ROYAL BALLET SCHOOL ENDOWMENT FUND

England & Wales · Charity number 285766

Details

Status	Registered
Legal form	Trust
Registered	1983-02-10
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: TO PROMOTE THE OBJECTS OF THE ROYAL BALLET SCHOOL.

Activities: Provision of funding and facilities for students at The Royal Ballet School.

Classification

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

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£627,000	£1,887,000	£29,669,000	0
2024-08-31	£356,558	£787,924	-	-
2023-08-31	£764,000	£768,000	£28,403,000	0
2022-08-31	£186,000	£225,000	-	-
2021-08-31	£827,000	£573,000	£29,191,000	0
2020-08-31	£313,000	£650,000	-	-

Trustees

Name	Role	Appointed
Kenneth Steele	Chair	2012-11-07
Katharine Bolsover		2023-09-29
Menna Lyn McGregor		2013-02-27
Ms Zita Saurel		2016-05-25
RICHARD CUNIS		2013-06-25
Thomas Clementi		2019-11-26

Accounts

Charity number: 285766

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ROYAL BALLET SCHOOL ENDOWMENT FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2025

Trustees	Kenneth Steele Kate Bolsover Tom Clementi Richard Cunis Menna McGregor Zita Saurel
Charity registered number	285766
Principal office	Royal Ballet School 46 Floral Street London WC2E 9DA
Independent auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Barclays Bank Plc Education Team Level 28 Churchill Place London E14 5HP
Fund Managers	Fundsmith LLP 33 Cavendish Square London W1G 0PW Ruffer LLP 80 Victoria Street London SW1E 5JL Troy Asset Management Limited Brookfield House 44 Davies Street London W1K 5JA

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees submit their report and the audited financial statements of The Royal Ballet School Endowment Fund (“the Endowment Fund” or “the Charity”) for the year ended 31 August 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION AND OBJECTS

The Royal Ballet School Endowment Fund is a registered charity (number 285766) and was established under a Definitive Trust Deed dated 9 June 1982.

The income and assets of The Royal Ballet School Endowment Fund (“the Charity”) are used to provide funding and facilities for students at the Royal Ballet School (“the School”). In particular:

- Scholarships, bursaries, and financial support are provided to students who would not otherwise be able to attend the School. Support is provided to full-time and Associate students.
- Grants to students at the School to pay for items not covered by fee support. For example, uniform costs, ballet shoes, travel to and from home and extracurricular activities.
- Student prizes.
- Expenditure on improvements to facilities and the repair and maintenance of buildings.
- To support the School’s archive.

Any income not spent in the year is carried forward and held in the Charity’s reserves and used to assist in funding the School’s future development programme.

TRUSTEES

The responsibility for the management of the Charity is vested in its Charity Trustees. Trustees are nominated by its connected charity, the Royal Ballet School and appointed and removed by the existing Board of Trustees.

The Trustees in office during the year and to the date of this report were as follows:

It is the policy of the Trustees is to ensure that they understand their responsibilities and duties. Training needs are considered from time to time and appropriate support is provided as necessary.

The Trustees meet periodically, usually three times a year, to review grant applications, future spending needs, and investment strategy and performance. They also liaise with the School's Executive Team to ensure a clear understanding of the future financial needs of the School and its students. The Fund Managers provide the Trustees with regular reports on investment performance, and they also periodically attend board meetings.

To discharge their functions more effectively, the Trustees delegate certain administrative aspects of the charity's day-to-day management to the School, for which the Charity pays the School an annual fee.

The Trustees are aware of the Charity Governance Code, which lays out the principles and recommended practices for good governance within the sector. They are satisfied that the charity applies the principles of the code within its current Governance arrangements

OBJECTIVES AND ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

Each year, the Trustees consider applications from the School to support students enrolled in full-time courses and the Associates Programme with bursaries and scholarships.

The Endowment Fund awards the Royal Ballet School an annual grant to support the maintenance and care of its archive. This resource is available publicly online and in person by appointment.

Applications for one-off grants to support individual projects are considered case-by-case.

The Trustees work with three fund managers to maximise investment returns for the charity. The long-term objective for each fund manager is to protect capital and deliver a return of RPI + 3%.

The Trustees have carefully considered the Charity Commission's general guidance on public benefit in setting objectives and planning the activities.

The Endowment Fund has continued to make grants to students of the School and the School itself.

GRANT MAKING POLICY

The Royal Ballet School Endowment Fund welcomes annual grant applications for the following:

- Full-time student bursaries and scholarships
- Associate student bursaries
- Grants towards the running of the School’s archive
- Annual prize awards

Trustees will consider applications for single awards for individual projects. When considering these applications, Trustees will make due regard to:

1. The longer-term impact of the project on the School and its beneficiaries.
2. Whether the applicant has approached other donors for support.
3. The cash flow implications for the Endowment Fund and its investments.
4. Whether specific restricted funds and finances are available to support the request.

There is no cap on the value that may be applied for, and each application will be considered on its merits. Trustees require a higher level of detail for larger, one-off grants. In some cases, Trustees may require a meeting with school representatives before deciding on a grant award. This will be advised on a case-by-case basis.

Trustees consider recent fund manager performance and any significant valuation changes or market events when reviewing grant applications.

PUBLIC BENEFIT

The Endowment Fund remains committed to providing public benefit in accordance with its founding principles. Following charity legislation, the Endowment Fund reports that it has carried out the charity's purposes for the public benefit.

The School is open to any student who has the potential to become a classical ballet dancer, regardless of their family's financial means. The Endowment Fund provides support to these students in the form of financial assistance and training facilities.

FINANCIAL REVIEW

The full financial results are shown on pages 10 to 33 of these financial statements. Incoming resources were £627,000 (2024: £357,000). In addition to investment income, the Endowment Fund benefited from several legacies totalling £122,000 (2024: £82,000).

Expenditure totalled £1,887,000 (2024: £787,000) with grants of £1,516,000 (2024: £578,000). The grant figure is broken down into the following exceptional awards:

- £1,255,000 related to a grant of unrestricted funds which had been granted from the School to the Endowment Fund in 2017, for the purpose of investing the sum to earn income on the capital. The original grant agreement had stipulated that the School could request the return of those funds at any time;
- £165,000 related to repairs at White Lodge and Jebsen House;
- £93,099 represents the first of three payments to support the expansion of the School's Development team to reach its ambitious fundraising targets. This support will be provided to the school through the 2026/27 financial year.

The Trustees continued to monitor the performance of the fund managers closely and the weighting of investments is discussed at every meeting.

The total net gain in the portfolio was £1,108,000 (2024: £1,849,000) of which £55,000 was realised gain. Funds held with Troy Asset Management grew by 5.7%. Ruffer grew by 4.6% and Fundsmith by 0.32%.

Given the sizeable grants awarded, total reserves decreased to £29,669,000 (2024: £29,822,000).

FUNDS AND RESERVES POLICY

The charity aims to support the Royal Ballet School in sustaining and enhancing the quality of the education provided and ensuring that students of limited means can benefit from the world-class training provided by the Royal Ballet School.

The Trustees' reserves policy is to continue growing the Charity's funds to provide the School and its students with the resources needed now and in the future. The Trustees are mindful of the requirement to balance the needs of both current and future beneficiaries, ensuring capital values are maintained while delivering a return on investment to fund grant awards.

The Trustees have undesignated £1,889,000 of unrestricted funds, which had originally been designated for scholarships, financial support and facilities grants. This sum has been added to the Charity's general or free reserves for a total balance of £16,241,000. This compares to a combined balance of general and designated reserves of £15,669,000 in 2024. The Trustees receive regular updates from the Royal Ballet School on potential grant requests.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

The Charity has several endowments and restricted funds, the use of which is limited as specified by donors. Funds not immediately required for expenditure are placed with the Endowment Fund's fund managers for Investment.

Endowment funds of £6,962,000 (2024: £7,365,000) are held as investments to maintain the capital value. Following the implementation of the Charities Act 2022, Trustees reviewed their approach to permanent endowment fund investments and have implemented a total return approach from 1 September 2024. The adoption of this approach has freed up considerable capital gains to be available to spend rather than being part of the permanent restriction.

Income is set aside to spend on charitable activity according to the conditions the donor has given. The Charity has both permanent and expendable endowments: expendable endowments permit capital to be spent alongside returns.

Restricted funds of £6,466,000 (2024: £6,788,000) are subject to the specific restricted conditions imposed by the donor.

Details of these funds, the movements on the funds and the purposes for which they were given are shown in Notes 12 and 13.

INVESTMENT POWERS, POLICY AND PERFORMANCE

During the financial year, Troy Asset Management Limited, Ruffer LLP and Fundsmith LLP managed the Endowment Fund's investment portfolio, with a strategy of protecting capital and providing a consistent long term return.

This strategy means that, overall, returns on investments outperform the market in difficult times but do less well than the market in periods of market growth. The Trustees continue to measure the portfolio's performance regularly against the agreed-upon target of 3% over RPI over a rolling five-year period.

Any paid dividend income earned from permanent endowment investment funds is immediately transferred to restricted income funds and made available for grant awards.

RISK MANAGEMENT

The Trustees are responsible for risk management. Detailed risk consideration is carried out by the trustees. Key controls used by the Trustees to identify and assess risks during the year include:

- The formal programme of risk assessments and steps to mitigate identified risks.
- Comprehensive strategic planning for future growth and planned expenditure.
- Investment performance review against target returns.
- Formal authorisation and approval levels.

The most significant risk identified relates to the investment portfolio's value, the income from which is used to finance the Endowment Fund's activities.

Through the risk management processes above, the Trustees anticipate that major risks will be identified and, as far as practicable, adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

FUNDRAISING

Fundraising is a very modest part of the Charity's activities, with a focus on legacies and legacy pledges. Supporters of the connected charity, the Royal Ballet School are asked to consider leaving a gift in their will to the Charity.

Although no professional fundraising organisations are used, the Royal Ballet School's Development staff provides fundraising support. The Charity has not subscribed to the Fundraising Regulator but adheres to the Code of Fundraising Practice when undertaking fundraising activity.

The Endowment Fund received no complaints regarding fundraising activity. The Endowment Fund takes its responsibility to anyone who might be vulnerable very seriously, and this will continue to be considered in its approach to fundraising activity.

PLANS FOR FUTURE PERIODS

Trustees have reviewed the Royal Ballet School's strategic plans to estimate longer-term grant requirements, and receive regular progress updates from the School. The Trustees intend to continue making grants to assist current and future beneficiaries. They are mindful of the continuing uncertainty surrounding the Department for Education's funding of the Royal Ballet School.

The trustees are currently seeking to consolidate the charity's investment portfolio under a single investment manager who will be better placed to effectively manage cash flows for the short, medium and longer term.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law, applicable to charities in England and Wales, requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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 preventions and detection of fraud and other irregularities.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

This report was approved by the Board of Trustees on 24 April 2026.

Kenneth J Steele

Kenneth Steele
Trustee

46 Floral Street Covent
Garden
London WC2E 9DA

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL SCHOOL ENDOWMENT FUND FOR THE YEAR ENDED 31 AUGUST 2025

Opinion

We have audited the financial statements of The Royal Ballet School Endowment Fund for the year ended 31 August 2025 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 charity’s affairs as at 31 August 2025 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 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.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed 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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL SCHOOL ENDOWMENT FUND CONTINUED FOR THE YEAR ENDED 31 AUGUST 2025

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 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 Charities Act 2011 together with the Charities SORP (FRS102). 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’s ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulations (GDPR).

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 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 charity’s trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity’s trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

London

13 May 2026

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Endowment funds 2025 £000	Restricted funds 2025 £000	Unrestricted funds 2025 £000	Total funds 2025 £000	*Total funds 2024 £000*
Income and endowments from:						
Donations and legacies	3	**-**	**11**	**111**	**122**	*80*
Investments	4	**68**	**125**	**312**	**505**	*277*
Total income and endowments		**68**	**136**	**423**	**627**	*357*
Expenditure on:						
Raising funds	5	**67**	**59**	**140**	**266**	*189*
Charitable activities		**-**	**1,256**	**260**	**1,516**	*578*
Governance costs		**-**	**-**	**105**	**105**	*20*
Total expenditure		**67**	**1,315**	**505**	**1,887**	*787*
Net income/(expenditure) before net gains on investments		**1**	**(1,179)**	**(82)**	**(1,260)**	*(430)*
Net gains on investments		**172**	**281**	**654**	**1,108**	*1,849*
Net income/(expenditure)		**173**	**(898)**	**572**	**(153)**	*1,419*
Transfers between funds	12	**(576)**	**576**	**-**	**-**	*-*
Net movement in funds		**(403)**	**(322)**	**572**	**(153)**	*1,419*
Reconciliation of funds:						
Total funds brought forward		**7,365**	**6,788**	**15,669**	**29,822**	*28,403*
Net movement in funds		**(403)**	**(322)**	**572**	**(153)**	*1,419*
Total funds carried forward		**6,962**	**6,466**	**16,241**	**29,669**	*29,822*

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 33 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note		2025 £000		*2024 £000*
Fixed assets					
Heritage assets	9		**32**		*32*
Investments	10		**26,628**		*29,459*
			26,660		*29,491*
Current assets					
Cash at bank and in hand		**3,021**		*341*	
		3,021		*341*	
Current liabilities					
Creditors: amounts falling due within one year	11	**(12)**		*(10)*	
Net current assets			**3,009**		*331*
Total assets less current liabilities			**29,669**		*29,822*
Total net assets			**29,669**		*29,822*
Charity funds					
Endowment funds	12		**6,962**		*7,365*
Restricted funds:					
Restricted income from permanent endowment fund	12	**658**		*82*	
Restricted funds	12	**5,808**		*6,706*	
Total restricted funds	12		**6,466**		*6,788*
Unrestricted funds	12		**16,241**		*15,669*
Total funds			**29,669**		*29,822*

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Kenneth J Steele

Kenneth Steele
(Trustee)
Date: 24/04/26

The notes on pages 14 to 33 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	2025 £000	*2024* *£000*
Cash flows from operating activities		
Net cash used in operating activities	**(1,766)**	*(701)*
Cash flows from investing activities		
Dividends, interests and rents from investments	**509**	*252*
Interest receivable	**21**	*23*
(Reduction)/Allocation of funds for investments	**(347)**	*(126)*
Amounts extracted	**4,141**	-
Net cash provided by investing activities	**4,324**	**149**
Cash flows from financing activities		
Receipt of legacies	**122**	*82*
Net cash provided by financing activities	**122**	**82**
Change in cash and cash equivalents in the year	**2,680**	**(470)**
Cash and cash equivalents at the beginning of the year	**341**	*811*
Cash and cash equivalents at the end of the year	**3,021**	*341*

The notes on pages 14 to 33 form part of these financial statements

1. General information

The Royal Ballet School Endowment Fund is a Public Benefit Entity registered as a charity in England and Wales and was established under a Definitive Trust Deed dated 9 June 1982 (charity number 285766).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Royal Ballet School Endowment Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees have reviewed the current economic situation and the impact on the financial markets carefully with a view to managing the investment portfolio and the ability to fund future grants.

Having reviewed the funding facilities available to the Charity together with the expected ongoing need for grants and the Charity's future projected cash flows, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 8.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Heritage assets

Heritage assets are valued at the cost of purchase less any impairment in value over the period. Donated heritage assets have not been valued, as it is not practicable to obtain a valuation of unique assets. Heritage assets held are ballet memorabilia and are tangible fixed assets of historical and artistic importance held to advance the educational objectives of the Charity and The Royal Ballet School. Where these assets are capitalised, depreciation is not charged because the assets have a very long useful life and the estimated residual value is not materially different from the carrying amount. The assets are subject to an annual impairment review by the Trustees and there was no reduction in the value of the heritage assets during the year.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Endowments are accounted for under the total return approach using the date of the original donation, indexed to 1st September 2024, to determine the permanent capital of each endowment.

2. Accounting policies (continued)

2.7 Financial instruments

The Charity only 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 their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.8 Fund accounting

The charitable trust funds of the Charity are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further subdivided into permanent and expendable endowment funds.

Unrestricted general funds comprise the accumulated unrestricted surplus or deficit each year.

Unrestricted designated funds are amounts put aside by the Trustees to follow the donors' preferences, although the Trustees have discretion on using these funds.

Permanent endowment funds consist of capital that cannot be spent. The income earned on these funds is subject to specific conditions imposed by the donors and is shown in restricted funds.

Expendable endowment funds consist of funds where the capital can be spent, and the funds are subject to specific conditions imposed by the donors.

Restricted funds are subject to specific restricted conditions imposed by the donors. Paid income from permanent endowments are held in these funds and are restricted by the conditions imposed on the permanent endowment funds.

3. Income from donations and legacies

	Restricted funds 2025 £000	Unrestricted funds 2025 £000	Total funds 2025 £000
Donations	11	111	**122**

	Restricted funds 2024 £000	*Unrestricted funds 2024 £000*	*Total funds 2024 £000*
Donations	*-*	*80*	*80*

4. Investment income

	Endowment funds 2025 £000	Restricted funds 2025 £000	Unrestricted funds 2025 £000	Total funds 2025 £000
Equities	66	119	299	**484**
Cash	2	6	13	**21**
	68	125	312	**505**

	Endowment funds 2024 £000	*Restricted funds 2024 £000*	*Unrestricted funds 2024 £000*	*Total funds 2024 £000*
Equities	*43*	*68*	*142*	*253*
Cash	*3*	*6*	*15*	*24*
	46	*74*	*157*	*277*

5. Expenditure

Fundraising trading expenses

	Endowment funds 2025 £000	Restricted funds 2025 £000	Unrestricted funds 2025 £000	Total funds 2025 £000
Investment management costs	67	59	140	**266**

	Endowment funds 2024 £000	*Restricted funds 2024 £000*	*Unrestricted funds 2024 £000*	*Total funds 2024 £000*
Investment management costs	*17*	*83*	*90*	*190*

6. Analysis of grants

	Grants to Schools 2025 £000	Grants to Students 2025 £000	Total funds 2025 £000
Grants	1,516	-	**1,516**

	Grants to Schools 2024 £000	*Grants to Students 2024 £000*	*Total funds 2024 £000*
Grants	*30*	*548*	*578*

7. Governance costs

	2025 £000	*2024* *£000*
Fundraising support costs	**82**	*-*
Administration costs	**13**	*-*
Fees payable to the auditor for the statutory audit	**9**	*9*
Legal fees for fund review	**-**	*11*
	104	*20*

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 August 2025, no Trustee expenses have been incurred *(2024 - £NIL)*.

9. Heritage assets

The heritage assets of £32,000 (2024: £32,000) consist of the cost of ballet memorabilia of Margot Fonteyn who was a former alumna of the School. The purchase was made in the year 2000/01 and the Trustees have carried out an impairment review and there is no reduction in the value of these assets.

Assets recognised at cost

	Heritage asset 2025 £000	Total 2025 £000
Carrying value at 1 September 2024	32	**32**
	32	**32**

Analysis of heritage asset transactions

	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000
Brought forward					
Heritage asset	32	32	32	32	32
Carried forward	32	32	32	32	32

10. Fixed asset investments

	Listed investments £000
Cost or valuation	
At 1 September 2024	**29,459**
Additions	**473**
Disposals	**(4,140)**
Revaluations	**1,106**
Amounts written off	**(270)**
At 31 August 2025	**26,628**
Net book value	
At 31 August 2025	**26,628**
At 31 August 2024	*29,459*

The investment portfolio is divided into the following classes:

	2025 £000	*2024 £000*
Equities	**26,628**	*29,459*
	26,628	*29,459*

11. Creditors: Amounts falling due within one year

	2025 £000	*2024 £000*
Trade creditors	**3**	*1*
Accruals and deferred income	**9**	*9*
	12	*10*

12. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Gains & Transfers £000	Balance at 31 August 2025 £000
Unrestricted funds					
General fund	13,872	391	(490)	2,467	16,241
Designated Sutton fund	710	12	(6)	(716)	-
Designated GBL Wilson fund	786	15	(7)	(794)	-
Designated GT Sindell fund	18	-	-	(18)	-
Designated Dulcie Pamela Tilley fund	258	5	(2)	(261)	-
Valarie Adams Award	25	-	-	(25)	-
	15,669	423	(505)	653	16,241

The Sutton Scholarship Fund is a designated fund available to fund scholarships to the School but the requirements of the gift require it to be held as a separate fund with identifiable investments.

The designated GBL Wilson Fund provides funds for the School archive and library. The Fund also includes a collection of prints and lithographs, received by way of gift, which have not been capitalised and included in the balance sheet as their value cannot be ascertained with reasonable certainty. The Trustees consider that the amounts involved are not material. The fund is being used to help with the costs of looking after the School Archive.

The GT Sindell Fund is designated to fund scholarships to The Royal Ballet School. The fund is used when the School requires funding for scholarships.

The Dulcie Pamela Tilley Fund is designated to fund exchange programmes with foreign ballet schools, international ballet tours, performances and student scholarships. The Trustees of the estate request that the legacy be applied where possible in the above order or priority. This fund is therefore used for exchange programmes as required by the School.

The Valarie Adams Award is a designated fund to provide an annual student award in Valerie Adams name.

The General Fund comprises of the accumulated unrestricted surplus or deficit each year.

