Value Added' score for the GCSE cohort measuring how well students have performed compared to others of the same ability nationally. In 2019 the Value Added score was 0.95 meaning that on average, students achieved 0.95 of a grade more than children of a similar ability nationally. The School is very proud of its academic achievement given that students are selected purely on their ability to dance and not academic attainment.

At A Level the pass rate of 100% was maintained with 83% of results being A* to B.

In September 2019, an optional Extended Project Qualification was introduced to offer students a more flexible and independent study-based qualification in addition to the degree and A-Levels. There was one entry in the year and the candidate secured an A*.

Students at the School study a three-year degree in Classical Ballet and Dance Performance in

association with University of Roehampton. The students gain significant benefit from the research that underpins their practical development and are well supported with regard to their physical and emotional wellbeing. In July 2020, the first cohort of students, completed their degree with 100% of the School's 18 candidates being awarded a first-class honours.

The foundation degree was completed by Year 13 students with 100% achieving a 'Distinction' grade.

PASTORAL AND WELLBEING

In response to the lockdown, the School had to quickly change the way its supported its students. The Pastoral team maintains regular contact with students, arranging shared activities to maintain the sense of community within the year groups. Activities were well received with wider family groups joining on occasions.

Each student's experience of lockdown differed and the Pastoral Team remained on hand to offer individual support to those whose who found the situation more challenging. Home circumstances, differing time-zone and varied access to technology are examples of some of the difficulties faced.

The School is proud of its commitment mental wellbeing as well as the physical. Students have access to in house counsellors on both sites and can be referred or self-refer. Provision is three days a week at White Lodge and two days a week at Upper School. Should there be a waiting list, students are offered access to an external counselling provision. Counselling provision remains available to students throughout the year.

All students are supplied with private medical cover as part of School fees. This ensures that students, regardless of financial means, have access to immediate specialist healthcare.

The School supports students to take age appropriate responsibility for monitoring their own wellbeing, with strength and conditioning embedded as part of their normal training. Daily monitoring is done via a Wellness App which allows students to quickly and simply log data such as sleep quality and hydration. Graduating students have reported that they continue these habits into their professional careers.

FUNDRAISING

Fundraising is an essential part of the School finances without which we would not be able to offer training to as many students. The cost of full-time student support through bursaries and scholarships averages £650,000 a year. Given the current economic and political climate, we only expect this to increase. Financial assistance is also available to all qualifying students on our Associate programme and intensive courses.

In addition to the generous donations received for student support, other donations included £1,683,000 for revenue funding and COVID-19 support; £62,000 for tours, exchanges and performances and £472,000 for the Healthy Dancer Programme. Without this support, the School would not be able to realise so many projects or offer the level of training that we do.

Costs of fundraising remained low at £293,000 (2019: £317,000) which amounted to 7.4% of funds raised. Costs include £140,000 (2019: £172,000) of expenditure on communications. How we engaged with our donors and other audiences had to radically change during the COVID-19 lockdown and expenditure shifted towards digital content rather print or face to face engagement. Non-staff costs were £64,000 (2019: £107,000).

All fundraising is carried out by the School's Development Team with support from members of the Development Committee and Governors. The school does not engage with any external third-party fundraisers. Governors receive regular updates on fundraising regulations and guidance from the Head of Development and the Development Committee.

The School abides by the appropriate code of conduct for all its fundraising, including consideration of the issues raised in the Etherington Review into Charity Fundraising Practice issued in September 2015, which put an emphasis on donor experience. The School takes its responsibility to anyone who might be vulnerable very seriously and will continue to consider this in the Charity's approach to fundraising activity. The School does not engage in any cold calling or put pressure on an individual to donate funds, property or other assets.

There have been no complaints in the period regarding inappropriate or intrusive contact.

BUSINESS REVIEW

Each year, the School's financial objective is to break even within its core operations. The School achieved, this aim in the face of the COVID-19 pandemic and a full lockdown from March 2020 to September 2020. All students returned home and parents were offered a discount on their contribution to fees to reflect the lack of boarding provision and the restrictions placed on ballet tuition by not having access to a studio.

From April 2020 when it was clear that the School would not reopen during the Summer Term, non-essential expenditure was immediately stopped. This included building maintenance which is a substantial component of the School's overheads. Direct catering savings from students not being on site resulted in further savings and use of the Government's Coronavirus Job Retention Scheme provided additional financial support. Donors stepped in as the School's Spring and Summer Intensives Courses were cancelled.

FINANCIAL REVIEW

Given the period of lockdown from March to August 2020, the financial results for 2019/20 were better than expected. However, the unrestricted surplus before transfers of £760,000, was a result of delayed maintenance expenditure, a business rates rebate and the timing of donation receipts. £242,000 of essential maintenance works were deferred during the school closure as contractors could not access the School sites. These works, including emergency light upgrades, boiler replacements, IT server replacements and improvements to the student bathrooms will need to be carried out in 2021. The School benefitted from a business rates rebate of £204,000; the result of a long running valuation dispute where the School had been assessed for business rates as part of the Royal Opera House. Several donations to the School's general fund, expected in 2020/21, were received in advance of 31 August 2020 and this will impact the following year's income figures.

INCOME

The School only makes offers of full-time training to those who have potential to become excellent dancers, so our ability to fill places depends on the calibre of applicants, and numbers can vary. In the year we exceeded our budget to have 218 students in the School. Means-tested support continued for UK and EU students from the UK Government's Music and Dance Scheme and for overseas students at Upper School from bursary funding. In the year 89% of students at the School received some form of financial support. In addition to full time student support, the School raises additional funds through donations to offer means-tested fee support and travel bursaries to Associate and Intensive Course students.

Due to Coronavirus, fee income fell by 14% as Associate classes and events were cancelled and discounts were offered to students where they could not fully participate in ballet classes from home. Donation income includes grant awards from the DfE towards running the School, the Outreach and Partnership work and for the Primary Steps programme.

Unrestricted income of £10,103,000 was supplemented by restricted income of £2,256,000 which

included a donation of £472,400 for the Healthy Dancer Programme, and a grant of £146,000 to pay for the restoration of White Lodge. Restricted donations are typically received in advance of expenditure and this year, resulted in a surplus of £716,000 restricted funds in the year.