12. Statement of funds (continued)

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Gains & Transfers £000	Balance at 31 August 2025 £000
Permanent endowment funds					
Askew Scholarship Fund	319	1	(3)	(55)	262
Brian Shaw Memorial Fund	110	-	(1)	(11)	98
Usherwood Fund	66	-	(1)	(14)	51
J Edward Conway Fund	125	-	(1)	6	130
McMillan Memorial Fund	58	1	(1)	(12)	46
Calleva Foundation Fund	914	3	(8)	(72)	837
Morris Kemp Foundation Fund	510	2	(5)	(94)	413
John Dorrick Brookes Fund	112	-	(1)	(31)	80
Lynn Seymour Award	30	-	-	-	30
Rob Wallace Scholarship Fund	1,149	4	(10)	(173)	970
Prince of Wales Bursary Fund	161	1	(1)	44	205
Charles Holloway Bursay Fund	931	3	(8)	(99)	827
The Madeleine and Timothy Plaut Bursary Fund	73	-	(1)	(10)	62
	4,558	15	(41)	(521)	4,011

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Gains & Transfers £000	Balance at 31 August 2025 £000
Expendable endowment funds					
Ethel Rose Hart Fund	569	11	(5)	24	599
Joseph Lockwood Fund	2,090	39	(19)	87	2,197
Nellie Florence Watson Fund	33	1	-	1	35
Aud Jebson Scholarship Fund	115	2	(2)	5	120
	2,807	53	(26)	117	2,951
Total Endowment funds	7,365	68	(67)	(404)	6,962

12. Statement of funds (continued)

Permanent endowment funds

The charity adopted a total return approach to accounting for its permanently endowed funds in 2024-25. The original value of each gift was taken and indexed using CPI to the 1 September 2024. This value was frozen and classified as frozen permanent capital, with the remaining value of the investments classified as unapplied total return. In 2024-25 the entire unapplied total return at 31 August 2025 was transferred to fund restricted expenditure.

The Askew Scholarship Fund is available to fund bursaries and scholarships to the School but is required to be held in a separate fund with identifiable investments.

The Brian Shaw Memorial Fund can be used to fund bursaries and scholarships to the School

The Usherwood Fund is to provide an annual bursary or scholarship to the School.

The J Edward Conway Fund is to fund Birmingham associates.

The MacMillan Memorial Fund for Young Dancers is to be invested and the income is to be used annually as a bursary for a male student to help him with his studies in memory of Sir Kenneth MacMillan.

The Calleva Foundation Fund is to be invested and the income generated is to provide an annual scholarship for a pupil of the Upper School.

The Morris Kemp Foundation Fund is to be invested and used to provide scholarships and bursaries for one or two pupils who would otherwise not be able to afford to attend the School.

Income from the John Dorrick Brookes Fund is available to fund scholarships for a deserving female student of the Upper School.

The Lynn Seymour Award funds an annual prize for Upper School students.

The Rob Wallace Scholarship Fund was set up from generous donations to celebrate the achievements of School Governor Rob Wallace on his retirement. The fund pays for an annual scholarship.

The Prince of Wales Bursary Fund was set up on the occasion of H.R.H Prince of Wales' 70th birthday. Generous donors made gifts to the fund to provide a named bursary to a student of The Royal Ballet School.

The Charles Hollway Bursary Fund is to provide a named bursary to a student of The Royal Ballet School.

The Madeleine and Timothy Plaut Bursary Fund is to provide a named bursary to a student of The Royal Ballet School.

Expendable endowment funds

The capital element of these funds can be expended, so the fund balances represent the capital donation and subsequent income and related gains, which can all be expended.

The Ethel Rose Hart Fund is to provide one annual scholarship of 5,000 awarded for excellence in ballet and shall be called the Ethel Rose Hart Scholarship.

The Joseph Lockwood Scholarship fund is available to provide an annual scholarship to the Upper School.

12. Statement of funds (continued)

The Nellie Florence Watson Fund is available to provide funding for one student per annum.

The Aud Jebsen Scholarship provides an annual scholarship for a student of The Royal Ballet School Upper School until the academic 2037/38 when any residual funds will be used for the general furtherment of the charity's purposes.

	Balance at 1 September 2024	Income	Expenditure	Gains & Transfers	Balance at 31 August 2025
	£000	£000	£000	£000	£000
Restricted Income and capital gains from Permanent Endowment					
Askew Scholarship Fund	-	-	-	59	59
Brian Shaw Memorial Fund	-	-	-	12	12
Usherwood Fund	-	-	-	15	15
J Edward Conway Fund	-	-	-	(5)	(5)
McMillan Memorial Fund	66	-	-	15	81
Calleva Foundation Fund	-	-	-	82	82
Morris Kemp Foundation Fund	-	-	-	100	100
John Dorrick Brookes Fund	-	-	-	32	32
Lynn Seymour Award	16	-	-	1	17
Rob Wallace Scholarship Fund	-	-	-	186	186
Prince of Wales Bursary Fund	-	-	-	(42)	(42)
Charles Holloway Bursay Fund	-	-	-	110	110
The Madeleine and Timothy Plaut Bursary Fund	-	-	-	11	11
	82	-	-	576	658

12. Statement of funds (continued)

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Gains & Transfers £000	Balance at 31 August 2025 £000
Restricted funds					
Dame Margot Fonteyn Fund	472	9	(3)	20	498
Hines Fund	256	5	(2)	11	270
John Lyons Charity Fund	-	-	-	-	-
Upper School Maintenance Fund	1,786	33	(16)	74	1,877
Noreen Mummery Fund	972	18	(9)	41	1,022
Elizabeth Mills Fund	59	1	(1)	2	61
Partnership & Access Fund	646	12	(6)	27	679
White Lodge Appeal Fund	1,164	22	(11)	49	1,224
Royal Ballet School Fund	1,315	25	(1,267)	55	128
Ashton Award	18	-	-	1	19
Captain & Mrs John Moore Award	18	-	-	1	19
Frank Freeman Fund	-	11	-	-	11
	6,706	136	(1,315)	281	5,808
Total Restricted funds	6,788	136	(1,315)	857	6,466
Total of funds	29,822	627	(1,887)	1,107	29,669

12. Statement of funds (continued)

Restricted funds

The Dame Margot Fonteyn Fund can be applied to advance the education of children, young people and students of the School.

The Hines Fund is to provide bursaries to the School for children coming from the West Country.

The Boscawen Fund is used for the exchange of students and teachers between the School and the Royal Danish Ballet School. At the request of the trustees, this fund has been transferred to the General Fund and all restrictions discharged.

The John Lyons Charity Fund is available to fund bursaries for students from nine specific London Boroughs.

The Upper School Maintenance Fund is available to fund Royal Ballet Upper School premises and boarding accommodation.

The Noreen Mummery Fund provides bursaries to students of the School which shall be known as Sopwith Bursaries.

The Elizabeth Mills Fund was set up from a legacy left by the late Miss Mills and is to fund a scholarship or bursary for a student who would not otherwise be able to attend the School. The support will be known as the Elizabeth Florence May Mills Bursary.

The Partnership & Access Fund is to support the School's Partnership and Access programme through which children at state schools of both primary and secondary school age are given access to classical ballet through the School's students and network of teaching expertise.

The White Lodge Appeal Fund is to support the acquisition of a new 100 year lease at White Lodge and redevelop the land and buildings at White Lodge.

The Royal Ballet School Fund is to further the charitable objectives of The Royal Ballet School.

The Ashton Award Fund provides an annual prize for a student or students of The Royal Ballet Upper School.

The Captain and Mrs John Moore Award Fund provides three annual prizes of 100 for students in their first year of the degree course.

The Frank Freeman Fund - The Frank Freeman Fund provides an annual scholarship to cover tuition fees and other related expenditure for an outstanding male student, to be known as the Frank Freeman Scholarship.

The remaining restricted funds represent the expendable income element of the permanent endowment funds shown in note 10. This income is restricted to expenditure as shown in that note.

12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Gains & Transfers £000	Balance at 31 August 2024 £000
Unrestricted funds					
General fund	12,939	218	(99)	814	13,872
Designated Sutton fund	716	7	(4)	(9)	710
Designated GBL Wilson fund	776	8	(35)	37	786
Designated GT Sindell fund	17	-	-	1	18
Designated Dulcie Pamela Tilley fund	245	3	(2)	12	258
Valarie Adams Award	23	1	-	1	25
	14,716	237	(140)	856	15,669

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Gains & Transfers £000	Balance at 31 August 2024 £000
Permanent endowment funds					
Askew Scholarship Fund	285	-	-	34	319
Brian Shaw Memorial Fund	98	-	-	12	110
Usherwood Fund	59	-	-	7	66
J Edward Conway Fund	112	-	-	13	125
McMillan Memorial Fund	52	-	-	6	58
Calleva Foundation Fund	816	-	-	98	914
Morris Kemp Foundation Fund	455	-	-	55	510
John Dorrick Brookes Fund	100	-	-	12	112
Lynn Seymour Award	27	-	-	3	30
Rob Wallace Scholarship Fund	1,025	-	-	124	1,149
Prince of Wales Bursary Fund	144	-	-	17	161
Charles Holloway Bursay Fund	831	-	-	100	931
The Madeleine and Timothy Plaut Bursary Fund	65	-	-	8	73
	4,069	-	-	489	4,558

12. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Gains & Transfers £000	Balance at 31 August 2024 £000
Expendable endowment funds					
Ethel Rose Hart Fund	545	6	(8)	26	569
Joseph Lockwood Fund	2,019	21	(48)	98	2,090
Nellie Florence Watson Fund	65	1	(36)	3	33
Aud Jebson Scholarship Fund	167	2	(62)	8	115
	2,796	30	(154)	135	2,807
Total Endowment funds	6,865	30	(154)	624	7,365

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Gains & Transfers £000	Balance at 31 August 2024 £000
Restricted income from permanent endowment funds					
Askew Scholarship Fund	-	1	(3)	2	-
Brian Shaw Memorial Fund	-	-	(1)	1	-
Usherwood Fund	-	1	(1)	-	-
J Edward Conway Fund	-	-	(21)	21	-
McMillan Memorial Fund	91	2	(31)	4	66
Calleva Foundation Fund	-	3	(8)	5	-
Morris Kemp Foundation Fund	-	2	(5)	3	-
John Dorrick Brookes Fund	-	-	(1)	1	-
Lynn Seymour Award	15	-	-	1	16
Rob Wallace Scholarship Fund	-	4	(10)	6	-
Prince of Wales Bursary Fund	-	1	(1)	-	-
Charles Holloway Bursay Fund	-	4	(8)	4	-
The Madeleine and Timothy Plaut Bursary Fund	-	-	(1)	1	-
	106	18	(91)	49	82

12. Statement of funds (continued)

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Gains & Transfers £000	Balance at 31 August 2024 £000
Restricted funds					
Dame Margot Fonteyn Fund	730	8	(300)	34	472
Hines Fund	270	3	(30)	13	256
John Lyons Charity Fund	-	-	-	-	-
Upper School Maintenance Fund	1,697	18	(10)	81	1,786
Noreen Mummery Fund	924	10	(6)	44	972
Elizabeth Mills Fund	90	1	(36)	4	59
Partnership & Access Fund	614	7	(4)	29	646
White Lodge Appeal Fund	1,106	12	(7)	53	1,164
Royal Ballet School Fund	1,250	13	(8)	60	1,315
Ashton Award	18	-	(1)	1	18
Captain & Mrs John Moore Award	17	-	-	1	18
	6,716	72	(402)	320	6,706
Total Restricted funds	6,822	90	(493)	369	6,788
Total of funds	28,403	357	(787)	1,849	29,822

13. Summary of funds

Summary of funds - current year

	Balance at 1 September 2024	**Income**	**Expenditure**	**Gains & Transfers**	**Balance at 31 August 2025**
	£000	**£000**	**£000**	**£000**	**£000**
Designated funds	**1,797**	**32**	**(15)**	**(1,814)**	**-**
General funds	**13,872**	**391**	**(490)**	**2,468**	**16,241**
Endowment funds	**7,365**	**68**	**(67)**	**(404)**	**6,962**
Retricted funds	**6,788**	**136**	**(1,315)**	**857**	**6,466**
	29,822	**627**	**(1,887)**	**1,107**	**29,669**

Summary of funds - prior year

	Balance at 1 September 2024	Income	Expenditure	Gains & Transfers	Balance at 31 August 2025
	£000	£000	£000	£000	£000
Designated funds	1,777	19	(41)	42	1,797
General funds	12,939	218	(99)	814	13,872
Endowment funds	6,865	30	(154)	624	7,365
Retricted funds	6,822	90	(493)	369	6,788
	28,403	357	(787)	1,849	29,822

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2025 £000	Restricted funds 2025 £000	Restricted funds II 2025 £000	Unrestricted funds 2025 £000	Total funds 2025 £000
Fixed asset investments	6,962	658	5,808	13,200	**26,628**
Heritage assets	-	-	-	32	**32**
Current assets	-	-	-	3,021	**3,021**
Creditors due within one year	-	-	-	(12)	**(12)**
Total	6,962	658	5,808	16,241	**29,669**

Analysis of net assets between funds - prior year

	Endowment funds 2024 £000	*Restricted funds 2024 £000*	*Restricted funds II 2024 £000*	*Unrestricted funds 2024 £000*	*Total funds 2024 £000*
Fixed asset investments	*7,364*	*82*	*6,706*	*15,306*	*29,459*
Heritage assets	-	-	-	*32*	*32*
Current assets	-	-	-	*341*	*341*
Creditors due within one year	-	-	-	*(10)*	*(10)*
Total	*7,364*	*82*	*6,706*	*15,669*	*29,822*

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £000	*2024* *£000*
Net income/expenditure for the year (as per Statement of Financial Activities)	**(153)**	*1,417*
Adjustments for:		
Losses on investments	**(1,108)**	*(1,848)*
Dividends, interests and rents from investments	**(505)**	*(276)*
Decrease in debtors	**-**	*5*
Increase in creditors	**-**	*1*
Net cash used in operating activities	**(1,766)**	*(701)*

16. Analysis of cash and cash equivalents

	2025 £000	*2024* *£000*
Cash in hand	**3,021**	*341*
Total cash and cash equivalents	**3,021**	*341*

17. Analysis of changes in net debt

	At 1 September 2024 £000	Cash flows £000	At 31 August 2025 £000
Cash at bank and in hand	341	2,680	3,021
	341	2,680	3,021

18. Related party transactions

The connected charity, The Royal Ballet School, has as its purpose the training and education of students for a career as ballet dancers. Two of the Royal Ballet School Endowment Fund Trustees are also Trustees and Governors of The Royal Ballet School (2024: two). During the year the Endowment Fund provided grants to students and to the School of £1,514,959 (2024: £578,000). The School has not recharged any sum for staff costs in either year. The Endowment Fund is a creditor of The Royal Ballet School at the balance sheet date of £Nil (2024: £309).

There are no other related party transactions (2024: None).

19. Taxation

As a registered charity, The Endowment Fund 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.

Accounts

The Royal Ballet School Endowment Fund

Annual report and financial statements

for the year ended

31 August 2024

Charity Registration No. 285766

The Royal Ballet School Endowment Fund
Reference and administrative information

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CHARITY REGISTRATION NUMBER
285766

The Royal Ballet School Endowment Fund
Report of the Trustees

The Trustees submit their report and the audited financial statements of The Royal Ballet School Endowment Fund ("the Endowment Fund" or "the Charity") for the year ended 31 August 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION AND OBJECTS

The Royal Ballet School Endowment Fund is a registered charity (number 285766) and was established under a Definitive Trust Deed dated 9 June 1982.

The income and assets of The Royal Ballet School Endowment Fund (the "Charity") are used to provide funding and facilities for students at The Royal Ballet School ("the School"). In particular:

- Scholarships, bursaries, and financial support are provided to students who would not otherwise be able to attend the School. Support is provided to full-time and Associate students.
- Grants to students at the School to pay for items not covered by fee support. For example, uniform costs, ballet shoes, travel to and from home and extracurricular activities.
- Student prizes.
- Expenditure on improvements to facilities and the repair and maintenance of buildings.
- To support the School's archive.
- To support investment in new choreography and international tours.
- To fund student and teacher exchange programmes

Any income not spent in the year is carried forward and held in the Charity's reserves and used to assist in funding the School's future development programme.

TRUSTEES

The responsibility for the management of the Charity is vested in its Charity Trustees. Trustees are nominated by its connected charity, the Royal Ballet School and appointed and removed by the existing Board of Trustees.

The Trustees in office during the year and to the date of this report were as follows:

It is the policy of the Trustees is to ensure that they understand their responsibilities and duties. Training needs are considered from time to time and appropriate support is provided as necessary.

The Trustees meet periodically, usually three times a year, to review grant applications, future spending needs, and investment strategy and performance. They also liaise with the School's Executive Team to ensure a clear understanding of the future financial needs of the School and its students. The Fund Managers provide the Trustees with regular reports on investment performance, and they also regularly attend board meetings.

To discharge their functions more effectively, the Trustees delegate certain administrative aspects of the charity's day-to-day management to the School.

The Trustees are aware of the Charity Governance Code, which lays out the principles and recommended practices for good governance within the sector. They are satisfied that the charity applies the principles of the code within its current Governance arrangements.

OBJECTIVES AND ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

Each year, the Trustees consider applications from the School to support students enrolled in full-time courses and the Associates Programme with bursaries and scholarships.

The Endowment Fund awards the Royal Ballet School an annual grant to support the maintenance and care of its archive. This resource is available publicly online and in person by appointment.

Applications for one-off grants to support individual projects are considered case-by-case.

The Trustees work with three carefully chosen fund managers to maximise investment returns for the charity. The long-term objective for each fund manager is to protect capital and deliver a return of RPI + 3%.

The Trustees have carefully considered the Charity Commission's general guidance on public benefit in setting objectives and planning the activities.

The Endowment Fund has continued to make grants to students of the School and the School itself.

GRANT MAKING POLICY

The Royal Ballet School Endowment Fund welcomes annual grant applications for the following:

- Full-time student bursaries
- Associate student bursaries
- Grants towards the running of the School’s archive.
- Annual prize awards

Trustees will consider applications for single awards for individual projects. When considering these applications, Trustees will make due regard to:

1. The longer-term impact of the project on the School and its beneficiaries.
2. Whether the applicant has approached other donors for support.
3. The cash flow implications for the Endowment Fund and its investments.
4. Whether specific restricted funds and finances are available to support the request.

There is no cap on the value that may be applied for, and each application will be considered on its merits. Trustees require a higher level of detail for larger, one-off grants. In some cases, Trustees may require a meeting with school representatives before deciding on a grant award. This will be advised on a case-by-case basis.

Trustees consider recent fund manager performance and any significant valuation changes or market events when reviewing grant applications.

PUBLIC BENEFIT

The Endowment Fund remains committed to providing public benefit in accordance with its founding principles. Following charity legislation, the Endowment Fund reports that it has carried out the charity’s purposes for the public benefit.

The School is open to any student who has the potential to become a classical ballet dancer, regardless of their family’s financial means. The Endowment Fund provides support to these students in the form of financial assistance and training facilities.

FINANCIAL REVIEW

The full financial results are shown on pages 11 to 26 of these financial statements. Incoming resources were £357,000 (2023: £764,000). In addition to investment income, the Endowment Fund benefited from several legacies totalling £82,000 (2023: £339,000).

Expenditure totalled £787,000 (2023: £768,000) with grants of £578,000 (2023: £575,000). As well as an annual grant award of £30,000 (2023: £30,000) to support The Royal Ballet School's archive, £508,000 (2023: £505,000) was awarded to full-time students and a further £40,000 to provide bursaries for Associate students (2023: £40,000).

The Trustees continued to monitor the performance of the fund managers closely and the weighting of investments is discussed at every meeting.

The total net gain in the portfolio was £1,849,000 (2023: £251,000 loss) of which £196,000 was realised gain. Funds held with Troy Asset Management grew by 7.6%. Ruffer grew by 3.3% and Fundsmith by 10.1%.

While grant awards exceeded the value of receipts, total reserves grew to £29,822,000 (2023: £28,403,000).

FUNDS AND RESERVES POLICY

The charity aims to support The Royal Ballet School in sustaining and enhancing the quality of the education provided and ensuring that students of limited means can benefit from the world-class training provided by The Royal Ballet School.

The Trustees' reserves policy is to continue growing the Charity's funds to provide the School and its students with the resources needed now and in the future. The Trustees are mindful of the requirement to balance the needs of both current and future beneficiaries, ensuring capital values are maintained while delivering a return on investment to fund grant awards.

The Trustees have designated £1,798,000 of unrestricted funds (2023: £1,777,000), from which scholarships, financial support and facilities grants may be provided. The balance of £13,871,000 (2023: £12,939,000) represents the Charity's general or free reserves. The Trustees receive regular updates from The Royal Ballet School on potential grant requests.

The Charity has several endowments and restricted funds, the use of which is limited as specified by donors. Funds not immediately required for expenditure are placed with the Endowment Fund's fund managers for investment. Endowment funds of £7,365,000 (2023: £6,865,000) are held as investments to maintain the capital value. Income is set aside to spend on charitable activity according to the conditions the donor has given. The Charity has both permanent and expendable endowments: expendable endowments permit capital to be spent alongside returns.

Restricted funds of £6,788,000 (2023: £6,822,000) are subject to the specific restricted conditions imposed by the donor.

Details of these funds, the movements on the funds and the purposes for which they were given are shown in Notes 11 and 12, respectively.

INVESTMENT POWERS, POLICY AND PERFORMANCE

During the financial year, Troy Asset Management Limited, Ruffer LLP and Fundsmith LLP managed the Endowment Fund’s investment portfolio, with a strategy of protecting capital and providing a consistent long term return.

This strategy means that, overall, returns on investments outperform the market in difficult times but do less well than the market in periods of market growth. The Trustees continue to measure the portfolio's performance regularly against the agreed-upon target of 3% over RPI over a rolling five-year period.

Any paid dividend income earned from permanent endowment investment funds is immediately transferred to restricted income funds and made available for grant awards.

RISK MANAGEMENT

The Trustees are responsible for risk management. Detailed risk consideration is carried out by the trustees. Key controls used by the Trustees to identify and assess risks during the year include:

- The formal programme of risk assessments and steps to mitigate identified risks.
- Comprehensive strategic planning for future growth and planned expenditure.
- Investment performance review against target returns.
- Formal authorisation and approval levels.

The most significant risk identified relates to the investment portfolio's value, the income from which is used to finance the Endowment Fund’s activities.

Through the risk management processes above, the Trustees anticipate that major risks will be identified and, as far as practicable, adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

FUNDRAISING

Fundraising is a very modest part of the Charity’s activities, with a focus on legacies and legacy pledges. Supporters of the connected charity, The Royal Ballet School are asked to consider leaving a gift in their will to the Charity.

No professional fundraising organisations are used. The Royal Ballet School's Development staff provides occasional fundraising support. The Charity has not subscribed to the Fundraising Regulator but adheres to the Code of Fundraising Practice when undertaking fundraising activity.

The Endowment Fund received no complaints regarding fundraising activity. The Endowment Fund takes its responsibility to anyone who might be vulnerable very seriously, and this will continue to be considered in its approach to fundraising activity.

PLANS FOR FUTURE PERIODS

Trustees have reviewed The Royal Ballet School's strategic plans to estimate longer-term grant requirements. In the coming months, Trustees will attend a meeting of The Royal Ballet School’s Board of Governors to ensure the longer-term strategic objectives of both charities are shared and aligned.

The Trustees intend to continue making grants to assist current and future beneficiaries. They are mindful of the uncertainty surrounding the Department for Education’s funding of The Royal Ballet School, changes to the VAT status for independent schools from January 2025 and the loss of business rate relief for independent schools from April 2025.

Following the implementation of the Charities Act 2022, Trustees have reviewed their approach to permanent endowment fund investments and agreed to implement a total return approach from 1 September 2024.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law, applicable to charities in England and Wales, requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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 report was approved by the Board of Trustees on 24 March 2025

Kenneth J Steele

Kenneth Steele
Trustee

46 Floral Street
Covent Garden
London WC2E 9DA

INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF THE ROYAL BALLET SCHOOL ENDOWMENT FUND

OPINION

We have audited the financial statements of The Royal Ballet School Endowment Fund (‘the charity’) for the year ended 31 August 2024 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 charity’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 Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The 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 material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; 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 are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed 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 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 Charities Act 2011 together with the Charities SORP (FRS102). 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’s ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulations (GDPR).

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 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 charity’s trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity’s trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor

London
6 May 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Royal Ballet School Endowment Fund
Statement of Financial Activities
For the year ended 31 August 2024

	Notes	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	**2024 £000**	2023 £000
Income from:						
Donations	*1*	81	-	1	**82**	539
Investments	*2*	156	30	89	**275**	225
Total income		**237**	**30**	**90**	**357**	764
Expenditure on:						
Raising funds	*3*	90	17	82	**189**	185
Charitable activities	*4*	30	137	411	**578**	575
Governance costs	*5*	20	-	-	**20**	8
Total expenditure		**140**	**154**	**493**	**787**	768
Net income/(expenditure)		**97**	**(124)**	**(403)**	**(430)**	(4)
Transfers between funds		(43)	-	43	**-**	-
Net gains on investments		899	624	326	**1,849**	(272)
Net movement in funds		**953**	**500**	**(34)**	**1,419**	(276)
Reconciliation of funds:						
Total funds brought forward		14,716	6,865	6,822	**28,403**	28,679
Total funds carried forward		**15,669**	**7,365**	**6,788**	**29,822**	28,403

The net incoming resources for the year arise from the Charity’s continuing operations.

The accounting policies and notes on pages 14 to 26 form part of these financial statements.

Royal Ballet School Endowment Fund
Balance sheet
to 31 August 2024

	Notes	**2024**	2023
		£000	£000
Fixed assets			
Heritage assets - ballet memorabilia	6	**32**	32
Investments	7	**29,459**	27,564
Total fixed assets		**29,491**	27,596
Current assets			
Prepayments and accrued income		**-**	5
Cash at bank		**341**	811
Total current assets		**341**	816
Liabilities – falling due within one year			
Trade creditors		**(1)**	-
Accruals		**(9)**	(9)
Total liabilities		**(10)**	(9)
Total net assets	9	**29,822**	28,403
The funds of the charity:			
Unrestricted funds			
General fund		**13,871**	12,939
Designated funds		**1,798**	1,777
Total unrestricted funds	10	**15,669**	14,716
Endowment funds	11	**7,365**	6,865
Restricted funds	12	**6,788**	6,822
Total charity funds		**29,822**	28,403

The financial statements on pages 11 to 26 were approved by the trustees and authorised for issue on 24 March 2025 and signed on its behalf by:

Kenneth J Steele

Kate Bolsover

Kenneth Steele
Trustee

Kate Bolsover
Trustee

	Note	2024	2023
			£000
Cash flows from operating activities:			
Net cash used by operating activities	A below	**(701)**	184
Cash flows from investing activities:			
Dividends and interest from investments		**252**	211
Interest receivable		**23**	14
(Reduction)/Allocation of funds for investments		**(126)**	(1,396)
Net cash provided by/(used in) investing activities		**149**	(1,171)
Cash flows from financing activities:			
Receipt of legacies		**82**	539
Net cash provided by investing activities		**82**	539
Change in cash in the reporting period		**(470)**	(448)
Cash at the beginning of the year		**811**	1,259
Cash at the end of the year	B below	**341**	811

Reconciliation of cash flows from operating activities:	Note A	**2024**	2023
		£000	£000
Net income, from the statement of financial activities		**1,419**	(276)
Adjustments for:			
(Gains)/Losses on investments		**(1,849)**	272
Dividends, interest and rents from investments		**(275)**	(225)
Increase in debtors		**5**	(5)
(Decrease)/Increase in creditors		**(1)**	418
Net cash used in operating activities		**(701)**	184

Analysis of cash	Note B	**2024**	2023
		£000	£000
Cash at bank and in hand		**341**	811

BASIS OF ACCOUNTING
These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

TRUE AND FAIR OVERRIDE
The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Royal Ballet School Endowment Fund is a Public Benefit Entity registered as a charity in England and Wales and was established under a Definitive Trust Deed dated 9 June 1982 (charity number 285766).

GOING CONCERN
The Trustees have reviewed the current economic situation and the impact on the financial markets carefully with a view to managing the investment portfolio and the ability to fund future grants.

Having reviewed the funding facilities available to the Charity together with the expected ongoing need for grants and the Charity's future projected cash flows, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 7.

CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATING UNCERTAINTY
In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value 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 affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

INCOME
Income consists of donations, legacies and investment income. All income is accounted for when the Charity has entitlement, there is probability of receipt and the amount is measurable. Legacies are recorded when they are received, on receipt of finalised estate accounts or where there is sufficient evidence that the legacy will probably be received. Investment income is apportioned to unrestricted, endowment and restricted funds based on the values of the funds. The income generated from permanent endowment funds is apportioned to restricted funds for future expenditure.

EXPENDITURE
Resources expended are recognised in the period in which they are incurred. Costs are allocated to the particular activity to which they relate. Grants payable are recognised when a constructive obligation exists. Governance costs comprise costs of running the Charity.

HERITAGE ASSETS
Heritage assets are valued at the cost of purchase less any impairment in value over the period. Donated heritage assets have not been valued, as it is not practicable to obtain a valuation of unique assets. Heritage assets held are ballet memorabilia and are tangible fixed assets of historical and artistic importance held to advance the educational objectives of the Charity and The Royal Ballet School. Where these assets are capitalised, depreciation is not charged because the assets have a very long useful life and the estimated residual value is not materially different from the carrying amount. The assets are subject to an annual impairment review by the Trustees and there was no reduction in the value of the heritage assets during the year.

INVESTMENTS
Investments, including bonds held as part of an investment portfolio, are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

FUND ACCOUNTING
The charitable trust funds of the Charity are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further subdivided into permanent and expendable endowment funds.

Unrestricted general funds comprise the accumulated unrestricted surplus or deficit each year.

Unrestricted designated funds are amounts put aside by the Trustees to follow the donors' preferences, although the Trustees have discretion on using these funds.

Permanent endowment funds consist of capital that cannot be spent. The income earned on these funds is subject to specific conditions imposed by the donors and is shown in restricted funds.

Expendable endowment funds consist of funds where the capital can be spent, and the funds are subject to specific conditions imposed by the donors.

Restricted funds are subject to specific restricted conditions imposed by the donors. Paid income from permanent endowments are held in these funds and are restricted by the conditions imposed on the permanent endowment funds.

FINANCIAL INSTRUMENTS
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value, except investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise 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.

1	DONATIONS	2024	2023
	Legacies	82	339
	Donations	-	200
	Total	**82**	539

2	INVESTMENT INCOME	Unrestricted	Endowment	Restricted	2024 Total	2023 Total
	Equities	142	27	83	**252**	211
	Cash	14	3	6	**23**	14
		156	**30**	**89**	**275**	225

3	EXPENDITURE	Unrestricted	Endowment	Restricted	2024 Total	2023 Total
	Investment Management Costs	90	17	82	**189**	185

4	CHARITABLE EXPENDITURE	Unrestricted	Endowment	Restricted	2024 Total	2023 Total
	Grants to students	-	137	411	**548**	545
	Grants to School	30	-	-	**30**	30
		30	**137**	**411**	**578**	575

5	GOVERNANCE COSTS	2024	2023
	Fees payable to the auditor for the statutory audit	9	8
	Legal fees for fund review	11	-
		20	8

6 HERITAGE ASSETS

The heritage assets of £32,000 (2023: £32,000) consist of the cost of ballet memorabilia of Margot Fonteyn who was a former alumna of the School. The purchase was made in the year 2000/01 and the Trustees have carried out an impairment review and there is no reduction in the value of these assets.

7 INVESTMENTS

	2024	2023
Market value brought forward	**27,564**	27,815
New money invested		
Reinvested income	**235**	206
Proceeds received		
Management charges	**(189)**	(185)
	27,610	27,836
Net gain/(loss) on revaluation	**1,849**	(272)
Market value carried forward	**29,459**	27,564
The investment portfolio is divided into the following classes:		
Equities	**29,459**	19,803
Fixed interest	**-**	1,454
Index-linked	**-**	3,025
Credit and illiquid strategies	**-**	668
Gold	**-**	426
Forward foreign exchange	**-**	7
Options	**-**	561
Global Funds	**-**	1,325
Hedge funds	-	-
Cash	**-**	295
	29,459	27,564

8 RELATED PARTY TRANSACTIONS

The connected charity, The Royal Ballet School, has as its purpose the training and education of students for a career as ballet dancers. Two of the Royal Ballet School Endowment Fund Trustees are also Trustees and Governors of The Royal Ballet School (2023: two). During the year the Endowment Fund provided grants to students and to the School of £578,000 (2023: £575,000). The School has not recharged any sum for staff costs in either year. The Endowment Fund is a creditor of The Royal Ballet School at the balance sheet date of £309 (2023: £nil).

There are no other related party transactions (2023: None).

9 ANALYSIS OF NET ASSEST BY FUND

FUNDS:	**Fixed Assets**	**Investments**	**Net Current Assets**	**Total Funds 2024**
Unrestricted	32	13,508	331	**13,871**
Designated	-	1,798	-	**1,798**
Endowment Funds	-	7,365	-	**7,365**
Restricted Funds	-	6,788	-	**6,788**
	32	29,459	331	**29,822**

ANALYSIS OF NET ASSEST BY FUND 2023	Fixed Assets	Investments	Net Current Assets	Total Funds 2023
Unrestricted	32	12,100	807	12,939
Designated	-	1,777	-	1,777
Endowment Funds	-	6,865	-	6,865
Restricted Funds	-	6,822	-	6,822
	32	27,564	807	28,403

10 UNRESTRICTED FUNDS

	Balance at 1 Sept 2023	Income	Expenditure	Gains & Transfers	**Balance at 31 Aug 2024**
	£000	£000	£000	£000	**£000**
General fund	12,939	218	(99)	814	**13,872**
Designated Sutton fund	716	7	(4)	(9)	**710**
Designated GBL Wilson fund	776	8	(35)	37	**786**
Designated GT Sindell fund	17	-	-	1	**18**
Designated Dulcie Pamela Tilley fund	245	3	(2)	12	**258**
Valarie Adams Award	23	1	-	1	**25**
	14,716	237	(140)	856	**15,669**

UNRESTRICTED FUNDS 2023	Balance at 1 Sept 2022	Income	Expenditure	Gains & Transfers	Balance at 31 Aug 2023
	£000	£000	£000	£000	£000
General fund	12,706	456	(86)	(137)	12,939
Designated Sutton fund	729	7	(4)	(16)	716
Designated GBL Wilson fund	821	7	(35)	(17)	776
Designated GT Sindell fund	17	-	-	-	17
Designated Dulcie Pamela Tilley fund	250	2	(2)	(5)	245
Valarie Adams Award	24	-	-	(1)	23
	14,547	472	(127)	(176)	14,716

- The General Fund comprises of the accumulated unrestricted surplus or deficit each year
- The Sutton Scholarship Fund is a designated fund available to fund scholarships to the School but the requirements of the gift require it to be held as a separate fund with identifiable investments.
- The designated GBL Wilson Fund provides funds for the School archive and library. The Fund also includes a collection of prints and lithographs, received by way of gift, which have not been capitalised and included in the balance sheet as their value cannot be ascertained with reasonable certainty. The Trustees consider that the amounts involved are not material. The fund is being used to help with the costs of looking after the School Archive
- The GT Sindell Fund is designated to fund scholarships to The Royal Ballet School. The fund is used when the School requires funding for scholarships.
- The Dulcie Pamela Tilley Fund is designated to fund exchange programmes with foreign ballet schools, international ballet tours, performances and student scholarships. The Trustees of the estate request that the legacy be applied where possible in the above order or priority. This fund is therefore used for exchange programmes as required by the School.
- The Valarie Adams Award is a designated fund to provide an annual student award in Valerie Adams name.

11 ENDOWMENT FUNDS

	Balance at 1 Sept 2023	Income	Expenditure	Gains & Transfers	**Balance at 31 Aug 2024**
Permanent endowment funds					
Askew Scholarship Fund	285	-	-	34	**319**
Brian Shaw Memorial Fund	98	-	-	12	**110**
Usherwood Fund	59	-	-	7	**66**
J Edward Conway Fund	112	-	-	13	**125**
McMillan Memorial Fund	52	-	-	6	**58**
Calleva Foundation Fund	816	-	-	98	**914**
Morris Kemp Foundation Fund	455	-	-	55	**510**
John Dorrick Brookes Fund	100	-	-	12	**112**
Lynn Seymour Award	27	-	-	3	**30**
Rob Wallace Scholarship Fund	1,025	-	-	124	**1,149**
Prince of Wales Bursary Fund	144	-	-	17	**161**
Charles Hollway Bursary Fund	831	-	-	100	**931**
The Madeleine and Timothy Plaut Bursary Fund	65	-	-	8	**73**
	4,069	-	-	489	**4,558**
Expendable endowment funds					
Ethel Rose Hart Fund	545	6	(8)	26	**569**
Joseph Lockwood Fund	2,019	21	(48)	98	**2,090**
Nellie Florence Watson Fund	65	1	(36)	3	**33**
Aud Jebsen Scholarship Fund	167	2	(62)	8	**115**
	2,796	30	(154)	135	**2,807**
	6,865	30	(154)	624	**7,365**

ENDOWMENT FUNDS 2023	Balance at 1 Sept 2022	Income	Expenditure	Gains & Transfers	Balance at 31 Aug 2023
Permanent endowment funds					
Askew Scholarship Fund	277	-	-	8	285
Brian Shaw Memorial Fund	95	-	-	3	98
Usherwood Fund	57	-	-	2	59
J Edward Conway Fund	109	-	-	3	112
McMillan Memorial Fund	51	-	-	1	52
Calleva Foundation Fund	793	-	-	23	816
Morris Kemp Foundation Fund	442	-	-	13	455
John Dorrick Brookes Fund	97	-	-	3	100
Lynn Seymour Award	26	-	-	1	27
Rob Wallace Scholarship Fund	997	-	-	28	1,025
Prince of Wales Bursary Fund	140	-	-	4	144
Charles Hollway Bursary Fund	808	-	-	23	831
The Madeleine and Timothy Plaut Bursary Fund	63	-	-	2	65
	3,955	-	-	114	4,069
Expendable endowment funds					
Ethel Rose Hart Fund	560	5	(8)	(12)	545
Joseph Lockwood Fund	2,090	17	(43)	(45)	2,019
Nellie Florence Watson Fund	96	1	(31)	(1)	65
	-	202	(31)	(4)	167
	2,746	225	(113)	(62)	2,796
	6,701	225	(113)	52	6,865

Permanent endowment funds

Permanent endowment funds are capital funds where the donor has specified that the capital is invested to provide income and only the income can be spent. This income is accumulated separately in restricted funds as shown in Note 11 with the following restrictions:

- The Askew Scholarship Fund is available to fund bursaries and scholarships to the School but is required to be held in a separate fund with identifiable investments
- The Brian Shaw Memorial Fund can be used to fund bursaries and scholarships to the School
- The Usherwood Fund is to provide an annual bursary or scholarship to the School
- The J Edward Conway Fund is to fund Birmingham associates
- The MacMillan Memorial Fund for Young Dancers is to be invested and the income is to be used annually as a bursary for a male student to help him with his studies in memory of Sir Kenneth MacMillan
- The Calleva Foundation Fund is to be invested and the income generated is to provide an annual scholarship for a pupil of the Upper School
- The Morris Kemp Foundation Fund is to be invested and used to provide scholarships and bursaries for one or two pupils who would otherwise not be able to afford to attend the School

- Income from the John Dorrick Brookes Fund is available to fund scholarships for a deserving female student of the Upper School
- The Lynn Seymour Award funds an annual prize for Upper School students.
- The Rob Wallace Scholarship Fund was set up from generous donations to celebrate the achievements of School Governor Rob Wallace on his retirement. The fund pays for an annual scholarship
- The Prince of Wales Bursary Fund was set up on the occasion of H.R.H Prince of Wales' 70th birthday. Generous donors made gifts to the fund to provide a named bursary to a student of The Royal Ballet School.
- The Charles Hollway Bursary Fund is to provide a named bursary to a student of The Royal Ballet School.
- The Madeleine and Timothy Plaut Bursary Fund is to provide a named bursary to a student of The Royal Ballet School

Expendable endowment funds

The capital element of these funds can be expended, so the fund balances represent the capital donation and subsequent income and related gains, which can all be expended

- The Ethel Rose Hart Fund is to provide one annual scholarship of £5,000 awarded for excellence in ballet and shall be called the Ethel Rose Hart Scholarship
- The Joseph Lockwood Scholarship fund is available to provide an annual scholarship to the Upper School
- The Nellie Florence Watson Fund is available to provide funding for one student per annum
- The Aud Jebsen Scholarship provides an annual scholarship for a student of The Royal Ballet School Upper School until the academic 2037/38 when any residual funds will be used for the general furtherment of the charity's purposes.