EXPENDITURE

During the year, expenditure was closely monitored and well controlled. Lockdown led to expenditure savings across the School as activities, including performances were cancelled. With no students on site, there were significant savings in catering costs and our external supplier furloughed their staff for the duration. Costs incurred for choreography and performances, funded by donations, will be deferred to 2020/21.Depreciation costs were largely expensed against a designated property fund where amounts have been aside to cover the annual cost. Overall, the depreciation charge of £1,086,000 against the designated funds and the actuarial gain on the revaluation of the defined pension scheme of £3,000 led to a total surplus of £391,000.

DESIGNATED FUNDS

Recognising the delayed nature of the maintenance works, the Governors have designated funds to the Deferred IT and Building Maintenance Fund. The fund contains the £247,000 of unspent essential maintenance works that will be delivered in the next 12 to 24 months, as COVID conditions allow.

The Governors have set aside a further £450,000 in the Designated Pension Deficit Fund to fund the deficit on the School's final salary pension scheme - The Royal Ballet School Pension and Life Assurance Plan. The Scheme is expected to run for another 14 years and while a recovery plan is in place, the amounts paid in monthly will not always meet the cash requirements for annuities as members retire. This fund ensures the School has the funds to meet its obligations to its members. Further details on the pension fund can be found in Note 24.

FUNDS AND RESERVES POLICY

The School's unrestricted general reserves at the year end amount to £2,915,000 (2019: £2,851,000). Amounts designated for depreciation on property assets, the Associate programme, maintenance and pension funds total £36,935,000 (2019: £37,324,000). Adding in restricted funds of £3,369,000 (2019: £2,653,000) bring total reserves to £43,219,000 (2019: £42,828,000).

The unrestricted general fund is held to provide financial stability to the School while making sure that funds are used to achieve the School's aims wherever possible. The general fund allows the School to meet its financial obligations and operate its business while managing risks and funding future work and development. The level of the unrestricted funds less those set aside for depreciation and the pension deficit under the most recent triennial valuation at the year end is £3,717,000, equivalent of four months average unrestricted operating costs. At this time, the Governors, having assessed the financial stability of the School believe the level of reserves to be adequate. However, in the longer term, the focus will be to build reserves to six months.

Governors have reviewed the reserves policy in line with Charity Commission CC19 Guidance. Given the uncertainty around funding, the pressures of the Coronavirus pandemic and the reduction in student funding as a result of Brexit from September 2021, the School considers it necessary to hold reserves of a level equivalent to three to six months operating costs.

The unrestricted designated fund has been put aside by Governors, and represents the funds that are invested in property and other fixed assets for the use of the School and are therefore not available for other purposes. £366,000 of the fund is set aside to support the Associate Programme after the School received a legacy. The legator stated a preference for the funds to be used for the Associate Programme.

Restricted funds are the balance of unspent funds received subject to specific conditions imposed by the donors, and are held separately to be spent in future periods.

In summary, our finances remain stable and well managed thanks to the collective team efforts of our Governors, staff and generous supporters.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors are responsible for the management of the risks faced by the School. The Board reviews the risk register and major risks regularly. The major risks identified include the following:

- Managing the impact of the ongoing Coronavirus pandemic and school closure on student and staff health and wellbeing, revenue, reserves, students numbers, graduate employment opportunities, delivery of tuition and staffing structures.
- Loss of or reduced levels of funding from the DfE in the face of a global recession.
- Inability to attract the most talented students because of limited funding available for bursaries, particularly the removal of DfE funding for students from the European Economic Area from September 2021.
- Managing the pension fund deficit and cash flows as the Scheme moves towards the end of its life.
- Impact of the cost of living in London on the recruitment of the best qualified and experienced staff.
- Financial changes affecting the sector such as loss of business rate relief, impact of minimum wage rate increases and contributions to the Teachers' Pension Scheme.
- Increased compliance agenda across all activities of the School.
- Negative or contentious publicity about The Royal Ballet School, its Governors, staff, students or graduates.

Governors consider strategy throughout the year aligning decision making with the School's objectives. Governors ensure that business and financial strategies are in place to manage and mitigate risks wherever possible, to ensure that they do not adversely affect the School's operations or the welfare of its students. The School continues to look for funds from new sources to help mitigate the impact of future standstill funding from the DfE.

It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

PENSION PROVISION

Although the defined benefit pension scheme is now closed for future accrual, it remains a significant risk for the School, particularly as the scheme reaches the end of its life circa 2034. The deficit as valued by FRS 102 is included in the balance sheet as a long-term liability and balanced by a negative pension reserve. The triennial valuation continues to be used to calculate any repayments required, and these payments are incorporated into the longer term financial planning of the School so that these commitments can be met as they fall due in the future.

A designated fund of £450,000 has been set aside to meet the cash commitments of purchasing member annuities.

PLANS FOR FUTURE PERIODS

In June 2020, the Trustees undertook a full review of the School's longer term strategy and business plan in the face of continued financial uncertainty. The full impact of Coronavirus is yet unknown with periods of lockdown expected to continue during 2021.

The core School operations run at a loss annually, exacerbated by the Coronavirus pandemic and reductions in fee revenue. After years of below inflation or standstill funding, the gap between fee income and costs is widening. The Charity increasingly relies on the delivery of Intensive Courses and the generosity of donors to breakeven. The Royal Ballet School is classed as an independent school and receives no additional funding support for changes in government policy. However, unlike an independent school, the School has no ability to increase fees to cover additional costs as these are set by the Department for Education.

Amongst the financial concerns, Governors continue to consider how the School can maintain its position as one of the best ballet schools attracting the best talent, in the face of ever-increasing global competition, particularly from many European schools who benefit from more secure funding. The Department for Education have confirmed that fee funding for eligible students from the European Economic Area will be withdrawn for new students from September 2021.

Looking ahead, the budget for 2020/21 has been agreed with a small deficit to manage the increased costs of COVID. There is no increase to Government funding for fee support or the outreach programme.

Expenditure remains streamlined although we will continue to focus resources to achieve our objectives. However, Floral Street opened in 2002 and the redevelopment of White Lodge was completed in 2009. Both sites are beginning to show signs of wear and tear with major plant coming to the end of its useful life. The chiller unit at Floral Street will be replaced in Spring 2021 at a cost of £100,000. This type of replacement is essential for the continued use of the building.