12 RESTRICTED FUNDS

	Balance at 1 Sept 2023	Income	Expenditure	Gains & Transfers	**Balance at 31 Aug 2024**
Restricted income from permanent endowment funds					
Askew Scholarship Fund	-	1	(3)	2	**-**
Brian Shaw Memorial Fund	-	-	(1)	1	**-**
Usherwood Fund	-	1	(1)	-	**-**
J Edward Conway Fund	-	-	(21)	21	**-**
McMillan Memorial Fund	91	2	(31)	4	**66**
Calleva Foundation Fund	-	3	(8)	5	**-**
Morris Kemp Foundation Fund	-	2	(5)	3	**-**
John Dorrick Brookes Fund	-	-	(1)	1	**-**
Lynn Seymour Award	15	-	-	1	**16**
Rob Wallace Scholarship Fund	-	4	(10)	6	**-**
Prince of Wales Bursary Fund	-	1	(1)	-	**-**
Charles Hollway Bursary Fund	-	4	(8)	4	**-**
The Madeleine and Timothy Plaut Bursary Fund	-	-	(1)	1	**-**
	106	18	(91)	49	**82**
Restricted funds					
Dame Margot Fonteyn Fund	730	8	(300)	34	**472**
Hines Fund	270	3	(30)	13	**256**
John Lyons Charity Fund	-	-	-	-	**-**
Upper School Maintenance Fund	1,697	18	(10)	81	**1,786**
Noreen Mummery Fund	924	10	(6)	44	**972**
Elizabeth Mills Fund	90	1	(36)	4	**59**
Partnership & Access Fund	614	7	(4)	29	**646**
White Lodge Appeal Fund	1,106	12	(7)	53	**1,164**
Royal Ballet School Fund	1,250	13	(8)	60	**1,315**
Ashton Award	18	-	(1)	1	**18**
Captain & Mrs John Moore Award	17	-	-	1	**18**
	6,716	72	(402)	320	**6,706**
	6,822	90	(493)	369	**6,788**

RESTRICTED FUNDS 2023	Balance at 1 Sept 2022	Income	Expenditure	Gains & Transfers	Balance at 31 Aug 2023
Restricted income from permanent endowment funds	8	-	(11)	3	-
Askew Scholarship Fund	4	-	(5)	1	-
Brian Shaw Memorial Fund	3	-	(4)	1	-
Usherwood Fund	4	-	(5)	1	-
J Edward Conway Fund	127	1	(1)	(36)	91
McMillan Memorial Fund	7	1	(15)	7	-
Calleva Foundation Fund	6	1	(11)	4	-
Morris Kemp Foundation Fund	8	-	(9)	1	-
John Dorrick Brookes Fund	15	-	-	-	15
Lynn Seymour Award	6	1	(16)	9	-
Rob Wallace Scholarship Fund	2	-	(3)	1	-
Prince of Wales Bursary Fund	7	1	(15)	7	-
Charles Hollway Bursary Fund	-	-	(1)	1	-
	197	5	(96)	-	106
Restricted funds					
Dame Margot Fonteyn Fund	765	7	(26)	(16)	730
Hines Fund	301	2	(27)	(6)	270
Boscawen Fund	1	-	(1)	-	-
John Lyons Charity Fund	1,730	15	(11)	(37)	1,697
Upper School Maintenance Fund	1,253	8	(317)	(20)	924
Noreen Mummery Fund	122	1	(31)	(2)	90
Elizabeth Mills Fund	625	6	(4)	(13)	614
Partnership & Access Fund	1,127	10	(7)	(24)	1,106
White Lodge Appeal Fund	1,279	13	(12)	(30)	1,250
Royal Ballet School Fund	18	-	-	-	18
Ashton Award	17	-	-	-	17
Captain & Mrs John Moore Award					
	7,238	62	(436)	(148)	6,716
	7,435	67	(532)	(148)	6,822

Restricted funds

- The Dame Margot Fonteyn Fund can be applied to advance the education of children, young people and students of the School
- The Hines Fund is to provide bursaries to the School for children coming from the West Country
- The Boscawen Fund is used for the exchange of students and teachers between the School and the Royal Danish Ballet School. At the request of the trustees, this fund has been transferred to the General Fund and all restrictions discharged.
- The John Lyons Charity Fund is available to fund bursaries for students from nine specific London Boroughs

- The Upper School Maintenance Fund is available to fund Royal Ballet Upper School premises and boarding accommodation
- The Noreen Mummery Fund provides bursaries to students of the School which shall be known as Sopwith Bursaries
- The Elizabeth Mills Fund was set up from a legacy left by the late Miss Mills and is to fund a scholarship or bursary for a student who would not otherwise be able to attend the School. The support will be known as the Elizabeth Florence May Mills Bursary
- The Partnership & Access Fund is to support the School's Partnership and Access programme through which children at state schools of both primary and secondary school age are given access to classical ballet through the School's students and network of teaching expertise
- The White Lodge Appeal Fund is to support the acquisition of a new 100 year lease at White Lodge and redevelop the land and buildings at White Lodge.
- The Royal Ballet School Fund is to further the charitable objectives of The Royal Ballet School.
- The Ashton Award Fund provides an annual prize for a student or students of The Royal Ballet Upper School.
- The Captain and Mrs John Moore Award Fund provides three annual prizes of £100 for students in their first year of the degree course.
- The remaining restricted funds represent the expendable income element of the permanent endowment funds shown in note 10. This income is restricted to expenditure as shown in that note

13 TAXATION

As a registered charity, The Endowment Fund 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.

13 STATEMENT OF FINANCIAL ACTIVITIES 2023	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	2023 £000
Income and endowments from:				
Donations	339	200	-	539
Investments	133	25	67	225
Total income	472	225	67	764
Expenditure on:				
Raising funds	89	17	79	185
Charitable activities	30	96	449	575
Governance costs	8	-	-	8
Total expenditure	127	113	528	768
Net income/(expenditure)	345	112	(461)	(4)
Transfers between funds	-	-	-	-
Net (losses)/gains on investments	(176)	52	(148)	(272)
Net movement in funds	169	164	(609)	(276)
Reconciliation of funds:				
Total funds brought forward	14,547	6,701	7,431	28,679
Total funds carried forward	14,716	6,865	6,822	28,403

ROYAL BALLET SCHOOL ENDOWMENT FUND

England & Wales - Charity number 285766

Accounts

The Royal Ballet School Endowment Fund

Annual report and financial statements

for the year ended

31 August 2023

Charity Registration No. 285766

The Royal Ballet School Endowment Fund
Reference and administrative information

SECRETARY
Pippa Adamson

PRINCIPAL AND REGISTERED OFFICE
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FUND MANAGERS
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33 Cavendish Square
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Ruffer LLP
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London SW1E 5JL

Troy Asset Management Limited
Brookfield House
44 Davies Street
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W1K 5JA

CHARITY REGISTRATION NUMBER
285766

The Royal Ballet School Endowment Fund
Report of the Trustees

The Trustees submit their report and the audited financial statements of The Royal Ballet School Endowment Fund ("the Endowment Fund" or "the Charity") for the year ended 31 August 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION AND OBJECTS

The Royal Ballet School Endowment Fund is a registered charity (number 285766) and was established under a Definitive Trust Deed dated 9 June 1982.

The income and assets of The Royal Ballet School Endowment Fund (the "Charity") are used to provide funding and facilities for students at The Royal Ballet School ("the School"). In particular:

- Scholarships, bursaries and financial support to students who would not otherwise be able to attend the School. Support is provided to full time students and Associate students.
- Grants to students at the School to pay for items not covered by fee support. For example uniform costs, ballet shoes, travel to and from home and extra curricular activities.
- Student prizes.
- Expenditure on improvements to facilties as well as the repair and maintenance of buildings.
- To support the School's archive.
- To support with the investment in new choreography and international tours.
- To fund student and teacher exchange programmes

Any income not spent in the year is carried forward and held in the Charity's reserves and used to assist in the funding of the School's future development programme.

TRUSTEES

The responsibility for the management of the Charity is vested in its Charity Trustees. Trustees are nominated by its connected charity, the Royal Ballet School and appointed and removed by the existing Board of Trustees.

The Trustees in office during the year and to the date of this report were as follows:

Kate Bolsover	(appointed 29 September 2023)
Jonathan Chenevix-Trench	(resigned 7 November 2023)
Tom Clementi	
Richard Cunis	
Menna McGregor	
Zita Saurel	
Kenneth Steele	(appointed Chair of Trustees on 7 November 2023)

It is the policy of the Trustees is to ensure that they understand their responsibilities and duties. Training needs are considered from time to time and appropriate support is provided as necessary.

The Trustees meet periodically, usually three times a year, to review grant applications, future spending needs and investment strategy and performance. The Trustees liaise with the Executive Team of the School to ensure a clear understanding of the future financial needs of the School and its students. The Fund Managers provide the Trustees with regular reports on investment performance and they also regularly attend board meetings.

To discharge their functions more effectively, the Trustees delegate certain administrative aspects of the day to day management of the Charity to the School.

The Trustees are aware of the Charity Governance Code which lays out the principles and recommended practice for good governance within the sector. The Trustees are satisfied that the charity applies the principles of the code within its current Governance arrangements.

OBJECTIVES AND ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

Each year the Trustees consider applications from the School to support students enrolled in full-time courses and the Associates Programme with bursaries and scholarships; in particular, the Charity supports exceptional international students at White Lodge and Upper School who show the potential to become vocational classical ballet dancers.

The Endowment Fund provides an annual grant award to the Royal Ballet School to support the maintenance and care of its archive, a resource that is available publicly online and in-person by appointment.

Applications for one-off grants to support individual projects are considered on a case by case basis.

The Trustees work with three, carefully chosen fund managers to maximise investment returns for the charity. The long term objective for each fund manager is to protect capital and deliver a return of RPI+3%.

In setting our objectives and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Endowment Fund has continued to make grants to students of the School and to the School itself.

GRANT MAKING POLICY

The Royal Ballet School Endowment Fund welcomes annual grant applications for the following:

- Full-time student bursaries
- Associate student bursaries
- Grants towards the running of the School's archive.
- Annual prize awards

Trustees will consider applications for single awards for individual projects. When considering these applications, Trustees will make due regard to:

1. The longer term impact of the project on the School and its students.
2. Whether the applicant has approached other donors.
3. Cash flow implications on the Endowment Fund and its investments.
4. Whether there are specific restricted funds and finances available to support the request.

There is no cap on the value that may be applied for and each application will be considered on its merits. Trustees require a higher level of detail for larger, one off grants than annual awards. Trustees may require a meeting with representatives of the School and this will be advised on a case by case basis.

When considering grants awards, Trustees take into consideration the recent fund manager performance and any significant valuation changes or market events.

PUBLIC BENEFIT

The Endowment Fund remains committed to the aim of providing public benefit in accordance with its founding principles. Following charity legislation, the Endowment Fund reports that it has carried out the charity's purposes for the public benefit.

The School is open to any student who has the potential to become a classical ballet dancer regardless of their family's financial means. The Endowment Fund provides support to these students in the form of financial assistance and training facilities.

FINANCIAL REVIEW

The full financial results are shown on pages 11 to 26 of these financial statements. Incoming resources were £764,000 (2022: £186,000). As well as investment income, the Endowment Fund benefited from several legacies totalling £339,000 (2022: £7,000) and a donation for £200,000 to set up the Aud Jebsen Scholarship Fund.

Expenditure totalled £786,000 (2022: £225,000) with grants of £575,000 (2022: £29,500). As well as an annual grant award of £30,000 (2022: £29,500) to support The Royal Ballet School's archive, £505,000 (2022: £nil) was awarded to full-time students and a further £40,000 to Associate students (2022: £nil).

The Trustees continued to monitor the performance of the fund managers closely and the weighting of investments between each portfolio is discussed at every meeting. The total net loss in the portfolio was £251,000 (2022: £548,000). Funds held with Troy Asset Management declined by 0.29%. Ruffer suffered the greatest loss with the value 6.14% down year on year. Fundsmith investments grew by 6.43%. In the year, Trustees moved the value of the total permanent endowment funds from Fundmsith's Accumulation Fund to Fundsmith's Income Fund. The change ensures that dividends are paid in cash to the equivalent name restricted fund, rather than added to the accumulation fund.

While unrestricted and endowment funds grew due to income in the year, total reserves fell to £28,403,000 (2021: £28,679,000).

FUNDS AND RESERVES POLICY

The Charity has a number of endowment and restricted funds, the use of which is limited as specified by donors.

Endowment funds of £6,865,000 (2022: £6,701,000) are held as investments to maintain the capital, and income is to be spent on charitable activity according to the conditions the donor has given. The Charity has both permanent endowments and expendable endowments: expendable endowments permit capital to be spent as well as returns.

Restricted funds of £6,822,000 (2022: £7,431,000) are subject to the specific restricted conditions imposed by the donor.

Details of these funds, the movements on the funds and the purposes for which they were given are shown in Notes 11 and 12, respectively.

The trustees have designated £1,777,000 of unrestricted funds of £14,716,000 (2022: £14,547,000), from which scholarships, financial support and facilities grants may be provided. The balance of £12,939,000 represents the Charity's general or free reserves. The Trustees receive regular updates from the Royal Ballet School on potential future requests.

The Trustees place funds not immediately required for expenditure with the Endowment Fund's fund managers for investment.

The Trustees' reserves policy is to continue to grow the Charity's funds in order for it to provide the School and its students with the resources needed both now and in the future. It is the Charity's aim to support the School in sustaining and enhancing the quality of the education provided and to ensure that students of limited means can benefit from the world class training proided by The Royal Ballet School.

INVESTMENT POWERS, POLICY AND PERFORMANCE

Troy Asset Management Limited, Ruffer LLP and Fundsmith LLP managed the Endowment Fund's investment portfolio during the financial year, with the investment strategy of protecting capital and providing a consistent long term return.

This strategy means that, on the whole, returns on investments outperform the market in difficult times but do less well than the market in periods of market growth. The Trustees continue to measure the performance of the portfolio regularly against the agreed target of 3% over RPI over a rolling five-year period.

Any paid dividend income from the investments in the permanent endowment funds are transferred to restricted income funds to be expended.

RISK MANAGEMENT

The Trustees are responsible for the management of the risks faced by the Charity. Detailed consideration of risk is carried out by the Trustees in consultation with the School's Executive Leadership Team and Board of Governors. Key controls used by the Trustees to identify and assess risks during the year include:

- The formal programme of risk assessments and steps taken to mitigate those risks identified.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal authorisation and approval levels.

The most significant risk identified relates to the value of the investment portfolio, the income from which is used to finance the Endowment Fund's activities.

Through the risk management processes above, the Trustees anticipate that major risks will be identified and, as far as practicable, adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

FUNDRAISING

Fundraising is a very modest part of the Charity's activities and the focus is to raise funds through legacies. Supporters of the connected charity, The Royal Ballet School are asked to consider leaving a gift in their will to the Charity.

There are no professional fundraising organisations used and occasional fundraising support is provided by the Development staff of he Royal Ballet School. The Charity has not subscribed to the Fundraising Regulator but adheres to the Code of Fundraising Practice when undertaking fundraising activity.

There were no complaints received by the Endowment Fund in relation to fundraising activity. The Endowment Fund takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the Endowment Fund's approach to fundraising activity.

PLANS FOR FUTURE PERIODS

Trustees have reviewed the strategic plans of The Royal Ballet School with a view to estimating longer-term grant requirements. Trustees have met with the School's Executive Leadership Team to discuss future needs.

Applications generally fall into two categories; annual requests for the support of students and the archive and one-off grants for larger-scale projects. Understanding the School's five-year plan allows Trustees to make appropriate investment decisions.

The Trustees intend to continue to make grants to assist current and future beneficiaries. The Trustees are mindful of the uncertainty surrounding the Department for Education's funding of The Royal Ballet School, the potential changes to VAT and business rates for independent schools, the impact of current cost of living crisis on students and their families.

The Endowment Fund continues to develop its strategy of growth. The achievement of this aim is dependent on future fundraising and the performance of the Endowment Fund's investment portfolio. Trustees will continue to review the weighting of investment between fund managers investment fundss and the fund managers approach during this period of financial turmoil.

With the arrival of the Charities Act 2022, the Trustees intend to review the number of individual funds held within the Charity and the various restrictions, with the aim of simplifying the administration of the Charity and maximising the benefit of grant awards.

This report was approved by the Board of Trustees on 19 March 2024

Kenneth J Steele

Kenneth Steele
Trustee

46 Floral Street
Covent Garden
London WC2E 9DA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law, applicable to charities in England and Wales, requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL BALLET SCHOOL ENDOWMENT FUND

OPINION

We have audited the financial statements of The Royal Ballet School Endowment Fund ('the charity') 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 charity'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 Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; 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 are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed 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 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 Charities Act 2011 together with the Charities SORP (FRS102). 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's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulations (GDPR).

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 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor

London

22 April 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Royal Ballet School Endowment Fund
Statement of Financial Activities
For the year ended 31 August 2023

	Notes	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	**2023 £000**	2022 £000
Income and endowments from:						
Donations	*1*	339	200	-	**539**	9
Investments	*2*	133	25	67	**225**	177
Total income		**472**	**225**	**67**	**764**	186
Expenditure on:						
Raising funds	*3*	89	17	79	**185**	188
Charitable activities	*4*	30	96	449	**575**	30
Governance costs	*5*	8	-	-	**8**	7
Total expenditure		**127**	**113**	**528**	**768**	225
Net income/(expenditure)		**345**	**112**	**(461)**	**(4)**	(39)
Transfers between funds		-	-	-	-	-
Net losses on investments		(176)	52	(148)	**(272)**	(473)
Net movement in funds		**169**	**164**	**(609)**	**(276)**	(512)
Reconciliation of funds:						
Total funds brought forward		14,547	6,701	7,431	**28,679**	29,191
Total funds carried forward		**14,716**	**6,865**	**6,822**	**28,403**	28,679

The net incoming resources for the year arise from the Charity's continuing operations.

The accounting policies and notes on pages 14 to 26 form part of these financial statements.

Royal Ballet School Endowment Fund
Balance sheet
to 31 August 2023

	Notes	**2023** **£000**	2022 £000
Fixed assets			
Heritage assets - ballet memorabilia	**6**	32	32
Investments	**7**	27,564	27,815
Total fixed assets		**27,596**	27,847
Current assets			
Prepayments and accrued income		5	-
Cash at bank		811	1,259
Total current assets		**816**	1,259
Liabilities – falling due within one year			
Accruals		(9)	(7)
Connected charity creditor	**8**	-	(420)
Total liabilities		**(9)**	(427)
Total net assets	**9**	**28,403**	28,679
The funds of the charity:			
Unrestricted funds			
General fund		12,939	12,706
Designated funds		1,777	1,841
Total unrestricted funds	**10**	**14,716**	14,547
Endowment funds	**11**	**6,865**	6,701
Restricted funds	**12**	**6,822**	7,431
Total charity funds		**28,403**	28,679

The financial statements on pages 11 to 26 were approved by the trustees and authorised for issue on 19/03/24 and signed on its behalf by:

Kenneth J Steele

Kate Bolsover

Kenneth Steele
Trustee

Kate Bolsover
Trustee

Royal Ballet School Endowment Fund
Statement of cash flows
31 August 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities:			
Net cash used by operating activities	A below	**184**	(181)
Cash flows from investing activities:			
Dividends and interest from investments		**211**	176
Interest receivable		**14**	1
(Reduction)/Allocation of funds for investments		**(1,396)**	4
Net cash provided by/(used in) investing activities		**(1,171)**	181
Cash flows from financing activities:			
Receipt of endowment		**539**	9
Net cash provided by investing activities		**539**	9
Change in cash in the reporting period		**(448)**	9
Cash at the beginning of the year		**1,259**	1,250
Cash at the end of the year	B below	**811**	1,259

Reconciliation of cash flows from operating activities:	Note A	2023 £000	2022 £000
Net income, from the statement of financial activities		**(276)**	(512)
Adjustments for:			
Losses on investments		**272**	473
Dividends, interest and rents from investments		**(225)**	(177)
Increase in debtors		**(5)**	-
Increase in creditors		**418**	35
Net cash used in operating activities		**184**	(181)

Analysis of cash	Note B	2023 £000	2022 £000
Cash at bank and in hand		**811**	1,259

Royal Ballet School Endowment Fund
Accounting policies

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

TRUE AND FAIR OVERRIDE

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Royal Ballet School Endowment Fund is a Public Benefit Entity registered as a charity in England and Wales and was established under a Definitive Trust Deed dated 9 June 1982 (charity number 285766).

GOING CONCERN

The Trustees have reviewed the current economic situation and the impact on the financial markets carefully with a view to managing the investment portfolio and the ability to fund future grants.

Having reviewed the funding facilities available to the Charity together with the expected ongoing need for grants and the Charity's future projected cash flows, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 7.

CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATING UNCERTAINTY

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value 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 affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

INCOME

Income consists of donations, legacies and investment income. All income is accounted for when the Charity has entitlement, there is probability of receipt and the amount is measurable. Legacies are recorded when they are received, on receipt of finalised estate accounts or where there is sufficient evidence that the legacy will probably be received. Investment income is apportioned to unrestricted, endowment and restricted funds based on the values of the funds. The income generated from permanent endowment funds is apportioned to restricted funds for future expenditure.

Royal Ballet School Endowment Fund
Accounting policies

EXPENDITURE
Resources expended are recognised in the period in which they are incurred. Costs are allocated to the particular activity to which they relate. Grants payable are recognised when a constructive obligation exists. Governance costs comprise costs of running the Charity.

HERITAGE ASSETS
Heritage assets are valued at the cost of purchase less any impairment in value over the period. Donated heritage assets have not been valued, as it is not practicable to obtain a valuation of unique assets. Heritage assets held are ballet memorabilia and are tangible fixed assets of historical and artistic importance held to advance the educational objectives of the Charity and The Royal Ballet School. Where these assets are capitalised, depreciation is not charged because the assets have a very long useful life and the estimated residual value is not materially different from the carrying amount. The assets are subject to an annual impairment review by the Trustees and there was no reduction in the value of the heritage assets during the year.

INVESTMENTS
Investments, including bonds held as part of an investment portfolio, are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

FUND ACCOUNTING
The charitable trust funds of the Charity are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further subdivided into permanent and expendable endowment funds.

Unrestricted general funds comprise the accumulated unrestricted surplus or deficit each year.

Unrestricted designated funds are amounts put aside by the Trustees to follow the donors' preferences, although the Trustees have discretion on using these funds.

Permanent endowment funds consist of capital that cannot be spent. The income earned on these funds is subject to specific conditions imposed by the donors and is shown in restricted funds.

Expendable endowment funds consist of funds where the capital can be spent, and the funds are subject to specific conditions imposed by the donors.

Restricted funds are subject to specific restricted conditions imposed by the donors. Paid income from permanent endowments are held in these funds and are restricted by the conditions imposed on the permanent endowment funds.

FINANCIAL INSTRUMENTS
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value, except investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise 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.

Royal Ballet School Endowment Fund
Accounting policies

1	DONATIONS	2023	2022
	Legacies	339	7
	Donations	200	2
	Permanent endowments	-	-
	Total	**539**	**9**

2	INVESTMENT INCOME	Unrestricted	Endowment	Restricted	2023 Total	2022 Total
	Equities	125	23	63	**211**	**177**
	Cash	8	2	4	**14**	-
		133	**25**	**67**	**225**	**167**

3	EXPENDITURE	Unrestricted	Endowment	Restricted	2023 Total	2022 Total
	Investment Management Costs	89	17	79	**185**	188

4	CHARITABLE EXPENDITURE	Unrestricted	Endowment	Restricted	2023 Total	2022 Total
	Grants to students	-	96	449	**545**	-
	Grants to School	30	-	-	**30**	**30**
		30	**96**	**449**	**575**	**30**

5	GOVERNANCE COSTS	2023	2022
	Fees payable to the auditor for the statutory audit	8	7

6 HERITAGE ASSETS

The heritage assets of £32,000 (2022: £32,000) consist of the cost of ballet memorabilia of Margot Fonteyn who was a former alumna of the School. The purchase was made in the year 2000/01 and the Trustees have carried out an impairment review and there is no reduction in the value of these assets.

7 INVESTMENTS

	2023	2022
Market value brought forward	**27,815**	28,301
New money invested		
Reinvested income	**206**	175
Proceeds received		
Management charges	**(185)**	(188)
	27,836	28,288
Net (loss)/gain on revaluation	**(272)**	(473)
Market value carried forward	**27,564**	27,815
The investment portfolio is divided into the following classes:		
Equities	**19,804**	19,916
Fixed interest	**1,454**	-
Index-linked	**3,025**	4,762
Credit and illiquid strategies	**668**	1,137
Gold	**426**	237
Forward foreign exchange	**7**	(18)
Options	**561**	757
Glorbal Funds	**1,325**	-
Hedge funds	-	583
Cash	**295**	441
	27,565	27,815

8 RELATED PARTY TRANSACTIONS

The connected charity, The Royal Ballet School, has as its purpose the training and education of students for a career as ballet dancers. Two of the Royal Ballet School Endowment Fund Trustees are also Trustees and Governors of The Royal Ballet School (2022: four). During the year the Endowment Fund provided grants to students and to the School of £575,000 (2021: £Nil). The School has not recharged any sum for staff costs in either year. The Endowment Fund is not a debtor nor creditor of The Royal Ballet School at the balance sheet date (2022: £422,000).

There are no other related party transactions (2022: None).

9 ANALYSIS OF NET ASSEST BY FUND

FUNDS:	**Fixed Assets**	**Investments**	**Net Current Assets**	**Total Funds 2023**
Unrestricted	32	12,100	807	**12,939**
Designated	-	1,777	-	**1,777**
Endowment Funds	-	6,865	-	**6,865**
Restricted Funds	-	6,822	-	**6,822**
	32	**27,564**	**807**	**28,403**

ANALYSIS OF NET ASSEST BY FUND 2022	Fixed Assets	Investments	Net Current Assets	Total Funds 2022
Unrestricted	32	11,842	832	12,706
Designated	-	1,841	-	1,841
Endowment Funds	-	6,701	-	6,701
Restricted Funds	-	7,431	-	7,431
	32	27,815	832	28,679

10 UNRESTRICTED FUNDS

	Balance at 1 Sept 2022 £000	Income £000	Expenditure £000	Gains & Transfers £000	**Balance at 31 Aug 2023 £000**
General fund	12,706	456	(86)	(137)	**12,939**
Designated Sutton fund	729	7	(4)	(16)	**716**
Designated GBL Wilson fund	821	7	(35)	(17)	**776**
Designated GT Sindell fund	17	0	0	0	**17**
Designated Dulcie Pamela Tilley fund	250	2	(2)	(5)	**245**
Valarie Adams Award	24	0	0	(1)	**23**
	14,547	472	(127)	(176)	**14,716**

UNRESTRICTED FUNDS 2022	Balance at 1 Sept 2021 £000	Income £000	Expenditure £000	Gains & Transfers £000	**Balance at 31 Aug 2022 £000**
General fund	12,859	86	(91)	(188)	12,706
Designated Sutton fund	742	4	(5)	(12)	729
Designated GBL Wilson fund	864	7	(36)	(14)	821
Designated GT Sindell fund	17	-	-	-	17
Designated Dulcie Pamela Tilley fund	254	2	(1)	(5)	250
Valarie Adams Award	24	-	-	-	24
	14,760	99	(133)	(219)	14,547

- The General Fund comprises of the accumulated unrestricted surplus or deficit each year
- The Sutton Scholarship Fund is a designated fund available to fund scholarships to the School but the requirements of the gift require it to be held as a separate fund with identifiable investments.
- The designated GBL Wilson Fund provides funds for the School archive and library. The Fund also includes a collection of prints and lithographs, received by way of gift, which have not been capitalised and included in the balance sheet as their value cannot be ascertained with reasonable certainty. The Trustees consider that the amounts involved are not material. The fund is being used to help with the costs of looking after the School Archive
- The GT Sindell Fund is designated to fund scholarships to The Royal Ballet School. The fund is used when the School requires funding for scholarships.
- The Dulcie Pamela Tilley Fund is designated to fund exchange programmes with foreign ballet schools, international ballet tours, performances and student scholarships. The Trustees of the estate request that the legacy be applied where possible in the above order or priority. This fund is therefore used for exchange programmes as required by the School.
- The Valarie Adams Award is a designated fund to provide an annual student award in Valerie Adams name.

11 ENDOWMENT FUNDS

	Balance at 1 Sept 2022	Income	Expenditure	Gains & Transfers	**Balance at 31 Aug 2023**
Permanent endowment funds					
Askew Scholarship Fund	277	-	-	8	**285**
Brian Shaw Memorial Fund	95	-	-	3	**98**
Usherwood Fund	57	-	-	2	**59**
J Edward Conway Fund	109	-	-	3	**112**
McMillan Memorial Fund	51	-	-	1	**52**
Calleva Foundation Fund	793	-	-	23	**816**
Morris Kemp Foundation Fund	442	-	-	13	**455**
John Dorrick Brookes Fund	97	-	-	3	**100**
Lynn Seymour Award	26	-	-	1	**27**
Rob Wallace Scholarship Fund	997	-	-	28	**1,025**
Prince of Wales Bursary Fund	140	-	-	4	**144**
Charles Hollway Bursary Fund	808	-	-	23	**831**
The Madeleine and Timothy Plaut Bursary Fund	63	-	-	2	**65**
	3,955	-	-	114	**4,069**
Expendable endowment funds					
Ethel Rose Hart Fund	560	5	(8)	(12)	**545**
Joseph Lockwood Fund	2,090	17	(43)	(45)	**2,019**
Nellie Florence Watson Fund	96	1	(31)	(1)	**65**
Aud Jebsen Scholarship Fund	-	202	(31)	(4)	**167**
	2,746	225	(113)	(62)	**2,796**
	6,701	225	(113)	52	**6,865**

ENDOWMENT FUNDS 2022	Balance at 1 Sept 2021	Income	Expenditure	Gains & Transfers	Balance at 31 Aug 2022
Permanent endowment funds					
Askew Scholarship Fund	284	-	(2)	(5)	277
Brian Shaw Memorial Fund	97	-	-	(2)	95
Usherwood Fund	58	-	-	(1)	57
J Edward Conway Fund	111	-	-	(2)	109
McMillan Memorial Fund	52	-	-	(1)	51
Calleva Foundation Fund	811	-	(5)	(13)	793
Morris Kemp Foundation Fund	452	-	(3)	(7)	442
John Dorrick Brookes Fund	99	-	-	(2)	97
Lynn Seymour Award	26	-	-	-	26
Rob Wallace Scholarship Fund	1,020	-	(7)	(16)	997
Prince of Wales Bursary Fund	144	-	(1)	(3)	140
Charles Hollway Bursary Fund	826	-	(5)	(13)	808
The Madeleine and Timothy Plaut Bursary Fund	64	-	-	(1)	63
	4,044	-	(23)	(66)	3,955
Expendable endowment funds					
Ethel Rose Hart Fund	570	3	(4)	(9)	560
Joseph Lockwood Fund	2,127	13	(16)	(34)	2,090
Nellie Florence Watson Fund	97	1	-	(2)	96
	2,794	17	(20)	(45)	2,746
	6,838	17	(43)	(111)	6,701

Permanent endowment funds

Permanent endowment funds are capital funds where the donor has specified that the capital is invested to provide income and only the income can be spent. This income is accumulated separately in restricted funds as shown in Note 11 with the following restrictions:

- The Askew Scholarship Fund is available to fund bursaries and scholarships to the School but is required to be held in a separate fund with identifiable investments
- The Brian Shaw Memorial Fund can be used to fund bursaries and scholarships to the School
- The Usherwood Fund is to provide an annual bursary or scholarship to the School
- The J Edward Conway Fund is to fund Birmingham associates
- The MacMillan Memorial Fund for Young Dancers is to be invested and the income is to be used annually as a bursary for a male student to help him with his studies in memory of Sir Kenneth MacMillan
- The Calleva Foundation Fund is to be invested and the income generated is to provide an annual scholarship for a pupil of the Upper School
- The Morris Kemp Foundation Fund is to be invested and used to provide scholarships and bursaries for one or two pupils who would otherwise not be able to afford to attend the School

- Income from the John Dorrick Brookes Fund is available to fund scholarships for a deserving female student of the Upper School
- The Lynn Seymour Award funds an annual prize for Upper School students.
- The Rob Wallace Scholarship Fund was set up from generous donations to celebrate the achievements of School Governor Rob Wallace on his retirement. The fund pays for an annual scholarship
- The Prince of Wales Bursary Fund was set up on the occasion of H.R.H Prince of Wales' 70th birthday. Generous donors made gifts to the fund to provide a named bursary to a student of The Royal Ballet School.
- The Charles Hollway Bursary Fund is to provide a named bursary to a student of The Royal Ballet School.
- The Madeleine and Timothy Plaut Bursary Fund is to provide a named bursary to a student of The Royal Ballet School

Expendable endowment funds

The capital element of these funds can be expended, so the fund balances represent the capital donation and subsequent income and related gains, which can all be expended

- The Ethel Rose Hart Fund is to provide one annual scholarship of £5,000 awarded for excellence in ballet and shall be called the Ethel Rose Hart Scholarship
- The Joseph Lockwood Scholarship fund is available to provide an annual scholarship to the Upper School
- The Nellie Florence Watson Fund is available to provide funding for one student per annum
- The Aud Jebsen Scholarship provides an annual scholarship for a student of The Royal Ballet School Upper School until the academic 2037/38 when any residual funds will be used for the general furtherment of the charity's purposes.

12 RESTRICTED FUNDS

	Balance at 1 Sept 2022	Income	Expenditure	Gains & Transfers	**Balance at 31 Aug 2023**
Restricted income from permanent endowment funds					
Askew Scholarship Fund	8	-	(11)	3	-
Brian Shaw Memorial Fund	4	-	(5)	1	-
Usherwood Fund	3	-	(4)	1	-
J Edward Conway Fund	4	-	(5)	1	-
McMillan Memorial Fund	127	1	(1)	(36)	**91**
Calleva Foundation Fund	7	1	(15)	7	-
Morris Kemp Foundation Fund	6	1	(11)	4	-
John Dorrick Brookes Fund	8	-	(9)	1	-
Lynn Seymour Award	15	-	-	-	**15**
Rob Wallace Scholarship Fund	6	1	(16)	9	-
Prince of Wales Bursary Fund	2	-	(3)	1	-
Charles Hollway Bursary Fund	7	1	(15)	7	-
The Madeleine and Timothy Plaut Bursary Fund	-	-	(1)	1	-
	197	5	(96)	-	**106**
Restricted funds					
Dame Margot Fonteyn Fund	765	7	(26)	(16)	**730**
Hines Fund	301	2	(27)	(6)	**270**
John Lyons Charity Fund	1	-	(1)	-	-
Upper School Maintenance Fund	1,730	15	(11)	(37)	**1,697**
Noreen Mummery Fund	1,253	8	(317)	(20)	**924**
Elizabeth Mills Fund	122	1	(31)	(2)	**90**
Partnership & Access Fund	625	6	(4)	(13)	**614**
White Lodge Appeal Fund	1,127	10	(7)	(24)	**1,106**
Royal Ballet School Fund	1,279	13	(8)	(30)	**1,254**
Ashton Award	18	-	-	-	**18**
Captain & Mrs John Moore Award	17	-	-	-	**17**
	7,238	62	(432)	(148)	**6,720**
	7,435	67	(528)	(148)	**6,826**

RESTRICTED FUNDS 2022	Balance at 1 Sept 2021	Income	Expenditure	Gains & Transfers	**Balance at 31 Aug 2022**
Restricted income from permanent endowment funds					
Askew Scholarship Fund	6	2	-	-	8
Brian Shaw Memorial Fund	3	1	-	-	4
Usherwood Fund	3	-	-	-	3
J Edward Conway Fund	-	-	-	-	-
McMillan Memorial Fund	127	2	-	(2)	127
Calleva Foundation Fund	2	5	-	-	7
Morris Kemp Foundation Fund	3	3	-	-	6
John Dorrick Brookes Fund	7	1	-	-	8
Lynn Seymour Award	15	-	-	-	15
Rob Wallace Scholarship Fund	-	6	-	-	6
Prince of Wales Bursary Fund	-	2	-	-	2
Charles Hollway Bursary Fund	2	5	-	-	7
	168	27	-	(2)	193
Restricted funds					
Dame Margot Fonteyn Fund	777	5	(5)	(12)	765
Hines Fund	306	2	(2)	(5)	301
Boscawen Fund	61	-	-	(61)	-
John Lyons Charity Fund	1	-	-	-	1
Upper School Maintenance Fund	1,767	8	(13)	(31)	1,731
Noreen Mummery Fund	1,273	8	(8)	(20)	1,253
Elizabeth Mills Fund	123	1	-	(2)	122
Partnership & Access Fund	635	4	(4)	(10)	625
White Lodge Appeal Fund	1,146	7	(8)	(18)	1,127
Royal Ballet School Fund	1,301	8	(9)	(21)	1,279
Ashton Award	18	-	-	-	18
Captain & Mrs John Moore Award	17	-	-	-	17
	7,425	43	(49)	(180)	7,239
	7,593	70	(49)	(182)	7,432

Restricted funds

- The Dame Margot Fonteyn Fund can be applied to advance the education of children, young people and students of the School
- The Hines Fund is to provide bursaries to the School for children coming from the West Country
- The Boscawen Fund is used for the exchange of students and teachers between the School and the Royal Danish Ballet School. At the request of the trustees, this fund has been transferred to the General Fund and all restrictions discharged.
- The John Lyons Charity Fund is available to fund bursaries for students from nine specific London Boroughs

- The Upper School Maintenance Fund is available to fund Royal Ballet Upper School premises and boarding accommodation
- The Noreen Mummery Fund provides bursaries to students of the School which shall be known as Sopwith Bursaries
- The Elizabeth Mills Fund was set up from a legacy left by the late Miss Mills and is to fund a scholarship or bursary for a student who would not otherwise be able to attend the School. The support will be known as the Elizabeth Florence May Mills Bursary
- The Partnership & Access Fund is to support the School's Partnership and Access programme through which children at state schools of both primary and secondary school age are given access to classical ballet through the School's students and network of teaching expertise
- The White Lodge Appeal Fund is to support the acquisition of a new 100 year lease at White Lodge and redevelop the land and buildings at White Lodge.
- The Royal Ballet School Fund is to further the charitable objectives of The Royal Ballet School.
- The Ashton Award Fund provides an annual prize for a student or students of The Royal Ballet Upper School.
- The Captain and Mrs John Moore Award Fund provides three annual prizes of £100 for students in their first year of the degree course.
- The remaining restricted funds represent the expendable income element of the permanent endowment funds shown in note 10. This income is restricted to expenditure as shown in that note

13 TAXATION

As a registered charity, The Endowment Fund 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.

13 STATEMENT OF FINANCIAL ACTIVITIES 2022	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	**2022** **£000**
Income and endowments from:				
Donations	8	-	1	**9**
Investments	91	17	69	**177**
Total income	**99**	**17**	**70**	**186**
Expenditure on:				
Raising funds	96	43	49	**188**
Charitable activities	30	-	-	**30**
Governance costs	7	-	-	**7**
Total expenditure	**133**	**43**	**49**	**225**
Net income/(expenditure)	**(34)**	**(26)**	**21**	**(39)**
Transfers between funds	61	-	(61)	-
Net (losses)/gains on investments	(240)	(111)	(122)	**(473)**
Net movement in funds	**(213)**	**(137)**	**(162)**	**(512)**
Reconciliation of funds:				
Total funds brought forward	14,760	6,838	7,593	**29,191**
Total funds carried forward	**14,547**	**6,701**	**7,431**	**28,679**

ROYAL BALLET SCHOOL ENDOWMENT FUND

England & Wales - Charity number 285766

Accounts

The Royal Ballet School Endowment Fund

Annual report and financial statements

for the year ended

31 August 2022

Charity Registration No. 285766

The Royal Ballet School Endowment Fund
Reference and administrative information

TRUSTEES
Jonathan Chenevix-Trench
Tom Clementi
Richard Cunis
Menna McGregor
Zita Saurel
Kenneth Steele

SECRETARY
Pippa Adamson

PRINCIPAL AND REGISTERED OFFICE
46 Floral Street
Covent Garden
London WC2E 9DA

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

BANKERS
Barclays Bank plc
Education Team
Level 28
Churchill Place
London E14 5HP

FUND MANAGERS
Fundsmith LLP
33 Cavendish Square
London
W1G 0PW

Ruffer LLP
80 Victoria Street
London SW1E 5JL

Troy Asset Management Limited
Brookfield House
44 Davies Street
London
W1K 5JA

CHARITY REGISTRATION NUMBER
285766

The Royal Ballet School Endowment Fund
Report of the Trustees

The Trustees submit their report and the audited financial statements of The Royal Ballet School Endowment Fund ("the Endowment Fund" or "the Charity") for the year ended 31 August 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION AND OBJECTS

The Royal Ballet School Endowment Fund is a registered charity (number 285766) and was established under a Definitive Trust Deed dated 9 June 1982.

The income and assets of The Royal Ballet School Endowment Fund (the "Charity") are used to provide funding and facilities for students at The Royal Ballet School ("the School"). In particular:

- Scholarships and financial assistance to students, including overseas and Associate students, who would not otherwise be able to come to the School
- Grants, generally means-tested, to students at the School to pay for items such as dance shoes and music lessons which are not covered by Department for Education ("DfE") funding
- For facilities and expenditure at the School which are not covered by DfE funding, such as new buildings, the archive, choreography for new ballets for School performances and international tours
- Funding for student and teacher exchange programmes

Income not spent in the year is carried forward in the reserves of the Endowment Fund and used to assist in the funding of the School's future development programme.

TRUSTEES

The responsibility for the management of the Charity is vested in its Charity Trustees. Trustees are nomiated by its connected charity, the Royal Ballet School and appointed and removed by the existing Board of Trustees.

The Trustees in office during the year and to the date of this report were as follows:

Jonathan Chenevix-Trench (Chair)
Tom Clementi
Richard Cunis
Menna McGregor
Zita Saurel
Kenneth Steele

The Trustees meet periodically, usually three times a year, to review grant applications, spending needs and investment strategy and performance.

The policy of the Trustees is to ensure that they understand their responsibilities and duties. Training needs are considered from time to time and appropriate support provided as necessary. The Trustees liaise with the management of the School to ensure a clear understanding of the financial and training needs of the School and its students. The Fund Managers provide the Trustees with regular reports on investment performance and they also regularly attend board meetings.

To discharge their functions more effectively, the Trustees delegate certain administrative aspects of the day to day management of the Charity to the School.

The Trustees are aware of the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector. The Trustees are satisfied that the charity applies the principles of the code within its current Governance arrangements.

The Royal Ballet School Endowment Fund
Report of the Trustees

OBJECTIVES AND ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Royal Ballet School Endowment Fund provides grant support to the students and facilities of The Royal Ballet School. Each year the Endowment Fund Trustees consider applications from the Royal Ballet School to support students enrolled in full-time courses and the Associates Programme; in particular, the Endowment Fund supports a small number of exceptional young international students at White Lodge and Upper School who show the potential to become classical ballet dancers.

The Endowment Fund provides an annual grant award to the Royal Ballet School to support the maintenance and care of its archive, a resource that is available publicly through an interactive, online tool.

The Trustees of the Endowment Fund work with carefully chosen fund managers to maximise investment returns for the charity. The long term objective for each fund manager is to protect capital and deliver a return of RPI+3%.

In setting our objectives and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Endowment Fund has continued to make grants to students of the School and to the School itself.