On 11 March 2020, was designated a global pandemic by the World Health Organisation. A year later, at the time of approval of this report, the Coronavirus virus pandemic continues to develop. Complying with the instructions of the UK Government, the School was closed for a second time on 4 January 2021 until further notice. As for many schools and businesses, the long term effects of the situation are unknown but, the Governors recognise that there will be a significant impact on the School's revenue streams for the remainder of the academic year 2020/21.

The Governors have undertaken planning and forecasting and continue to monitor the developing situation closely. All non-essential maintenance works have been cancelled and contractual commitments are being reviewed. The School is using the government's furlough scheme to offset the loss of revenues during the period of closure.

Despite the current circumstances the directors believe that the company's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

The Governors and Senior Leadership Team regularly review the School's commitment to Equality, Diversity and Inclusion. Following the death of George Floyd in May 2020, the School engaged directly with BAME students, staff and alumni to hear their experiences of being part of the School; to understand what we do well and how we could do better. In response, immediate changes were made to student uniform and hair policy. The Senior Leadership Team are engaging in dialogue with other organisations within the wider dance industry. Alongside, the Chairman and Nominations Committee are working to ensure that the Board of Governors reflects the world that we live in; attracting and recruiting candidates from a wide range of backgrounds.

The objectives for 2020/21 are:

Artistic

- to pursue excellence in classical ballet training allowing students to achieve their potential despite the difficulties of lockdown;

- to support graduate students in securing jobs in a time of great uncertainty for the performing arts, globally;
- to remain at the forefront of community engagement through relevant and exciting access programmes including digital provision where face-to-face access is not possible;
- to deepen the relationship with the Royal Ballet companies; The Royal Ballet and Birmingham Royal Ballet.

Academic

- to deliver the highest standards of academic provision and offering value-add to students' academic achievements;
- to ensure that we safeguard and promote the well-being of all of our students developing strategies to support students during and after the pandemic particularly those undertaking public examinations;

Pastoral and welfare

- to support students in their return to School post-lockdown and ensuring a positive boarding experience.

Holistic health

- to be at the forefront of dance training creating healthy, strong and resilient young dancers.

Digital

- to embrace new media platforms to positively promote our brand, standards and School and to develop relevant content for those platforms.
- To deepen the relationship with our current audience and to develop new audiences in new markets

Finance and governance

- to develop initiatives to put the School on a secure financial footing in the longer term, removing the reliance on donors and public funds for core operations; and
- to review the School's Memorandum and Articles of Association to ensure they are fit for purpose and reflect the School as it is today;

Finally, we wish to thank the retiring members of the Governing body for their contribution to the School. We welcome our newly appointed Governors enhancing the Board's skills in both digital and healthcare;

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors on 25 March 2021. This approval includes the approval, in their capacity as company directors, of the Directors' and Strategic Reports contained within the Annual Report. The Annual Report is signed as authorised on behalf of the Board of Governors by:



Christopher Rodrigues CBE
Chair of Governors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL BALLET SCHOOL

OPINION

We have audited the financial statements of The Royal Ballet School for the year ended 31 August 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of 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 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a

guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

USE OF OUR REPORT

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

Tina Allison

Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

26 April 2021

ROYAL BALLET SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
As at 31 August 2020

STATEMENT OF FINANCIAL ACTIVITIES	Note	Unrestricted Funds		Restricted Funds	Total Funds 2020	Total Funds 2019
		General £000	Designated £000	£000	£000	£000
Income from:						
Charitable activities	2	7,841	-	-	**7,841**	9,151
Donations	3	1,683	-	2,256	**3,939**	3,875
Other income	4	579	-	-	**579**	68
Total income		10,103	-	2,256	**12,359**	13,094
Expenditure on:						
Raising funds						
Development and fundraising		293	-	-	**293**	317
		293	-	-	**293**	317
Charitable activities						
Teaching		3,344	-	47	**3,391**	3,569
Pastoral and welfare		1,606	-	269	**1,875**	2,176
Outreach and partnership		888	10	305	**1,203**	1,611
Premises		1,747	1,076	176	**2,999**	3,652
Support and governance	7,8	1,465	-	-	**1,465**	1,466
Grants and prizes	9	-	-	745	**745**	963
		9,050	1,086	1,542	**11,678**	13,437
Total expenditure	6	9,343	1,086	1,542	**11,971**	13,754
Net income / (expenditure)		760	(1,086)	714	**388**	(660)
Transfers between funds	16,17	(699)	697	2	-	-
Other recognised losses						
Actuarial (losses)/gain on defined benefit pension scheme	24g	3	-	-	**3**	(725)
Net movement in funds		64	(389)	716	**391**	(1,385)
Total funds brought forward		2,851	37,324	2,653	**42,828**	44,213
Total funds carried forward	16,17	2,915	36,935	3,369	**43,219**	42,828

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Activities

The notes on page 24 to 45 form part of these financial statements.

ROYAL BALLET SCHOOL
BALANCE SHEET
As at 31 August 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	11	**38,553**	39,477
Current assets			
Debtors	12	**2,487**	2,474
Cash at bank and in hand		**5,068**	5,062
Total current assets		**7,555**	7,536
Creditors: amounts falling due within one year			
Trade and other creditors	13	**(1,313)**	(982)
Deferred income	14	**-**	(1,581)
Net current assets		**6,242**	4,973
Total assets less current liabilities		**44,795**	44,450
Creditors: Amounts falling due after one year	15	**(281)**	(311)
Defined benefit pension scheme liability	24	**(1,295)**	(1,311)
Total net assets	18	**43,219**	42,828
The funds of the charity:			
Unrestricted funds			
General fund		**2,915**	2,851
Designated funds		**36,935**	37,324
Total Unrestricted funds	16	**39,850**	40,175
Restricted funds	17	**3,369**	2,653
Total charity funds		**43,219**	42,828

The financial statements on pages 24 to 45were approved by the Board of Governors and authorised for issue on 25 March 2021 and are signed on its behalf by:

Christopher Rodrigues CBE
Chair of Governors

Tom Clementi
Governor

ROYAL BALLET SCHOOL
STATEMENT OF CASH FLOWS
For the year ended 31 August 2020

	Note	2020	2019
			£000
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	A below	**302**	(121)
Cash flows from investing activities:			
Interest receivable		**14**	29
Interest payable		**(20)**	(21)
Proceeds from sale of fixed assets		**-**	3
Purchase of tangible fixed assets		**(260)**	(272)
Net cash used in investing activities		**(266)**	(261)
Cash flows from financing activities			
Repayments of borrowing		**(30)**	(30)
Change in cash in the reporting period		**6**	(412)
Cash at the beginning of the year		**5,062**	5,474
Cash at the end of the year	B below	**5,068**	5,062

Reconciliation of cash flows from operating activities:	Note A	**2020 £000**	2019 £000
Net income, from the statement of financial activities		**388**	(660)
Adjustments for:			
Depreciation charge		**1,184**	1,195
Defined pension scheme net income		**(13)**	(5)
Interest receivable		**(14)**	(29)
Interest payable		**20**	21
Proceeds from the sale of fixed assets		**-**	(3)
(Increase) / decrease in debtors		**(13)**	(33)
Increase / (decrease) in creditors		**(1,250)**	(607)
Net cash (used in)/provided by operating activities		**302**	(121)

Analysis of cash	Note B	**2020 £000**	2019 £000
Cash at bank and in hand		**5,068**	5,062

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

1a Basis of accounting and going concern

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 - effective 1 January 2015.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

The accounts are drawn up on the historical cost basis of accounting.

The Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The financial statements have been prepared under the going concern concept, on the understanding that the School will continue to receive sufficient financial support to enable it to meet its liabilities as and when they fall due for payment.

At the time of approval of the Annual Report, the Coronavirus pandemic continues with the country in lockdown and the School closed to most students. The long-term impact on the charity, in common with other businesses, is unknown. Note 25 of the financial statements explains the current actions taken by the charity in response to this crisis. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. There are currently significant cash balances should additional liquidity be required through this period of uncertainty. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 March 1955 (company number: 547018) and registered as a charity on 12 November 1962 (charity number: 214364).

1b Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this section, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – The charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 24.

1c Income

Income consists of school fees and expenses due and receivable, income from performances and

auditions, grants receivable from the Department for Education and other bodies, donations, investment income and other income. This income is recorded in the Statement of Financial Activities when it becomes due to the School.

Government grants are recognised on the performance model, when the charity has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to. Included in Income is an amount of £306,000 in respect of the Coronavirus Job Retention Scheme.

1d Expenditure
Expenditure is recognised in the period in which the cost is incurred. Costs directly relating to a School activity are allocated to that activity. Support costs comprise salaries and overheads of central functions of management and administration.

Governance costs are those costs incurred in compliance with regulation and good practice and include costs relating to the statutory audit, Governors' meetings and other constitutional and statutory requirements.

1e Grant making policy
The Governors may, from time to time make grants to the Royal Ballet School Endowment Fund on the basis that they are in the interests of the School. The grant funds will be combined with the funds of the Royal Ballet School Endowment Fund to maximise investment returns whilst protecting capital. Grants to the Royal Ballet School Endowment Fund are restricted for specific purposes and subject to a schedule of conditions.

1f Operating leases
Rental payments under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable are an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1g Taxation
Gift aid recovered on voluntary income is included with the donation to which it relates and irrecoverable VAT is included with the item of expenditure to which it relates.

1h Tangible fixed assets and depreciation
All tangible fixed assets are stated in the balance sheet at cost less depreciation. The depreciation of assets is provided in equal annual instalments over the estimated useful lives of the assets.

1i Long leasehold property
The original cost of the White Lodge long leasehold property was fully amortised in the period 1955 to 1976, although the lease was not due to expire until 2014. Subsequent major works and additions to the leasehold property were capitalised and amortised over the unexpired period of the lease, or evenly over the expected useful lives of the major works and additions as appropriate. In November 2005 the School surrendered its existing lease and entered into an agreement to lease the land and buildings for a further 100 years. A major redevelopment was undertaken in three phases from 2005 and completed in February 2009. Relevant leasehold costs are depreciated over the term of the lease. Building costs are depreciated over 40 years.

The Floral Street leasehold property is depreciated over the term of the 150 years commencing in 2002, except for building costs which are depreciated over 40 years. Up to 2009 the buildings had been depreciated over 25 years, but the policy was then reviewed and changed. The net book value at 31 August 2008 is now being depreciated over the remainder of the 40 year term.

Jebsen House property is depreciated over the lease term of 20 years.

1j Freehold property
The Aud Jebsen Hall student accommodation is freehold property and is being depreciated over 50 years from Easter 2016 when it was completed. Finance costs on loans taken out for the purchase of the property have been capitalised during the period when the property was being refurbished.

1k Furniture, fixtures and equipment
Assets with a cost of more than £1,000 are capitalised and these are depreciated over their expected useful lives as follows:

Furniture, fixtures and equipment	5 -10 years
Computer equipment	3 years
Motor vehicles	4 years

1l Liabilities
Liabilities are recognised at the point that there exists an obligation to make payment or transfer assets and the value of that obligation can be measured with a reasonable degree of accuracy.

1m Foreign currency
Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1n Pension schemes
Employees of the School are entitled to join the group personal pension scheme and employer contributions are charged to expenditure in the accounting period in which they are payable.

Teachers are entitled to join the Teachers' Pension Scheme which is an unfunded multi-employer defined benefits pension scheme. Contributions are charged to expenditure in the accounting period in which they are payable as if the scheme were a defined contribution scheme, as the School does not have sufficient information to account as a defined benefit scheme.

The School operated a defined benefit scheme, The Royal Ballet School Pension and Life Assurance Plan, which was closed to new entrants during 2002 and for future accrual on 31 August 2012. The assets and liabilities of the Scheme are reported in these financial statements as required by FRS 102. The Statement of financial activities includes the expected return on scheme assets in investment income, the interest cost in other finance costs, and the actuarial gains and losses arising from the annual valuation. The pension liability is recognised in the balance sheet as the School has a legal obligation to settle the liability over the long term.

See note 24 for more detail of the pension schemes.

1o Fund accounting
Unrestricted funds comprise of the accumulated unrestricted surplus or deficit each year. They are available for use at the discretion of Governors in furtherance of the general charitable objectives. The general pensions reserve represents the deficit in the defined benefit pension scheme (see note 24).