GRANT MAKING POLICY

The Royal Ballet School Endowment Fund welcomes annual grant applications for the following:

- Full-time student bursaries
- Associate student bursaries
- Grants towards the running of the School's archive.
- Annual prize awards

Trustees will consider applications for single awards for individual projects. When considering these applications, Trustees will make due regard to:

1. The longer term impact of the project on the School and its students.
2. Whether the applicant has approached other donors.
3. Cash flow implications on the Endowment Fund and its investments.
4. Whether there are specific restricted funds and finances available to support the request.

There is no cap on the value that may be applied for and each application will be considered on its merits. Trustees require a higher level of detail for larger, one off grants than annual awards. Trustees may require a meeting with representatives of the School and this will be advised on a case by case basis.

When considering grants awards, Trustees take into consideration the recent fund manager performance and any significant valuation changes or market events.

PUBLIC BENEFIT

The Endowment Fund remains committed to the aim of providing public benefit in accordance with its founding principles. Following charity legislation, the Endowment Fund reports that it has carried out the charity's purposes for the public benefit.

The School is open to any student who has the potential to become a classical ballet dancer regardless of their family's financial means. The Endowment Fund provides support to these students in the form of scholarships, bursaries and facilities.

FINANCIAL REVIEW

The full financial results are shown on pages 11 to 26 of these financial statements. Incoming resources were £186,000 (2021: £827,000). As well as investment income, the Endowment Fund benefited from one legacy of £5,000 and some residual payments from previous legacies of £2,000 totalling £7,000 (2021: £660,000). A further £1,500 was received from two donors.

Expenditure totalled £150,000 (2021: £573,000) with grants of £29,500 (2021: £170,000). The grant was to support The Royal Ballet School's archive. At the start of the financial year and after conversations with the School, £340,000 was set aside for grant awards to support full time and Associate students. During Covid, the School had offered discounted fees to students and a portion of prior year bursary grants had not been spent. It was agreed with the School that grants for student support would not be awarded during the year and funds would remain invested however the trustees acknowledge that with the current economic uncertainty, there may be a great call for bursary support next year.

At the end of the last financial year, the Charity held £61,000 of restricted funds from the Boscawen Bequest. In January 2022, the trustees of the Boscowen Bequest wrote to the Charity requesting the that fund balance be transferred to the General Fund. This was confirmed by the Charity trustees in March 2022 and the funds duly transferred. The transfer is shown on the face of the Statement of Financial Activities on page 11.

The Trustees continued to closely monitor the performance of the fund managers; Troy Asset Management, Ruffer LLP and Fundsmith LLP and the weighting of investments between each portfolio is discussed at every meeting. The total net loss in the portfolio was £548,000 (2021: £3,520,000 net gain). Ruffer and Troy's Trojan Fund delivered a net gain of £189,000 offset by net losses of £738,000 from Fundsmith and Troy's Trojan Income Fund.

Total reserves fell to £28,679,000 (2021: £29,191,000).

FUNDS AND RESERVES POLICY

The Charity has a number of endowment and restricted funds, the use of which is limited as specified by donors.

Endowment funds of £6,700,000 (2021: £6,838,000) are held as investments to maintain the capital, and income is to be spent on charitable activity according to the conditions the donor has given. The Charity has both permanent endowments and expendable endowments: expendable endowments are where the capital may be spent.

Restricted funds of £7,432,000 (2021: £7,593,000) are subject to the specific restricted conditions imposed by the donor.

Details of these funds, the movements on the funds and the purposes for which they were given are shown in Notes 11 and 12 respectively.

The trustees have designated £1,841,000 of unrestricted funds of £14,547,000 (2021: £14,760,000), from which scholarships, financial support and facilities grants may be provided. The balance of £12,705,000 represents the Charity's general or free reserves. The Trustees receive regular updates from the Royal Ballet School on potential future requests.

The Trustees place funds not immediately required for expenditure with the Endowment Fund's fund managers for investment.

The Trustees' reserves policy is to continue to grow the Endowment Fund's funds in order to enable it to provide the School and its students, both now and in the future, with the resources needed to sustain and enhance the quality of the education provided by the School and to provide support to enable students with limited means to be able to attend and to benefit fully from the School.

INVESTMENT POWERS, POLICY AND PERFORMANCE

Troy Asset Management Limited, Ruffer LLP and Fundsmith LLP managed the Endowment Fund's investment portfolio during the financial year, with the investment strategy of protecting capital and providing a consistent long term return.

This strategy means that, on the whole, returns on investments outperform the market in difficult times but do less well than the market in periods of market growth. The Trustees continue to measure the performance of the portfolio regularly against the agreed target of 3% over RPI over a rolling five-year period.

A small, residual balance of hedge fund investments held with Morgan Stanley with a market value of £327 (2021: £319) was liquidated in November 2021.

Any paid dividend income from the investments in the permanent endowment funds are transferred to restricted income funds to be expended. Dividend income within accumulation funds are held within the permanent endowment fund.

RISK MANAGEMENT

The Trustees are responsible for the management of the risks faced by the Charity. Detailed consideration of risk is carried out by the Trustees in consultation with the School's Executive Leadership team and board of Governors. Key controls used by the Trustees to identify and assess risks during the year include:

- The formal programme of risk assessments and steps taken to mitigate those risks identified
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal authorisation and approval levels.

The most significant risk identified relates to the value of the investment portfolio, the income from which is used to finance the Endowment Fund's activities.

Through the above risk management processes, the Trustees anticipate that major risks will be identified and as far as practicable adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

FUNDRAISING

Fundraising is a very modest part of the Charity's activities and the focus is to raise funds through legacies. Supporters of the connected charity, The Royal Ballet School are asked to consider leaving a gift in their will to the Charity. There are no professional fundraising organisations used and occasional fundraising support is provided by the Development staff of he Royal Ballet School. The Charity has not subscribed to the Fundraising Regulator but adheres to the Code of Fundraising Practice when undertaking fundraising activity. There were no complaints received by the Endowment Fund in relation to fundraising activity. The Endowment Fund takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the Endowment Fund's approach to fundraising activity.

PLANS FOR FUTURE PERIODS

Trustees have reviewed the strategic plans of the Royal Ballet School with a view to estimating longer term grant requirements. Trustees met with the Executive Leadership team of the Royal Ballet School to discuss future needs.

Applications generally fall into two categories; annual requests for the support of students and the archive and one-off grants for larger-scale projects. Better understanding of the School's five-year plan allows Trustees to make appropriate investment decisions.

The Trustees intend to continue to make grants to provide assistance to current and future beneficiaries. The Trustees are mindful of the uncertainty surrounding the Department for Education's funding of The Royal Ballet School and the loss of government funding for European students and the impact of the current economic uncertainty and high inflation on students and their families.

The Endowment Fund continues to develop its strategy of growth and the achievement of this aim is dependent on future fundraising and the performance of the Endowment Fund's investment portfolio. Trustees will continue to review the weighting of investment between fund managers fund types and the fund managers approach during this period of financial turmoil.

The Trustees intend to review the number of individual funds held within the Charity, and the various restrictions, with the aim of simplifying the administration of the Charity and maximising the benefit of grant awards.

This report was approved by the Board of Trustees on 1 December 2022

Jonathan Chenevix-Trench
Trustee

46 Floral Street
Covent Garden
London WC2E 9DA

The Royal Ballet School Endowment Fund
Statement of Trustees' responsibilities in the preparation of financial statements

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law, applicable to charities in England and Wales, requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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.

INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF THE ROYAL BALLET SCHOOL ENDOWMENT FUND

OPINION

We have audited the financial statements of The Royal Ballet School Endowment Fund (‘the charity’) 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 charity’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 Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; 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 are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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 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 Charities Act 2011 together with the Charities SORP (FRS102). 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's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulations (GDPR).

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 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor

London

13 June 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Royal Ballet School Endowment Fund
Statement of Financial Activities
For the year ended 31 August 2022

	Notes	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	**2022 £000**	2021 £000
Income and endowments from:						
Donations	*1*	8	-	1	**9**	660
Investments	*2*	91	17	69	**177**	167
Total income		**99**	**17**	**70**	**186**	827
Expenditure on:						
Raising funds	*3*	96	43	49	**188**	184
Charitable activities	*4*	30	-	-	**30**	382
Governance costs	*5*	7	-	-	**7**	7
Total expenditure		**133**	**43**	**49**	**225**	573
Net income/(expenditure)		**(34)**	**(26)**	**21**	**(39)**	254
Transfers between funds		61	-	(61)	**-**	-
Net (losses)/gains on investments		(240)	(111)	(122)	**(473)**	3,520
Net movement in funds		**(213)**	**(137)**	**(162)**	**(512)**	3,774
Reconciliation of funds:						
Total funds brought forward		14,760	6,838	7,593	**29,191**	25,417
Total funds carried forward		**14,547**	**6,701**	**7,431**	**28,679**	29,191

The net incoming resources for the year arise from the Charity's continuing operations.

The accounting policies and notes on pages 14 to 26 form part of these financial statements.

Royal Ballet School Endowment Fund
Balance sheet
to 31 August 2022

	Notes	2022 £000	2021 £000
Fixed assets			
Heritage assets - ballet memorabilia	6	32	32
Investments	7	27,815	28,301
Total fixed assets		**27,847**	28,333
Current assets			
Prepayments and accrued income			
Cash at bank		1,259	1,250
Total current assets		**1,259**	1,250
Liabilities – falling due within one year			
Accruals		(7)	(7)
Connected charity creditor	8	(420)	(385)
Total liabilities		**(427)**	(392)
Total net assets	9	**28,679**	29,191
The funds of the charity:			
Unrestricted funds			
General fund		12,706	12,859
Designated funds		1,841	1,901
Total unrestricted funds	10	**14,547**	14,760
Endowment funds	11	**6,701**	6,838
Restricted funds	12	**7,431**	7,593
Total charity funds		**28,679**	29,191

The financial statements on pages 11 to 26 were approved by the trustees and authorised for issue on 1 December 2022 and signed on its behalf by:

Jonathan Chenevix-Trench
Trustee

Tom Clementi
Trustee

Royal Ballet School Endowment Fund
Statement of cash flows
31 August 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities:			
Net cash used by operating activities	A below	**(181)**	(888)
Cash flows from investing activities:			
Dividends and interest from investments		**176**	166
Interest receivable		**1**	1
Allocation of funds for investments		**4**	(643)
Net cash provided by/(used in) investing activities		**181**	(704)
Cash flows from financing activities:			
Receipt of endowment		**9**	660
Net cash provided by investing activities		**9**	660
Change in cash in the reporting period		**9**	(704)
Cash at the beginning of the year		**1,250**	1,955
Cash at the end of the year	B below	**1,259**	1,250

Reconciliation of cash flows from operating activities:	Note A	2022 £000	2021 £000
Net income, from the statement of financial activities		**(512)**	3,774
Adjustments for:			
Losses/(gains) on investments		**473**	(3,520)
Dividends, interest and rents from investments		**(177)**	(167)
Increase/(decrease) in creditors		**35**	(975)
Net cash used in operating activities		**(181)**	(888)

Analysis of cash	Note B	2022 £000	2021 £000
Cash at bank and in hand		**1,259**	1,250

BASIS OF ACCOUNTING
These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

TRUE AND FAIR OVERRIDE
The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and amended rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Royal Ballet School Endowment Fund is a Public Benefit Entity registered as a charity in England and Wales and was established under a Definitive Trust Deed dated 9 June 1982 (charity number 285766).

GOING CONCERN
The Trustees have reviewed the current economic situation and the impact on the financial markets carefully with a view to managing the investment portfolio and the ability to fund future grants.

Having reviewed the funding facilities available to the Charity together with the expected ongoing need for grants and the Charity's future projected cash flows, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 7.

CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATING UNCERTAINTY
In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value 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 affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

INCOME
Income consists of donations (including legacies) and investment income. All income is accounted for when the Charity has entitlement, there is probability of receipt and the amount is measurable. Legacies are recorded when they are received, on receipt of finalised estate accounts or where there is sufficient evidence that the legacy will probably be received. Investment income is apportioned to unrestricted, endowment and restricted funds based on the values of the funds. The income generated from permanent endowment funds is apportioned to restricted funds for future expenditure.

EXPENDITURE

Resources expended are recognised in the period in which they are incurred. Costs are allocated to the particular activity to which they relate. Grants payable are recognised when a constructive obligation exists. Governance costs comprise costs of running the Charity.

HERITAGE ASSETS

Heritage assets are valued at the cost of purchase less any impairment in value over the period. Donated heritage assets have not been valued, as it is not practicable to obtain a valuation of unique assets. Heritage assets held are ballet memorabilia and are tangible fixed assets of historical and artistic importance held to advance the educational objectives of the Charity and The Royal Ballet School. Where these assets are capitalised, depreciation is not charged because the assets have a very long useful life and the estimated residual value is not materially different from the carrying amount. The assets are subject to an annual impairment review by the Trustees and there was no reduction in the value of the heritage assets during the year.

INVESTMENTS

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

FUND ACCOUNTING

The charitable trust funds of the Charity are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable endowment funds.

Unrestricted general funds comprise of the accumulated unrestricted surplus or deficit each year.

Unrestricted designated funds are amounts put aside by the Trustees. The Property Fund represented the funds invested in property and so not available for other purposes. The other designated funds have been set aside by the Trustees to follow the donors' wishes although the Trustees do have discretion on the use of these funds.

Permanent endowment funds consist of capital that cannot be spent. The income earned on these funds is subject to specific conditions imposed by the donors and is shown in restricted funds.

Expendable endowment funds consist of funds where the capital can be spent, and the funds are subject to specific conditions imposed by the donors.

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

FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise 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.

1 DONATIONS

	2022	2021
	£000	£000
Legacies and gifts by individuals	**9**	660

2 INVESTMENT INCOME

	Unrestricted	Endowment	Restricted	**Total 2022**	2021
	£000	£000	£000	**£000**	£000
Income from securities:					
Equities	91	17	69	**177**	167

3 EXPENDITURE ON RAISING FUNDS

	Unrestricted	Endowment	Restricted	**Total 2022**	2021
	£000	£000	£000	**£000**	£000
Investment management costs	96	43	49	**188**	184

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted	Endowment	Restricted	**Total 2022**	2021
	£000	£000	£000	**£000**	£000
Grants payable:					
Grants to students	-	-	-	**-**	170
Grants to the School	30	-	-	**30**	212
	30	-	-	**30**	382

The Charity had no employees in either year.

The Trustees received no remuneration or any other benefits for their services and were not reimbursed for any expenses in either year. Trustees made no donations to the Charity in either year.

5 GOVERNANCE COSTS

	2022	2021
	£000	£000
Fees payable to the auditor for the statutory audit	**7**	7

6 HERITAGE ASSETS

The heritage assets of £32,000 (2021: £32,000) consist of the cost of ballet memorabilia of Margot Fonteyn who was a former alumna of the School. The purchase was made in the year 2000/01 and the Trustees have carried out an impairment review and there is no reduction in the value of these assets.

7 INVESTMENTS

	2022	2021
	£000	£000
Market value brought forward	**28,301**	24,797
New money invested	**-**	-
Reinvested income	**175**	167
Proceeds received	**-**	-
Management charges	**(188)**	(141)
	28,288	24,823
Net (loss)/gain on revaluation	**(473)**	3,478
Market value carried forward	**27,815**	28,301

The investment portfolio is divided into the following classes:

	2022	2021
Equities	**19,916**	22,769
Index-linked	**4,762**	63
Fixed interest	**-**	2,681
Credit and illiquid strategies	**1,137**	667
Gold	**237**	509
Forward foreign exchange	**(18)**	-
Options	**757**	239
Hedge funds	**583**	572
Cash	**441**	801
	27,815	28,301

8 RELATED PARTY TRANSACTIONS

The connected charity, The Royal Ballet School, has as its purpose the training and education of students for a career as ballet dancers. Four of the Royal Ballet School Endowment Fund Trustees are also Trustees and Governors of The Royal Ballet School (2021: four). During the year the Endowment Fund provided grants to students and to the School of £nil (2021: £381,000). The School has not recharged any sum for staff costs in either year. The Endowment Fund owes £422,000 to the School at the balance sheet date (2021: £385,000).

There are no other related party transactions (2021: None).

9 ANALYSIS OF NET ASSETS BY FUND TYPE

Funds:	Fixed Assets £000	Investments £000	Net current assets £000	**Total Funds 2022 £000**
Unrestricted general fund	32	11,842	832	**12,706**
Unrestricted designated funds	-	1,841	-	**1,841**
Endowment funds	-	6,701	-	**6,701**
Restricted funds	-	7,431	-	**7,431**
	32	27,815	832	**28,679**

ANALYSIS OF NET ASSETS BY FUND TYPE 2021

	Fixed Assets £000	Investments £000	Net current assets £000	Total Funds 2021 £000
Unrestricted general fund	32	11,969	858	12,859
Unrestricted designated funds	-	1,901	-	1,901
Endowment funds	-	6,838	-	6,838
Restricted funds	-	7,593	-	7,593
	32	28,301	858	29,191

10 UNRESTRICTED FUNDS

	Balance at 1 September 2021	Income	Expenditure	Gains and transfers	**Balance at 31 August 2022**
	£000	£000	£000	£000	**£000**
General fund	12,859	86	(91)	(188)	**12,706**
Designated Sutton fund	742	4	(5)	(12)	**729**
Designated GBL Wilson fund	864	7	(36)	(14)	**821**
Designated GT Sindell fund	17	-	-	-	**17**
Designated Dulcie Pamela Tilley fund	254	2	(1)	(5)	**250**
Valarie Adams Award	24	-	-	-	**24**
	14,760	99	(133)	(179)	**14,547**

UNRESTRICTED FUNDS 2021	Balance at 1 September 2020	Income	Expenditure	Gains and transfers	Balance at August 2021
	£000	£000	£000	£000	£000
General fund	10,779	622	(87)	1,545	12,859
Designated Sutton fund	654	4	(5)	89	742
Designated GBL Wilson fund	789	7	(36)	104	864
Designated GT Sindell fund	15	-	-	2	17
Designated Dulcie Pamela Tilley fund	224	1	(2)	31	254
Valarie Adams Award	21	-	-	3	24
	12,482	634	(130)	1,774	14,760

- The General Fund comprises of the accumulated unrestricted surplus or deficit each year
- The Sutton Scholarship Fund is a designated fund available to fund scholarships to the School but the requirements of the gift require it to be held as a separate fund with identifiable investments. This fund is used when the School requires funding for scholarships.
- The designated GBL Wilson Fund provides funds for the School archive and library. The Fund also includes a collection of prints and lithographs, received by way of gift, which have not been capitalised and included in the balance sheet as their value cannot be ascertained with reasonable certainty. The Trustees consider that the amounts involved are not material. The fund is being used to help with the costs of looking after the School Special Collections.
- The GT Sindell Fund is designated to fund scholarships to The Royal Ballet School. The fund is used when the School requires funding for scholarships.
- The Dulcie Pamela Tilley Fund is designated to fund exchange programmes with foreign ballet schools, international ballet tours, performances and student scholarships. The Trustees of the estate request that the legacy be applied where possible in the above order or priority. This fund is therefore used for exchange programmes as required by the School.
- The Valarie Adams Award is a designated fund to provide an annual student award in Valerie Adams name.