Unrestricted designated funds are amounts that have been put aside at the discretion of the Governors. At the year-end they comprised of a Fixed asset fund, a Building maintenance fund and an Associate Programme fund. The Fixed asset fund represents the extent to which donated funds are invested in fixed assets for use by the School and therefore are not available for other purposes. The Building maintenance fund represents funds put aside to maintain buildings, especially White Lodge. The Associate Programme fund represents a legacy with a stated preference for the funds to

be spent on the Associates Programme.

Restricted funds are funds subject to specific restricted conditions imposed by the donors.

Details of unrestricted funds are shown in note 16 and restricted funds in note 17.

1p Financial instruments

The School has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade debtors, accrued income and all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

2	Charitable activities income	2020	2019
		£000	£000
	School fees – note 2a	6,682	7,054
	Extras and performance income	136	192
	Fees from Associates, Summer School and Teachers' courses	833	1,705
	Auditions and other income	190	200
		7,841	9,151

2a.	School Fees		
	School fees were funded from:		
	Grants from the Department for Education	3,721	3,915
	Bursaries from The Royal Ballet School Endowment Fund	245	145
	Bursaries from restricted donations	400	852
	Parents	2,317	2,142
		6,683	7,054

3	Donations	2020	2019
		£000	£000
	Grants	1,131	1,131
	Donations	2,792	2,729
	Friends	16	15
		3,939	3,875

4	Other Income	2020	2019
		£000	£000
	Investment income – bank interest	14	29
	Other income	259	39
	Coronavirus furlough scheme	306	-
		579	68

5 **Trading subsidiary**

The Charity has one wholly owned subsidiary, TRBSE Enterprises Limited, whose registered address is 46 Floral Street, London WC2E 9DA. The activities of TRBS Enterprises Limited are immaterial to those of the Group so consolidated accounts have not been prepared. Due to the presentation of the School's accounts in round thousands, the subsidiary shares of £100 held, are not shown as an investment in these financial statements. The company's trading results are the year, extracted from its audited financial statements were:

	2020 £000	2019 £000
Turnover	10	3
Cost of sales	(5)	-
Gross profit	5	3
Administrative expenses: Licence to occupy premises	(1)	(1)
Other expenses	(9)	(11)
(Loss) on ordinary activities before gift aid	(5)	(9)
(Loss) on ordinary activities before taxation	(5)	(9)
Tax on profit on ordinary activities	-	-
(Loss) for the year	(5)	(9)
Net assets	1	6

6 **Expenditure analysis**

	Staff costs £000	Depreciation £000	Other Costs £000	Total 2020 £000	Total 2019 £000
Raising Funds					
Development and Fund raising	216	-	77	**293**	317
Charitable activities					
Teaching	3,030	-	361	**3,391**	3,569
Pastoral and Welfare	874	-	1,001	**1,875**	2,176
Outreach & Partnership	995	-	208	**1,203**	1,611
Premises	485	1,184	1,330	**2,999**	3,652
Support and Governance	634	-	831	**1,465**	1,466
Grants and Prizes	-	-	745	**745**	963
	6,018	1,184	4,476	**11,678**	13,437
Total Expenditure	6,234	1,184	4,553	**11,971**	13,754

7 Governance costs

	Total 2020 £000	Total 2019 £000
Governance costs included in support costs:		
Fees payable to the auditor for the statutory audit	**29**	30
Under accrual for prior year fees relating to the statutory audit	**(12)**	12
Fees payable to the auditor for tax advice	**2**	-
Board and committee costs	**9**	23
Total	**28**	65

8 Finance and lease costs

	Total 2020 £000	Total 2019 £000
Bank interest payable	**20**	21
Interest on pension plan	**23**	16
Operating leases: land and buildings	**163**	163
Operating leases: pianos and office equipment	**26**	21

9 Grants and prizes expenditure

Grants are for student sponsorship and bursaries for full-time students, Associates and Intensive Course participants. Apart from a few scholarships for full-time students, all grants are means-tested.

	Total 2020 £000	Total 2019 £000
Other grants	**739**	955
Prizes	**6**	8
Total	**745**	963

10 Staff costs

	2020	2019
	£000	£000
Wages and salaries	5,187	5,052
Social security costs	481	468
Other pension costs	548	447
Other costs	18	22
Payroll sub total	6,234	5,989
Contracted out staffing services	-	30
	6,234	6,019

No School Governors received any remuneration, expenses or any other benefits from the School or any connected body.

Total employee benefits including employer pension contributions and national insurance of the Senior Leadership Team were £789,146 (2019: £704,194).

The School made aggregate termination payments of £2,000 (2019: £52,252) with none outstanding at the year end.

	2020	2019
	Number	Number
The number of higher paid employees in bands of:		
£60,001 to £70,000	4	5
£70,001 to £80,000	1	-
£80,001 to £90,000	1	1
£100,001 to £110,000	1	1
	7	7

The average headcount of the School's employees for the year 2020 was 240 (2019: 230).

11 **Tangible Fixed Assets**

	Long leasehold property			Freehold property	Furniture, fixtures and equipment				Motor vehicles	Total
	Floral Street £000	White Lodge £000	Jebsen House £000	Aud Jebsen Hall £000	Floral Street £000	White Lodge £000	Jebsen House £000	Aud Jebsen Hall £000	£000	£000
Cost or valuation										
1 September 2019	15,103	22,818	787	14,861	1,148	1,633	49	134	76	**56,609**
Additions	116	7	-	59	17	38	-	23	-	**260**
31 August 2020	15,219	22,825	787	14,920	1,165	1,671	49	157	76	**56,869**
Depreciation										
1 September 2019	5,198	7,584	414	1,188	1,078	1,526	49	62	33	**17,132**
Charged in the year	267	473	39	306	31	32	-	22	14	**1,184**
				-						
31 August 2020	5,465	8,057	453	1,494	1,109	1,558	49	84	47	**18,316**
Net book value										
31 August 2020	**9,754**	**14,768**	**334**	**13,426**	**56**	**113**	-	**73**	**29**	**38,553**
31 August 2019	9,905	15,234	373	13,673	70	107	-	72	43	39,477

12 Debtors

	2020 £000	2019 £000
Amounts falling due within one year:		
Fees and recoverable extras	**301**	317
Intercompany	**95**	71
Connected charity (see Note 22)	**1,363**	902
Other debtors	**28**	14
Prepayments	**91**	142
Accrued Income	**609**	582
Department for Education – Music and Dance Scheme funding	**-**	446
Total	**2,487**	2,474

Debtors for fees include £nil (2019: £70,000) for fees invoiced in August for the following academic year, due before the start of the Autumn Term.