11 ENDOWMENT FUNDS

	Balance at 1 September 2021	Income	Expenditure	Gains and transfers	**Balance at 31 August 2022**
	£000	£000	£000	£000	**£000**
Permanent endowment funds					
Askew Scholarship Fund	284	-	(2)	(5)	**277**
Brian Shaw Memorial Fund	97	-	-	(2)	**95**
Usherwood Fund	58	-	-	(1)	**57**
J Edward Conway Fund	111	-	-	(2)	**109**
McMillan Memorial Fund	52	-	-	(1)	**51**
Calleva Foundation Fund	811	-	(5)	(13)	**793**
Morris Kemp Foundation Fund	452	-	(3)	(7)	**442**
John Dorrick Brookes Fund	99	-	-	(2)	**97**
Lynn Seymour Award	26	-	-	-	**26**
Rob Wallace Scholarship Fund	1,020	-	(7)	(16)	**997**
Prince of Wales Bursary Fund	144	-	(1)	(3)	**140**
Charles Hollway Bursary Fund	826	-	(5)	(13)	**808**
The Madeleine and Timothy Plaut Bursary Fund	64	-	-	(1)	**63**
	4,044	-	(23)	(66)	**3,955**
Expendable endowment					
Ethel Rose Hart Fund	570	3	(4)	(9)	**560**
Joseph Lockwood Fund	2,127	13	(16)	(34)	**2,088**
Nellie Florence Watson Fund	97	1	-	(2)	**96**
	2,794	17	(20)	(45)	**2,746**
Total endowment funds	6,838	17	(43)	(111)	**6,701**

ENDOWMENT FUNDS 2021	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains and transfers £000	Balance at 31 August 2021 £000
Permanent endowment funds					
Askew Scholarship Fund	252	-	(2)	34	284
Brian Shaw Memorial Fund	86	-	(1)	12	97
Usherwood Fund	51	-	-	7	58
J Edward Conway Fund	99	-	(1)	13	111
McMillan Memorial Fund	46	-	-	6	52
Calleva Foundation Fund	718	-	(5)	98	811
Morris Kemp Foundation Fund	401	-	(3)	54	452
John Dorrick Brookes Fund	88	-	(1)	12	99
Lynn Seymour Award	23	-	-	3	26
Rob Wallace Scholarship Fund	903	-	(6)	123	1,020
Prince of Wales Bursary Fund	128	-	(1)	17	144
Charles Hollway Bursary Fund	732	-	(5)	99	826
The Madeleine and Timothy Plaut Bursary Fund	56	-	-	8	64
	3,583	-	(25)	486	4,044
Expendable endowment					
Ethel Rose Hart Fund	521	3	(23)	69	570
Joseph Lockwood Fund	1,902	12	(43)	256	2,127
Nellie Florence Watson Fund	85	1	(1)	12	97
	2,508	16	(67)	337	2,794
Total endowment funds	6,091	16	(92)	823	6,838

Permanent endowment funds

Permanent endowment funds are capital funds where the donor has specified that the capital is invested to provide income and only the income can be spent. This income is accumulated separately in restricted funds as shown in note 11 with the following restrictions:

- The Askew Scholarship Fund is available to fund bursaries and scholarships to the School but is required to be held in a separate fund with identifiable investments
- The Brian Shaw Memorial Fund can be used to fund bursaries and scholarships to the School
- The Usherwood Fund is to provide an annual bursary or scholarship to the School
- The J Edward Conway Fund is to fund Birmingham associates
- The MacMillan Memorial Fund for Young Dancers is to be invested and the income is to be used annually as a bursary for a male student to help him with his studies in memory of Sir Kenneth MacMillan
- The Calleva Foundation Fund is to be invested and the income generated is to provide an annual scholarship for a pupil of the Upper School
- The Morris Kemp Foundation Fund is to be invested and used to provide scholarships and bursaries for one or two pupils who would otherwise not be able to afford to attend the School

- Income from the John Dorrick Brookes Fund is available to fund scholarships for a deserving female student of the Upper School
- The Lynn Seymour Award funds an annual prize for Upper School students.
- The Rob Wallace Scholarship Fund was set up from generous donations to celebrate the achievements of School Governor Rob Wallace on his retirement. The fund pays for an annual scholarship
- The Prince of Wales Bursary Fund was set up on the occasion of H.R.H Prince of Wales' 70^{th} birthday. Generous donors made gifts to the fund to provide a named bursary to a student of The Royal Ballet School.
- The Charles Hollway Bursary Fund is to provide a named bursary to a student of The Royal Ballet School.
- The Madeleine and Timothy Plaut Bursary Fund is to provide a named bursary to a student of The Royal Ballet School

Expendable endowment funds

The capital element of these funds can be expended, so the fund balances represent the capital donation and subsequent income and related gains, which can all be expended

- The Ethel Rose Hart Fund is to provide one annual scholarship of £5,000 awarded for excellence in ballet and shall be called the Ethel Rose Hart Scholarship
- The Joseph Lockwood Scholarship fund is available to provide an annual scholarship to the Upper School
- The Nellie Florence Watson Fund is available to provide funding for one student per annum

12 RESTRICTED FUNDS

	Balance at 1 September 2021	Incoming resources	Outgoing resources	Gains and transfers	**Balance at 31 August 2022**
	£000	£000	£000	£000	**£000**
Restricted income funds from permanent endowment funds					
Askew Scholarship Fund	6	2	-	-	**8**
Brian Shaw Memorial Fund	3	1	-	-	**4**
Carolyn Usherwood Bequest	3	-	-	-	**3**
McMillan Memorial Fund	127	2	-	(2)	**127**
Calleva Foundation Fund	2	5	-	-	**7**
Morris Kemp Foundation Fund	3	3	-	-	**6**
John Dorrick Brookes Fund	7	1	-	-	**8**
Lynn Seymour Prize Fund	15	-	-	-	**15**
Rob Wallace Scholarship Fund	-	6	-	-	**6**
Prince of Wales Bursary Fund	-	2	-	-	**2**
Charles Hollway Bursary Fund	2	5	-	-	**7**
Restricted funds					
Dame Margot Fonteyn Fund	777	5	(5)	(12)	**765**
Hines Fund	306	2	(2)	(5)	**301**
Boscawen Fund	61	-	-	(61)	**-**
John Lyons Charity Fund	1	-	-	-	**1**
Upper School Maintenance Fund	1,767	8	(13)	(32)	**1,730**
Noreen Mummery Fund	1,273	8	(8)	(20)	**1,253**
Elizabeth Mills Fund	123	1	-	(2)	**122**
Partnership & Access Fund	635	4	(4)	(10)	**625**
White Lodge Appeal Fund	1,146	7	(8)	(18)	**1,127**
Royal Ballet School Fund	1,301	8	(9)	(21)	**1,279**
Ashton Award	18	-	-	-	**18**
Captain & Mrs John Moore Award	17	-	-	-	**17**
	7,593	70	(29)	(202)	**7,432**

RESTRICTED FUNDS 2021	Balance at 1 September 2020	Incoming resources	Outgoing resources	Gains and transfers	Balance at 31 August 2021
	£000	£000	£000	£000	£000
Restricted income funds from permanent endowment funds					
Askew Scholarship Fund	3	2	-	1	6
Brian Shaw Memorial Fund	2	1	-	-	3
Carolyn Usherwood Bequest	3	-	-	-	3
J Edward Conway Fund	-	1	(10)	9	-
McMillan Memorial Fund	2	111	(1)	15	127
Calleva Foundation Fund	7	5	(10)	-	2
Morris Kemp Foundation Fund	-	3	-	-	3
John Dorrick Brookes Fund	5	1	-	1	7
Lynn Seymour Prize Fund	13	-	-	2	15
Rob Wallace Scholarship Fund	9	6	(15)	-	-
Prince of Wales Bursary Fund	2	1	(3)	-	-
Charles Hollway Bursary Fund	17	5	(20)	-	2
The Madeleine and Timothy Plaut Bursary Fund	2	-	(2)	-	-
Restricted Funds					
Dame Margot Fonteyn Fund	734	4	(55)	94	777
Hines Fund	279	2	(12)	37	306
Boscawen Fund	54	-	-	7	61
John Lyons Charity Fund	1	-	-	-	1
Upper School Maintenance Fund	1,654	9	(110)	214	1,767
Noreen Mummery Fund	1,121	7	(8)	153	1,273
Elizabeth Mills Fund	108	1	(1)	15	123
Partnership & Access Fund	559	4	(4)	76	635
White Lodge Appeal Fund	1,092	7	(91)	138	1,146
Royal Ballet School Fund	1,145	7	(8)	157	1,301
Ashton Award	16	-	-	2	18
Captain & Mrs John Moore Award	16	-	(1)	2	17
	6,844	177	(351)	923	7,593

Restricted funds

- The Dame Margot Fonteyn Fund can be applied to advance the education of children, young people and students of the School
- The Hines Fund is to provide bursaries to the School for children coming from the West Country
- The Boscawen Fund is used for the exchange of students and teachers between the School and the Royal Danish Ballet School. At the request of the trustees, this fund has been transferred to the General Fund and all restrictions discharged.
- The John Lyons Charity Fund is available to fund bursaries for students from nine specific London Boroughs
- The Upper School Maintenance Fund is available to fund Royal Ballet Upper School premises and boarding

accommodation

- The Noreen Mummery Fund provides bursaries to students of the School which shall be known as Sopwith Bursaries
- The Elizabeth Mills Fund was set up from a legacy left by the late Miss Mills and is to fund a scholarship or bursary for a student who would not otherwise be able to attend the School. The support will be known as the Elizabeth Florence May Mills Bursary
- The Partnership & Access Fund is to support the School's Partnership and Access programme through which children at state schools of both primary and secondary school age are given access to classical ballet through the School's students and network of teaching expertise
- The White Lodge Appeal Fund is to support the acquisition of a new 100 year lease at White Lodge and redevelop the land and buildings at White Lodge.
- The Royal Ballet School Fund is to further the charitable objectives of The Royal Ballet School.
- The remaining restricted funds represent the expendable income element of the permanent endowment funds shown in note 10. This income is restricted to expenditure as shown in that note

13 TAXATION

As a registered charity, The Endowment Fund 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.

15 STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE PRIOR PERIOD FIGURES BY FUND

	Notes	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	**2021 £000**
Income and endowments from:					
Donations	*1*	550	-	110	**660**
Investments	*2*	84	16	67	**167**
Total income		634	16	177	**827**
Expenditure on:					
Raising funds	*3*	93	43	48	**184**
Charitable activities	*4*	30	49	303	**382**
Governance costs	*5*	7	-	-	**7**
Total expenditure		130	92	**351**	**573**
Net income/(expenditure)		**504**	**(76)**	**(174)**	**254**
Transfers between funds		(9)	-	9	**-**
Net gains on investments		1,783	823	914	**3,520**
Net movement in funds		2,278	747	749	**3,774**
Reconciliation of funds:					
Total funds brought forward		12,482	6,091	6,844	**25,417**
Total funds carried forward		**14,760**	**6,838**	**7,593**	**29,191**

Accounts

The Royal Ballet School Endowment Fund

Annual report and financial statements

for the year ended

31 August 2021

Charity Registration No. 285766

The Royal Ballet School Endowment Fund
Reference and administrative information

SECRETARY
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CHARITY REGISTRATION NUMBER
285766

The Royal Ballet School Endowment Fund
Report of the Trustees

The Trustees submit their report and the audited financial statements of The Royal Ballet School Endowment Fund ("the Endowment Fund" or "the Charity") for the year ended 31 August 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION AND OBJECTS

The Royal Ballet School Endowment Fund is a registered charity (number 285766) and was established under a Definitive Trust Deed dated 9 June 1982.

The income and assets of The Royal Ballet School Endowment Fund (the "Charity") are used to provide funding and facilities for students at The Royal Ballet School ("the School"). In particular:

- Scholarships and financial assistance to students, including overseas and Associate students, who would not otherwise be able to come to the School
- Grants, generally means-tested, to students at the School to pay for items such as dance shoes and music lessons which are not covered by Department for Education ("DfE") funding
- For facilities and expenditure at the School which are not covered by DfE funding, such as new buildings, the archive, choreography for new ballets for School performances and international tours
- Funding for student and teacher exchange programmes

Income not spent in the year is carried forward in the reserves of the Endowment Fund and used to assist in the funding of the School's future development programme.

TRUSTEES

The responsibility for the management of the Charity is vested in its Charity Trustees. Trustees are appointed and removed by the existing Board of Trustees.

The Trustees in office during the year and to the date of this report were as follows:

Jonathan Chenevix-Trench
Tom Clementi
Richard Cunis
Menna McGregor
Zita Saurel
Kenneth Steele

The Trustees meet periodically, usually three times a year, to review grant applications, spending needs and investment strategy and performance.

The policy of the Trustees is to ensure that they understand their responsibilities and duties. Training needs are considered from time to time and appropriate support provided as necessary. The Trustees liaise with the management of the School to ensure a clear understanding of the financial and training needs of the School and its students. The Fund Managers provide the Trustees with regular reports on investment performance and they also regularly attend board meetings.

To discharge their functions more effectively, the Trustees delegate certain aspects of the day to day management of the Charity to the Artistic Director of The Royal Ballet School, Christopher Powney, and other members of the Executive Leadership Team of the School.

The Trustees are aware of the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector. The Trustees are satisfied that the charity applies the principles of the code within its current Governance arrangements.

OBJECTIVES AND ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Royal Ballet School Endowment Fund provides grant support to the students and facilities of The Royal Ballet School. Each year the Endowment Fund Trustees consider applications from the Royal Ballet School to support students enrolled in full-time courses and the Associates Programme; in particular, the Endowment Fund supports a small number of exceptional young international students at White Lodge who show the potential to become classical ballet dancers.

The Endowment Fund provides an annual grant award to the Royal Ballet School to support the maintenance and care of its archive, a resource that is available publicly through an interactive, online tool.

The Trustees of the Endowment Fund work with carefully chosen fund managers to maximise investment returns for the charity. The long term objective for each fund manager is to protect capital and deliver a return of RPI+3%.

In setting our objectives and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Endowment Fund has continued to make grants to students of the School and to the School itself.

GRANT MAKING POLICY

The Artistic Director of the School identifies students of particular talent and with specific financial needs. The Trustees consider the Director's recommendations and discuss and approve scholarships, bursaries and other grants of financial assistance. The School currently benefits from an annual grant of £29,500 from the GBL Wilson fund for the maintenance of the archive facility held at White Lodge. The Trustees are supporting the phased repair and refurbishment of White Lodge, a Grade I listed building leased from the Crown Estate. Other grants are occasionally awarded to the School for specific purposes, and these are considered on a case-by-case basis.

PUBLIC BENEFIT

The Endowment Fund remains committed to the aim of providing public benefit in accordance with its founding principles. Following charity legislation, the Endowment Fund reports that it has carried out the charity's purposes for the public benefit.

The School is open to any student who has the potential to become a classical ballet dancer regardless of their family's financial means. The Endowment Fund provides support to these students in the form of scholarships, bursaries, facilities and opportunities through exchange programmes.

FINANCIAL REVIEW

The full financial results are shown on pages 11 to 27 of these financial statements. Incoming resources were £827,000 (2020: £313,000). As well as investment income, the Endowment Fund benefited from four legacies totalling £660,000 (2020: £65,000).

Expenditure totalled £573,000 (2020: £650,000) with grants of £170,000 (2020: £175,000) for student support remaining at similar levels to 2019. Requirements for grant support vary each year dependant on the School's fundraising success and the profiles of the students in each year group. As the assets of the Endowment Fund grow, the Charity expects to offer more funds for student support each year.

Over the last three years, the Charity has supported The Royal Ballet School with grants for the renovation of White Lodge. In 2021, Phase Three commenced with repairs to windows and paintwork of the Queen's

Crescent. This work completes the rear façade of the building which faces on to the car park and acts as the main entrance to the School. The cost of the works were £87,000. Essential maintenance work to the Upper School air handling unit was completed, supported by a grant of £98,000. The new unit replaced a 20 year old unit, providing better fresh air circulation within the building. The School was particulary grateful for the Trustee's support given the current concerns around COVID-19.

The Trustees continued to closely monitor the performance of the fund managers; Troy Asset Management, Ruffer LLP and Fundsmith LLP and the weighting of investments between each portfolio is discussed at every meeting. Net gains in the portfolio were £3,520,000 (2020: £1,240,000 net gain), with all fund managers performing particularly well despite the uncertainty created by world events.

A combination of donations, legacies and strong investment performance resulted in reserves increasing to £29,191,000 (2020: £25,417,000).

FUNDS AND RESERVES POLICY

The Charity has a number of endowment and restricted funds, the use of which is limited as specified by donors.

Endowment funds of £6,838,000 (2020: £6,091,000) are held as investments to maintain the capital, and income is to be spent on charitable activity according to the conditions the donor has given. The Charity has both permanent endowments and expendable endowments: expendable endowments are where the capital may be spent.

Restricted funds of £7,593,000 (2020: £6,844,000) are subject to the specific restricted conditions imposed by the donor.

Details of these funds, the movements on the funds and the purposes for which they were given are shown in Notes 11 and 12 respectively.

Of unrestricted funds of £14,760,000 (2020: £12,482,000), the trustees have designated £1,901,000 from which scholarships, financial support and facilities grants may be provided. The balance of £12,859,000 represents the Endowment Funds's general or free reserves. The Trustees receive regular updates from the Royal Ballet School on potential future requests.

The Trustees place funds not immediately required for expenditure with the Endowment Fund's fund managers for investment.

The Trustees' reserves policy is to continue to grow the Endowment Fund's funds in order to enable it to provide the School and its students, both now and in the future, with the resources needed to sustain and enhance the quality of the education provided by the School and to provide support to enable students with limited means to be able to attend and to benefit fully from the School.

INVESTMENT POWERS, POLICY AND PERFORMANCE

Troy Asset Management Limited, Ruffer LLP and Fundsmith LLP managed the Endowment Fund's investment portfolio during the financial year, with the investment strategy of protecting capital and providing a consistent long term return.

This strategy means that, on the whole, returns on investments outperform the market in difficult times but do less well than the market in periods of market growth. The Trustees continue to measure the performance of the portfolio regularly against the agreed target of 3% over RPI over a rolling five-year period.

There is still a very small diminishing residual balance of hedge fund investments held with Morgan Stanley which has a market value of £319 (2020: £690) which will be liquidated by the end of 2021.

Any paid dividend income from the investments in the permanent endowment funds are transferred to restricted income funds to be expended. Dividend income within accumulation funds are held within the permanent endowment fund.

RISK MANAGEMENT

The Trustees are responsible for the management of the risks faced by the Charity. Detailed consideration of risk is carried out by the Trustees in consultation with the School's Executive Leadership team and board of Governors. Key controls used by the Trustees to identify and assess risks during the year include:

- The formal programme of risk assessments and steps taken to mitigate those risks identified
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal authorisation and approval levels.

The most significant risk identified relates to the value of the investment portfolio, the income from which is used to finance the Endowment Fund's activities.

Through the above risk management processes, the Trustees anticipate that major risks will be identified and as far as practicable adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

FUNDRAISING

Fundraising is a very modest part of the Charity's activities and the focus is to raise funds through legacies. Supporters of the connected charity, The Royal Ballet School are asked to consider leaving a gift in their will to the Charity. There are no professional fundraising organisations used and occasional fundraising support is provided by the Development staff of the connected charity, The Royal Ballet School. The Charity has not subscribed to the Fundraising Regulator but adheres to the Code of Fundraising Practice when undertaking fundraising activity. There were no complaints received by the Endowment Fund in relation to fundraising activity. The Endowment Fund takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the Endowment Fund's approach to fundraising activity.

PLANS FOR FUTURE PERIODS

Trustees have reviewed the strategic plans of the Royal Ballet School with a view to estimating longer term grant requirements. Applications generally fall into two categories; annual requests for the support of students and the archive and one-off grants for larger-scale projects. Better understanding of the School's five-year plan allows Trustees to make appropriate investment decisions.

The Trustees intend to continue to make grants to provide assistance to current and future beneficiaries. The Trustees are mindful of the uncertainty surrounding the Department for Education's funding of The Royal Ballet School and the loss of government funding for European students . The COVID-19 pandemic and public recession will add further funding pressure on students and their families.

The Endowment Fund continues to develop its strategy of growth and the achievement of this aim is dependent on future fundraising and the performance of the Endowment Fund's investment portfolio. Trustees will continue to review the weighting of investment between fund managers fund types.

This report was approved by the Board of Trustees on 17 March 2022.

Jonathan Chenevix-Trench
Trustee

46 Floral Street
Covent Garden
London WC2E 9DA

Statement of Trustees' responsibilities in the preparation of financial statements

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law, applicable to charities in England and Wales, requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL BALLET SCHOOL ENDOWMENT FUND

OPINION

We have audited the financial statements of The Royal Ballet School Endowment Fund for the year ended 31 August 2021 which comprise the Statement of Financial Activities, Balance Sheet and 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 charity'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 Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; 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 ...], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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 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 Charities Act 2011 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 charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

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 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Tina Allison

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

20 May 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Royal Ballet School Endowment Fund
Statement of Financial Activities
For the year ended 31 August 2021

	Notes	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	**2021 £000**	2020 £000
Income and endowments from:						
Donations	*1*	550	-	110	**660**	72
Investments	*2*	84	16	67	**167**	241
Total income		634	16	177	**827**	313
Expenditure on:						
Raising funds	*3*	93	43	48	**184**	186
Charitable activities	*4*	30	49	303	**382**	460
Governance costs	*5*	7	0	0	**7**	4
Total expenditure		130	92	**351**	**573**	650
Net income/(expenditure)		**504**	**(76)**	**(174)**	**254**	(337)
Transfers between funds		(9)	0	9	**-**	-
Net gains on investments		1,783	823	914	**3,520**	1,230
Net movement in funds		2,278	747	749	**3,774**	893
Reconciliation of funds:						
Total funds brought forward		12,482	6,091	6,844	**25,417**	24,524
Total funds carried forward		**14,760**	**6,838**	**7,593**	**29,191**	25,417

The net incoming resources for the year arise from the Charity's continuing operations.

The accounting policies and notes on pages 14 to 26 form part of these financial statements.