13 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	**422**	377
Taxation and social security	**116**	135
Other creditors	**79**	65
Accruals	**162**	375
Bank Loan due within one year	**30**	30
Department for Education – Music and Dance Scheme funding	**504**	-
Total	**1,313**	982

14 Deferred income

	2020 £000	2019 £000
Fees in advance	**-**	81
Department of Education paid in advance	**-**	1,500
Total	**-**	2,603

15 Creditors: amounts falling due after one year	2020 £000	2019 £000
Creditors due in 2 to 5 years		
Bank loans	**121**	121
Creditors due in 5 years		
Bank loans	**160**	190
Total	**281**	311

Bank loans at 31 August 2020 include a fixed rate loan of £311,000 (2019: £341,00) repayable by November 2030, with £30,000 due within one year, and an interest rate is 6.01% per annum. This loan is secured by charge over the White Lodge property.

16 Unrestricted funds	Balance as at 1 Sep 19 £000	Income £000	Expenditure £000	Transfers £000	Gains/ (Losses) £000	Balance as at 31 Aug 20 £000
Designated						
Fixed asset fund	36,447	-	(1,076)	-	-	**35,371**
Building Maintenance fund	500	-	-	-	-	**500**
Associate Programme	377	-	(10)	-	-	**367**
Pension Deficit Fund	-	-	-	450	-	**450**
Deferred IT and Building Maintenance Fund	-	-	-	247	-	**247**
	37,324	-	(1,086)	697	-	**36,935**
General						
Pension reserve	(1,311)		(23)	36	3	**(1,295)**
Free reserve	4,162	10,103	(9,320)	(735)	-	**4,210**
	2,851	10,103	(9,343)	(699)	3	**2,915**
Total	40,175	10,103	(10,429)	(2)	3	**39,850**

Unrestricted funds 2018-19	Balance as at 1 Sep 18 £000	Income £000	Expenditure £000	Transfers £000	Gains/ (Losses) £000	Balance as at 31 Aug 19 £000
Designated						
Fixed asset fund	37,506	-	(1,059)	-	-	**36,447**
Building Maintenance fund	500	-	-	-	-	**500**
Associate Programme	387	-	(10)	-	-	**377**
	38,393	-	(1,069)	-	-	**37,324**
General						
Pension reserve	(591)	-	(31)	36	(725)	**(1,311)**
Free reserve	3,981	10,304	(10,172)	49	-	**4,162**
	3,390	10,304	(10,203)	85	(725)	**2,851**
Total	41,783	10,304	(11,272)	85	(725)	**40,175**

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the charity. Certain unrestricted funds are designated for other purposes. The unrestricted funds are as follows:

Designated fixed asset fund
This fund represents amounts expended on tangible fixed assets required for the operation of the School.

Designated building maintenance fund
This fund represents amounts designated and set aside by Governors to fund the ongoing repairs and restoration of White Lodge. In the last two years, the School has undertaken a programme of repair to White Lodge. Phase One and Two have been funded by donation but further works are estimated to be in excess of £1,000,000. It is unlikely that that the School will be able to raise the full funding required. The remaining works are expected to complete in 2024, subject to funding.

Designated Associate programme fund
This fund represents amounts designated and set aside by Governors to support the Associate Programme. The funds were received through a legacy where the legator expressed a preference for her donation to support the Associate Programme.

Designated Pension Deficit Fund
The Royal School Pension and Life Assurance Scheme closed to new members in 2006 and ceased accrual in 2012. There are 26 deferred members with the last member due to retire in 2034. The Triennial valuation of 1 September 2019 showed a funding deficit of £486,000 and the School has submitted a recovery plan to The Pension Regulator (see Note 24). These funds are set aside to meet future cash commitments for member annuities as the recovery payment plan is phased evenly over the remaining life of the scheme but member retirements are more sporadic.

Deferred IT and Building Maintenance Fund
During the Coronavirus pandemic, IT upgrades and hardware replacement and essential building maintenance works had to be deferred during the period of School closure. This sum reflects the deferred list of works that the School anticipates completing in 2021.

General reserves

The negative pension reserve represents the School's liabilities in respect of The Royal Ballet School Pension and Life Assurance Plan which is a defined benefit scheme that is now closed to new members (see note 24).

The free reserves represent the balance of unrestricted funds which have not been designated and are available for use at the discretion of the Governors in furtherance of the general charitable activities. This is before deducting the pension reserve, as the pension deficit is a long-term liability.

Transfers

i. £1,806 was transferred from unrestricted funds to restricted funds to meet minor overspends on specific projects.

ii. £247,000 was transferred from unrestricted funds to designated funds to pay for essential maintenance delayed due to the Coronavirus shutdown in 2020.

iii. £450,000 was set aside from unrestricted funds to designated funds to meet the cash requirements of purchasing annuities for members of The Royal Ballet School Pension and Life Assurance Plan.

17 Restricted funds	Balance as at 1 Sep 19	Income	Expenditure	Transfers	Balance as at 31 Aug 20
	£000	£000	£000	£000	£000
White Lodge Appeal Fund	-	146	(146)	-	-
Aud Jebsen Hall- Pimlico Appeal	49	-	-	-	49
Capital projects	31	-	(23)	-	8
Special projects	11	5	(5)	-	11
Sponsorship, bursaries and prizes	757	1,123	(743)	2	1,139
Outreach and Access fund	177	405	(265)	-	317
Ballet and artistic funds	459	90	(73)	-	476
Healthcare	851	472	(250)	-	1,073
Equipment	155	15	(19)	-	151
Intensive Courses	140	-	(15)	-	125
WiFi Cabling	23	-	(3)	-	20
	2,653	2,256	(1,542)	2	3,369

Restricted funds 2018-19	Balance as at 1 Sep 18	Income	Expenditure	Transfers	Balance as at 31 Aug 19
	£000	£000	£000	£000	£000
White Lodge Appeal Fund	208	244	(452)	-	-
Aud Jebsen Hall- Pimlico Appeal	50	50	(51)	-	49
Capital projects	-	-	31	-	31
Special projects	-	65	(54)	-	11
Sponsorship, bursaries and prizes	768	977	(988)	-	757
Outreach and Access fund	151	431	(405)	-	177
Ballet and artistic funds	316	354	(211)	-	459
Healthcare	692	439	(250)	(30)	851
Equipment	227	5	(22)	(55)	155
Intensive Courses	18	200	(78)	-	140
WiFi Cabling	-	25	(2)	-	23
	2,430	2,790	(2,482)	(85)	2,653

Restricted funds are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. A significant proportion of donations are received in the current in advance of expenditure in the following year.

White Lodge Appeal fund
The balance on this fund represents gifts and donations generated by fundraising appeals to acquire a new 100 year lease at White Lodge and to redevelop the land and buildings at White Lodge.

Sponsorship, bursaries and prizes
This fund includes donations for financial support for full-time students, Associates and Summer School students and some prizes. All support is means-tested apart from a small number of scholarships. The

School awards places based only on talent, so this support is particularly crucial to help fund overseas students, which raises the standard for all students and allows the School to maintain its place as one of the best classical ballet schools in the world.

Outreach and Access
This fund represents grants from the Department for Education, Trusts and Foundations and other donors to further the aims and objectives of the School's Outreach and Access programme.

Ballet and artistic funds
These donations are restricted for performances and new ballets, graduate tours, choreography and the Creative Artist Programme, which all help add breadth and depth to student training. The Creative Artist Programme was introduced to broaden the students' artistic experience by exposing them to a broad range of experts who have excelled in their field, both in artistic and in other areas.

Healthcare
This donation is to help the School improve its healthcare provision for three years, through the Healthy Dancer programme.

Equipment
Donations have been received to fund the updating of the technical equipment in the Margot Fonteyn Theatre at White Lodge, and Smart screens for classrooms to allow academic teaching across the two School sites.

Intensive Courses
This fund is to support the expansion of the intensive course programme into Hong Kong and provide financial assistance to students from Hong Kong who may otherwise be unable to pay for the course.

WiFi Cabling
This fund represents support received from the Royal Ballet School PTA to upgrade the WiFi provision at White Lodge. The annual depreciation charge will be made against this fund until it is fully expensed.

18 Allocation of assets by fund type

	Unrestricted General Fund £000	Unrestricted Designated Funds £000	Restricted Funds £000	**Total 2020 £000**
Fixed Assets	267	38,222	64	**38,553**
Debtors	2,487	-	-	**2,487**
Cash at Bank	3,050	(1,287)	3,305	**5,068**
Creditors: due within one year	(1,313)	-	-	**(1,313)**
Creditors: due after one year	(281)	-	-	**(281)**
Defined benefit pension scheme deficit	(1,295)	-	-	**(1,295)**
	2,915	36,935	3,369	**43,219**

Allocation of assets by fund type 2018-19	Unrestricted General Fund £000	Unrestricted Designated Funds £000	Restricted Funds £000	Total 2019 £000
Fixed Assets	2,964	36,447	66	**39,477**
Debtors	2,474	-	-	**2,474**
Cash at Bank	1,598	877	2,587	**5,062**
Creditors: due within one year	(2,563)	-	-	**(2,563)**
Creditors: due after one year	(311)	-	-	**(311)**
Defined benefit pension scheme deficit	(1,311)	-	-	**(1,311)**
	2,851	37,324	2,653	**42,828**

19 Liability of members

The Charitable company is limited by guarantee and does not have a share capital. In the event of the Company being wound up, the maximum amount which each member is liable to contribute is £1. There were 16 (2019:17) members at the year end who are the Governors of the School.

20 Capital commitments

There were no capital commitments at the end of the reporting period (2019: £Nil).

21 Commitments under operating leases

	2020 £000	2019 £000
The total of future minimum lease payments under operating leases for each of the following periods:		
Not later than one year	**168**	189
Later than one year and not later than five years	**653**	657
Later than five years	**571**	734
	1,392	1,580

22 Related party transactions

TRBS Enterprises Limited

The subsidiary charity trades by hiring out School premises at times when they are not required by the School. During the year the following transactions were made with the School:

The School recharged £5,580 (2019: £12,050) of costs for staff time and other costs directly related to the activities of the subsidiary. The School charged licence fees of £1,000 (2019: £1,000) to the subsidiary.

At the end of the year the School was owed £96,068 by the subsidiary, see note 12, (2019: £70,602).

The Royal Ballet School Endowment Fund

The connected charity, the Royal Ballet School Endowment Fund provides funding and facilities for the students of The Royal Ballet School. During the year the following transactions were made with the School:

The School received grants of £460,014 (2019: £262,926) from the Endowment Fund. The grants paid for bursaries for students for School fees, the Royal Ballet School collection and a grant for repairs to White

Lodge.

The School does not charge the Endowment Fund for staff time for administering the charity.

At the end of the year the School was owed £1,363,200 by the Endowment Fund (2019: £901,568).

Governors of The Royal Ballet School
Governors did not receive any payment or expenses from the School as disclosed in note 10. The total amount of donations received from Governors in the year was £383,310 (2019: £224,500). None of the Governors' donations were given with conditions that required the charity to alter the nature of its existing activities.

Employees of The Royal Ballet School
During the year the School engaged the wife of the Artistic Director to deliver contemporary dance classes. A fee of £6,180 (2019: £400) was paid.

23 Taxation

As a registered charity, The Royal Ballet School is potentially exempt from taxation of income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 and section 521 to 536 of the Income Tax Act 2007.

24 Pension commitments

The School operates a group personal pension scheme, a defined benefit scheme with the Teachers' Pension Scheme and also a defined benefit scheme which was closed to future accrual on 31 August 2012, known as The Royal Ballet School Pension and Life Assurance Plan.

Group personal pension scheme
Contributions for the group personal pension scheme are charged to expenditure in the accounting period in which they are payable. Pension charges for the year were £298,094 (2019: £276,878).

Teachers' Pension Scheme
The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £251,293 (2019: £141,140) and at the year-end £nil (2019 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the

discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020. As a result of the consultation, the government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The Royal Ballet School Pension and Life Assurance Plan (the "Plan")
This defined benefit pension scheme provides benefits based on pensionable pay up to 31 August 2012 when the Scheme ceased accrual. The assets of the Plan are held separately from those of the School, being invested with Clerical Medical and General Life Assurance Society in their Pension Contract.

Contributions and triennial valuations
The contributions are recommended by an independent qualified actuary from Clerical Medical on the basis of triennial valuations carried out by the actuary on behalf of the Trustees of the Plan.
The most recent triennial valuation was as at 1 September 2019. The market value of the Plan's assets was £2,370,000 and that the benefits accrued to members were £2,856,000, giving a funding deficit of £486,000 and a funding level of 83%. The actuarial assumptions underlying this valuation are different to those adopted under FRS 102 included in these financial statements.

The Trustees have agreed with the School that contributions will continue at £47,000 per annum from 1 September 2021 to improve the funding level in the Plan to address the deficit. In the year to 31 August 2020, £36,000 was paid. The expected recovery end date is August 2031.

The funding position of the Plan and contributions to be paid will be reviewed again at the next triennial valuation due as at 1 September 2022, which will be completed during the 2022/23 financial year.

Valuation for these financial statements under FRS 102
The Plan was valued at the end of the reporting period by a qualified Independent Actuary in accordance with Financial Reporting Standard 102, and the following notes 24a to 24i relate to this valuation. This valuation has different actuarial assumptions to the triennial valuation.

24a The principal actuarial assumptions at the end of the reporting period (expressed as weighted averages):

	2020 £000	2019 £000
Discount rate	**1.6%**	1.8%
RPI assumption	**3.4%**	3.4%
CPI assumption	**2.6%**	2.6%
LPI pension increases	**3.3%**	3.3%

The underlying mortality assumption is based upon the standard table known as S2PXA projected on a year of birth basis with CMI_2019 future improvement factors and a long-term rate of future improvements with 1.25% p.a. (2019: PNA00 with CMI_2018 future improvement factors and a long-term future rate o improvement of 1.25% p.a.). This results in the following life expectancies:

	Years	Years
Life expectancy for 60 year old female	**88.3**	89.0
Life expectancy for 45 year old female	**89.5**	90.2

24b The amounts recognised in the balance sheet:

	2020 £000	2019 £000
Present value of Plan liabilities	**(3,591)**	(3,713)
Market value of Plan assets	**2,296**	2,402
Net defined benefit liability	**(1,295)**	(1,311)

24c Amounts included within the Statement of Financial Activities (SOFA):

	2020 £000	2019 £000
Current service cost	**-**	-
Interest on net defined benefit asset	**(23)**	(16)
Past service cost	**-**	(15)
Total amount charged within net incoming resources	**(23)**	(31)

24d Changes in the present value of Plan liabilities:

	2020	2019
	£000	£000
Present value of scheme liabilities at beginning of the year	(3,713)	(3,498)
Past service cost	-	(15)
Benefits paid	158	497
Interest on Plan liabilities	(65)	(88)
Actuarial loss/ (gain)	29	(609)
Present value of Plan liabilities at end of the year	(3,591)	(3,713)

24e Changes in the fair value of Plan assets:

	2020	2019
	£000	£000
Market value of Plan assets at beginning of the reporting period	2,402	2,907
Employer contributions	36	36
Benefits paid	(158)	(497)
Interest on Plan assets	42	72
Return on assets, less interest included in the SOFA	(26)	(116)
Market value of the Plan assets at the end of the reporting period	2,296	2,402
Actual return on Plan assets	16	(44)

24f The major categories of Plan assets as a percentage of total Plan assets:

	2020	2019
Group pension contract	100%	100%
Cash	0%	0%

The Plan had no investments in property occupied by, assets used by or financial instruments issued by the School.

24g Analysis of the measurement of the net defined benefit liability recognised in Other recognised losses in the SOFA:

	2020 £000	2019 £000
Return on assets, less interest included in the SOFA	(26)	(116)
Experience gains and losses arising on Plan liabilities	78	43
Changes in assumptions underlying the present value of Plan liabilities	(49)	(652)
Actuarial loss/(gain) recognised in Other recognised losses	3	(725)

24h Movement in deficit during the year

	2020 £000	2019 £000
Deficit in the scheme at the beginning of the year	(1,311)	(591)
Interest recognised in the SOFA	(23)	(31)
Employer contributions	36	36
Actuarial loss/(gain) recognised in Other recognised losses in the SOFA	3	(725)
Deficit in the scheme at the end of the year	(1,295)	(1,311)

26 Statement of financial activities – comparative figures for the prior period by fund

	Note	Unrestricted Funds		Restricted Funds	Total Funds
		General	Designated		2019
		£000	£000	£000	£000
Income from:					
Charitable activities	2	9,142	-	9	**9,151**
Donations	3	1,094	-	2,781	**3,875**
Other income	4	68	-	-	**68**
Total income		10,304	-	2,790	13,094
Expenditure on:					
Raising funds					
Development and fundraising		317	-	-	**317**
		317	-	-	**317**
Charitable activities					
Teaching		3,370	-	199	**3,569**
Pastoral and welfare		1,914	-	262	**2,176**
Outreach and partnership		1,079	10	522	**1,611**
Premises		2,057	1,059	536	**3,652**
Support and governance	7,8	1,466	-	-	**1,466**
Grants and prizes	9	-	-	963	**963**
		9,886	1,069	2,482	**13,437**
Total expenditure	6	10,203	1,069	2,482	**13,754**
Net income / (expenditure)		101	(1,069)	308	**(660)**
Transfers between funds	16,17	85	-	(85)	-
Other recognised losses					
Actuarial (losses)/gain on defined benefit pension scheme	24g	(725)	-	-	(725)
Net movement in funds		(539)	(1,069)	223	**(1,385)**
Total funds brought forward		3,390	38,393	2,430	44,213
Total funds carried forward	16,17	2,851	37,324	2,653	**42,828**

All transactions are derived from the charity's continuing operations.
All recognised gains and losses are included in the Statement of Financial Activities