Royal Ballet School Endowment Fund
Balance sheet
to 31 August 2021

	Notes	2021 £000	2020 £000
Fixed assets			
Heritage assets - ballet memorabilia	6	**32**	32
Investments	7	**28,301**	24,797
Total fixed assets		**28,333**	24,829
Current assets			
Prepayments and accrued income			-
Cash at bank		**1,250**	1,955
Total current assets		**1,250**	1,955
Liabilities – falling due within one year			
Accruals		**(7)**	(4)
Connected charity creditor	8	**(385)**	(1,363)
Total liabilities		**(392)**	(1,367)
Total net assets	9	**29,191**	25,417
The funds of the charity:			
Unrestricted funds			
General fund		**12,859**	10,779
Designated funds		**1,901**	1,703
Total unrestricted funds	10	**14,760**	12,482
Endowment funds	11	**6,838**	6,091
Restricted funds	12	**7,593**	6,844
Total charity funds		**29,191**	25,417

The financial statements on pages 14 to 26 were approved by the trustees and authorised for issue on 17 March 2022 and signed on its behalf by:

Jonathan Chenevix-Trench
Trustee

Tom Clementi
Trustee

Royal Ballet School Endowment Fund
Statement of cash flows
31 August 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities:			
Net cash (used in)by operating activities	A below	**(888)**	(115)
Cash flows from investing activities:			
Dividends and interest from investments		**166**	230
Interest receivable		**1**	11
Allocation of funds for investments		**(643)**	(116)
Net cash (used in)/used by provided by investing activities		**(704)**	125
Cash flows from financing activities:			
Receipt of endowment		**660**	72
Net cash provided by investing activities		**660**	72
Change in cash in the reporting period		**(704)**	82
Cash at the beginning of the year		**1,955**	1,873
Cash at the end of the year	B below	**1,250**	1,955

Reconciliation of cash flows from operating activities:	Note A	2021 £000	2020 £000
Net income, from the statement of financial activities		**3,774**	893
Adjustments for:			
Gains on investments		**(3,520)**	(1,230)
Dividends, interest and rents from investments		**(167)**	(241)
Decrease in debtors		**-**	1
(Decrease)/ Increase in creditors		**(975)**	462
Net cash (used in) by operating activities		**(888)**	(115)

Analysis of cash	Note B	2021 £000	2020 £000
Cash at bank and in hand		**1,250**	1,955

Royal Ballet School Endowment Fund
Accounting policies

BASIS OF ACCOUNTING
These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

TRUE AND FAIR OVERRIDE
The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and amended rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Royal Ballet School Endowment Fund is a Public Benefit Entity registered as a charity in England and Wales and was established under a Definitive Trust Deed dated 9 June 1982 (charity number 285766).

GOING CONCERN
At the time of approval of the Annual Report, the COVID-19 pandemic continues to evolve and the long-term impact on the charity, in common with other businesses, is unknown. Note 14 of the financial statements explains the current actions taken by the charity in response to this crisis. The Trustees have reviewed the position carefully with a view to managing the investment portfolio and the ability to fund grants already agreed.

Having reviewed the funding facilities available to the Charity together with the expected ongoing need for grants and the Charity's future projected cash flows, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 7.

CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATING UNCERTAINTY
In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value 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 affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

INCOME
Income consists of donations (including legacies) and investment income. All income is accounted for when the Charity has entitlement, there is probability of receipt and the amount is measurable. Legacies are recorded when they are received, on receipt of finalised estate accounts or where there is sufficient evidence that the legacy will probably be received. Investment income is apportioned to unrestricted, endowment and restricted

funds based on the values of the funds. The income generated from permanent endowment funds is apportioned to restricted funds for future expenditure.

EXPENDITURE

Resources expended are recognised in the period in which they are incurred. Costs are allocated to the particular activity to which they relate. Grants payable are recognised when a constructive obligation exists. Governance costs comprise costs of running the Charity.

HERITAGE ASSETS

Heritage assets are valued at the cost of purchase less any impairment in value over the period. Donated heritage assets have not been valued, as it is not practicable to obtain a valuation of unique assets. Heritage assets held are ballet memorabilia and are tangible fixed assets of historical and artistic importance held to advance the educational objectives of the Charity and The Royal Ballet School. Where these assets are capitalised, depreciation is not charged because the assets have a very long useful life and the estimated residual value is not materially different from the carrying amount. The assets are subject to an annual impairment review by the Trustees and there was no reduction in the value of the heritage assets during the year.

INVESTMENTS

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

FUND ACCOUNTING

The charitable trust funds of the Charity are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable endowment funds.

Unrestricted general funds comprise of the accumulated unrestricted surplus or deficit each year.

Unrestricted designated funds are amounts put aside by the Trustees. The Property Fund represented the funds invested in property and so not available for other purposes. The other designated funds have been set aside by the Trustees to follow the donors' wishes although the Trustees do have discretion on the use of these funds.

Permanent endowment funds consist of capital that cannot be spent. The income earned on these funds is subject to specific conditions imposed by the donors and is shown in restricted funds.

Expendable endowment funds consist of funds where the capital can be spent, and the funds are subject to specific conditions imposed by the donors.

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

FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise 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.

1 DONATIONS

	2021 £000	2020 £000
Legacies and gifts by individuals	**660**	70
Permanent endowments to set up named bursary awards	-	2
	660	72

2 INVESTMENT INCOME

	Unrestricted £000	Endowment £000	Restricted £000	Total 2021 £000	2020 £000
Income from securities:					
Equities	84	16	67	**167**	229
Cash	-	-	-	-	12
	84	16	67	**167**	241

3 EXPENDITURE ON RAISING FUNDS

	Unrestricted £000	Endowment £000	Restricted £000	Total 2021 £000	2020 £000
Investment management costs	93	43	48	184	186

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted £000	Endowment £000	Restricted £000	Total 2021 £000	2020 £000
Grants payable:					
Grants to students	-	49	121	**170**	175
Grants to the School	30	-	182	**212**	285
	30	49	303	**382**	460

The Charity had no employees in either year.

The Trustees received no remuneration or any other benefits for their services and were not reimbursed for any expenses in either year. Trustees made no donations to the Charity in either year.

5 GOVERNANCE COSTS

	2021 **£000**	2020 £000
Fees payable to the auditor for the statutory audit	**7**	4

During the year, the Charity undertook an audit tender process. The revised fees were in line with other bids.

6 HERITAGE ASSETS

The heritage assets of £32,000 (2020: £32,000) consist of the cost of ballet memorabilia of Margot Fonteyn who was a former alumna of the School. The purchase was made in the year 2000/01 and the Trustees have carried out an impairment review and there is no reduction in the value of these assets.

7 INVESTMENTS

	2021 **£000**	2020 £000
Market value brought forward	**24,797**	23,523
New money invested	**-**	-
Reinvested income	**167**	230
Proceeds received	**-**	-
Management charges	**(141)**	(186)
	24,823	23,567
Net gain on revaluation	**3,478**	1,230
Market value carried forward	**28,301**	24,797

The investment portfolio is divided into the following classes:		
Equities	**22,769**	19,139
Index-linked	**63**	673
Fixed interest	**2,681**	1,855
Credit and illiquid strategies	**667**	838
Gold	**509**	808
Forward foreign exchange	**-**	2
Options	**239**	257
Hedge funds	**572**	479
Cash	**801**	746
	28,301	24,797

8 RELATED PARTY TRANSACTIONS

The connected charity, The Royal Ballet School, has as its purpose the training and education of students for a career as ballet dancers. Four of the Royal Ballet School Endowment Fund Trustees are also Trustees and Governors of The Royal Ballet School (2020: four). During the year the Endowment Fund provided grants to students and to the School of £381,000 (2020: £460,000). The School has not recharged any sum for staff costs in either year. The Endowment Fund owes £385,000 to the School at the balance sheet date (2020: £1,363,000).

There are no other related party transactions (2020: None).

9 ANALYSIS OF NET ASSETS BY FUND TYPE

Funds:	Fixed Assets £000	Investments £000	Net current assets £000	**Total Funds 2021 £000**
Unrestricted general fund	32	11,969	858	**12,859**
Unrestricted designated funds	-	1,901	-	**1,901**
Endowment funds	-	6,838	-	**6,838**
Restricted funds	-	7,593	-	**7,593**
	32	28,301	858	**29,191**

ANALYSIS OF NET ASSETS BY FUND TYPE 2020

	Fixed Assets £000	Investments £000	Net current assets £000	Total Funds 2020 £000
Unrestricted general fund	32	10,159	588	10,779
Unrestricted designated funds	-	1,703	-	1,703
Endowment funds	-	6,091	-	6,091
Restricted funds	-	6,844	-	6,844
	32	24,797	588	25,417

10 UNRESTRICTED FUNDS

	Balance at 1 September 2020	Income	Expenditure	Gains and transfers	**Balance at 31 August 2021**
	£000	£000	£000	£000	**£000**
General fund	10,779	622	(87)	1,545	**12,859**
Designated Sutton fund	654	4	(5)	89	**742**
Designated GBL Wilson fund	789	7	(36)	104	**864**
Designated GT Sindell fund	15	-	-	2	**17**
Designated Dulcie Pamela Tilley fund	224	1	(2)	31	**254**
Valarie Adams Award	21	-	-	3	**24**
	12,482	634	(130)	1,774	**14,760**

UNRESTRICTED FUNDS 2020	Balance at 1 September 2019	Income	Expenditure	Gains and transfers	Balance at 31 August 2020
	£000	£000	£000	£000	£000
General fund	10,245	115	(83)	502	10,779
Designated Sutton fund	620	7	(5)	32	654
Designated GBL Wilson fund	778	8	(35)	38	789
Designated GT Sindell fund	14	-	-	1	15
Designated Dulcie Pamela Tilley fund	213	2	(2)	11	224
Valarie Adams Award	-	20	-	1	21
	11,870	152	(125)	585	12,482

- The General Fund comprises of the accumulated unrestricted surplus or deficit each year
- The Sutton Scholarship Fund is a designated fund available to fund scholarships to the School but the requirements of the gift require it to be held as a separate fund with identifiable investments. This fund is used when the School requires funding for scholarships.
- The designated GBL Wilson Fund provides funds for the School archive and library. The Fund also includes a collection of prints and lithographs, received by way of gift, which have not been capitalised and included in the balance sheet as their value cannot be ascertained with reasonable certainty. The Trustees consider that the amounts involved are not material. The fund is being used to help with the costs of looking after the School Special Collections.
- The GT Sindell Fund is designated to fund scholarships to The Royal Ballet School. The fund is used when the School requires funding for scholarships.
- The Dulcie Pamela Tilley Fund is designated to fund exchange programmes with foreign ballet schools, international ballet tours, performances and student scholarships. The Trustees of the estate request that the legacy be applied where possible in the above order or priority. This fund is therefore used for exchange programmes as required by the School.
- The Valarie Adams Award is a designated fund to provide an annual student award in Valerie Adams name.

11 ENDOWMENT FUNDS

	Balance at 1 September 2020	Income	Expenditure	Gains and transfers	**Balance at 31 August 2021**
	£000	£000	£000	£000	**£000**
Permanent endowment funds					
Askew Scholarship Fund	252	-	(2)	34	**284**
Brian Shaw Memorial Fund	86	-	(1)	12	**97**
Usherwood Fund	51	-	-	7	**58**
J Edward Conway Fund	99	-	(1)	13	**111**
McMillan Memorial Fund	46	-	-	6	**52**
Calleva Foundation Fund	718	-	(5)	98	**811**
Morris Kemp Foundation Fund	401	-	(3)	54	**452**
John Dorrick Brookes Fund	88	-	(1)	12	**99**
Lynn Seymour Award	23	-	-	3	**26**
Rob Wallace Scholarship Fund	903	-	(6)	123	**1,020**
Prince of Wales Bursary Fund	128	-	(1)	17	**144**
Charles Hollway Bursary Fund	732	-	(5)	99	**826**
The Madeleine and Timothy Plaut Bursary Fund	56	-	-	8	**64**
	3,583	-	(25)	486	**4,044**
Expendable endowment					
Ethel Rose Hart Fund	521	3	(23)	69	**570**
Joseph Lockwood Fund	1,902	12	(43)	256	**2,127**
Nellie Florence Watson Fund	85	1	(1)	12	**97**
	2,508	16	(67)	337	**2,794**
Total endowment funds	6,091	16	(92)	823	**6,838**

Royal Ballet School Endowment Fund
Notes to the financial statements
for the year ended 31 August 2021

ENDOWMENT FUNDS 2020	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains and transfers £000	Balance at 31 August 2020 £000
Permanent endowment funds					
Askew Scholarship Fund	242	-	(2)	12	252
Brian Shaw Memorial Fund	83	-	(1)	4	86
Usherwood Fund	49	-	-	2	51
J Edward Conway Fund	95	-	(1)	5	99
McMillan Memorial Fund	44	-	-	2	46
Calleva Foundation Fund	688	-	(5)	35	718
Morris Kemp Foundation Fund	385	-	(3)	20	402
John Dorrick Brookes Fund	85	-	(1)	4	88
Lynn Seymour Award	22	-	-	1	23
Rob Wallace Scholarship Fund	864	-	(7)	44	901
Prince of Wales Bursary Fund	121	2	(1)	6	128
Charles Hollway Bursary Fund	702	-	(5)	36	733
The Madeleine and Timothy Plaut Bursary Fund	53	-	-	3	56
	3,433	2	(26)	174	3,583
Expendable endowment					
Ethel Rose Hart Fund	495	5	(4)	25	521
Joseph Lockwood Fund	1,834	18	(43)	93	1,902
Nellie Florence Watson Fund	106	1	(26)	4	85
	2,435	24	(73)	122	2,508
Total endowment funds	5,868	26	(99)	296	6,091

Permanent endowment funds

Permanent endowment funds are capital funds where the donor has specified that the capital is invested to provide income and only the income can be spent. This income is accumulated separately in restricted funds as shown in note 11 with the following restrictions:

- The Askew Scholarship Fund is available to fund bursaries and scholarships to the School but is required to be held in a separate fund with identifiable investments
- The Brian Shaw Memorial Fund can be used to fund bursaries and scholarships to the School
- The Usherwood Fund is to provide an annual bursary or scholarship to the School
- The J Edward Conway Fund is to fund Birmingham associates
- The MacMillan Memorial Fund for Young Dancers is to be invested and the income is to be used annually as a bursary for a male student to help him with his studies in memory of Sir Kenneth MacMillan
- The Calleva Foundation Fund is to be invested and the income generated is to provide an annual scholarship for a pupil of the Upper School
- The Morris Kemp Foundation Fund is to be invested and used to provide scholarships and bursaries for one or two pupils who would otherwise not be able to afford to attend the School
- Income from the John Dorrick Brookes Fund is available to fund scholarships for a deserving female student

of the Upper School

- The Lynn Seymour Award funds an annual prize for Upper School students.
- The Rob Wallace Scholarship Fund was set up from generous donations to celebrate the achievements of School Governor Rob Wallace on his retirement. The fund pays for an annual scholarship
- The Prince of Wales Bursary Fund was set up on the occasion of H.R.H Prince of Wales' 70th birthday. Generous donors made gifts to the fund to provide a named bursary to a student of The Royal Ballet School.
- The Charles Hollway Bursary Fund is to provide a named bursary to a student of The Royal Ballet School.
- The Madeleine and Timothy Plaut Bursary Fund is to provide a named bursary to a student of The Royal Ballet School

Expendable endowment funds

The capital element of these funds can be expended, so the fund balances represent the capital donation and subsequent income and related gains, which can all be expended

- The Ethel Rose Hart Fund is to provide one annual scholarship of £5,000 awarded for excellence in ballet and shall be called the Ethel Rose Hart Scholarship
- The Joseph Lockwood Scholarship fund is available to provide an annual scholarship to the Upper School
- The Nellie Florence Watson Fund is available to provide funding for one student per annum

12 RESTRICTED FUNDS

	Balance at 1 September 2020	Incoming resources	Outgoing resources	Gains and transfers	**Balance at 31 August 2021**
	£000	£000	£000	£000	**£000**
Dame Margot Fonteyn Fund	734	4	(55)	94	**777**
Hines Fund	279	2	(12)	37	**306**
Boscawen Fund	54	-	-	7	**61**
John Lyons Charity Fund	1	-	-	-	**1**
Upper School Maintenance Fund	1,654	9	(110)	214	**1,767**
Noreen Mummery Fund	1,121	7	(8)	153	**1,273**
Elizabeth Mills Fund	108	1	(1)	15	**123**
Partnership & Access Fund	559	4	(4)	76	**635**
White Lodge Appeal Fund	1,092	7	(91)	138	**1,146**
Royal Ballet School Fund	1,145	7	(8)	157	**1,301**
Ashton Award	16	-	-	2	**18**
Captain & Mrs John Moore Award	16	-	(1)	2	**17**
Restricted income funds from permanent endowment funds					
Askew Scholarship Fund	3	2	-	1	**6**
Brian Shaw Memorial Fund	2	1	-	-	**3**
Carolyn Usherwood Bequest	3	-	-	-	**3**
J Edward Conway Fund	-	1	(10)	9	**-**
McMillan Memorial Fund	2	111	(1)	15	**127**
Calleva Foundation Fund	7	5	(10)	-	**2**
Morris Kemp Foundation Fund	-	3	-	-	**3**
John Dorrick Brookes Fund	5	1	-	1	**7**
Lynn Seymour Prize Fund	13	-	-	2	**15**
Rob Wallace Scholarship Fund	9	6	(15)	-	**-**
Prince of Wales Bursary Fund	2	1	(3)	-	**-**
Charles Hollway Bursary Fund	17	5	(20)	-	**2**
The Madeleine and Timothy Plaut Bursary Fund	2	-	(2)	-	**-**
	6,844	177	(351)	923	**7,593**

£9,358 was transferred from the general unrestricted fund to the J Edward Conway restricted fund to provide support for Associate students from the Birmingham area.

RESTRICTED FUNDS 2020	Balance at 1 September 2019	Incoming resources	Outgoing resources	Gains and transfers	Balance at 31 August 2020
	£000	£000	£000	£000	£000
Dame Margot Fonteyn Fund	748	8	(57)	35	734
Hines Fund	284	3	(22)	14	279
Boscawen Fund	50	1	-	3	54
John Lyons Charity Fund	1	-	-	-	1
Upper School Maintenance Fund	1,570	16	(12)	80	1,654
Noreen Mummery Fund	1,139	11	(83)	54	1,121
Elizabeth Mills Fund	103	1	(1)	5	108
Partnership & Access Fund	531	5	(4)	27	559
White Lodge Appeal Fund	1,183	10	(154)	53	1,092
Royal Ballet School Fund	1,088	10	(8)	55	1,145
Ashton Award	-	15	-	1	16
Captain & Mrs John Moore Award	-	15	-	1	16
Restricted income funds from permanent endowment funds					
Askew Scholarship Fund	13	2	(12)	-	3
Brian Shaw Memorial Fund	14	6	(18)	-	2
Carolyn Usherwood Bequest	2	1	-	-	3
J Edward Conway Fund	-	1	(20)	19	-
McMillan Memorial Fund	2	-	-	-	2
Calleva Foundation Fund	-	7	-	-	7
Morris Kemp Foundation Fund	31	4	(35)	-	-
John Dorrick Brookes Fund	4	1	-	-	5
Lynn Seymour Prize Fund	12	-	-	1	13
Rob Wallace Scholarship Fund	-	9	-	-	9
Prince of Wales Bursary Fund	1	1	-	-	2
Charles Hollway Bursary Fund	9	7	-	1	17
The Madeleine and Timothy Plaut Bursary Fund	1	1	-	-	2
	6,786	135	(426)	349	6,844

Restricted funds

- The Dame Margot Fonteyn Fund can be applied to advance the education of children, young people and students of the School
- The Hines Fund is to provide bursaries to the School for children coming from the West Country
- The Boscawen Fund is used for the exchange of students and teachers between the School and the Royal Danish Ballet School
- The John Lyons Charity Fund is available to fund bursaries for students from nine specific London Boroughs
- The Upper School Maintenance Fund is available to fund Royal Ballet Upper School premises and boarding accommodation
- The Noreen Mummery Fund provides bursaries to students of the School which shall be known as Sopwith Bursaries
- The Elizabeth Mills Fund was set up from a legacy left by the late Miss Mills and is to fund a scholarship or bursary for a student who would not otherwise be able to attend the School. The support will be known as the Elizabeth Florence May Mills Bursary
- The Partnership & Access Fund is to support the School's Partnership and Access programme through which children at state schools of both primary and secondary school age are given access to classical ballet through the School's students and network of teaching expertise
- The White Lodge Appeal Fund is to support the acquisition of a new 100 year lease at White Lodge and redevelop the land and buildings at White Lodge.
- The Royal Ballet School Fund is to further the charitable objectives of The Royal Ballet School.
- The remaining restricted funds represent the expendable income element of the permanent endowment funds shown in note 10. This income is restricted to expenditure as shown in that note

13 TAXATION

As a registered charity, The Endowment Fund 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.

15 STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE PRIOR PERIOD FIGURES BY FUND

	Notes	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	**2020 £000**
Income and endowments from:					
Donations	*1*	35	2	35	**72**
Investments	*2*	117	24	100	**241**
Total income		**152**	**26**	**135**	**313**
Expenditure on:					
Raising funds	*3*	92	44	50	**186**
Charitable activities	*4*	29	55	376	**460**
Governance costs	*5*	4	-	-	**4**
Total expenditure		**125**	**99**	**426**	**650**
Net income/(expenditure)		**27**	**(73)**	**(291)**	**(337)**
Transfers between funds		(19)	-	19	**-**
Net gains on investments		604	296	330	**1,230**
Net movement in funds		**612**	**223**	**58**	**893**
Reconciliation of funds:					
Total funds brought forward		11,870	5,868	6,786	**24,524**
Total funds carried forward		**12,482**	**6,091**	**6,844**	**25,417**

ROYAL BALLET SCHOOL ENDOWMENT FUND

England & Wales - Charity number 285766

Accounts

The Royal Ballet School Endowment Fund

Annual report and financial statements

for the year ended

31 August 2020

Charity Registration No. 285766

The Royal Ballet School Endowment Fund
Reference and administrative information

TRUSTEES
Jonathan Chenevix-Trench
Tom Clementi
Richard Cunis
Menna McGregor
Zita Saurel
Kenneth Steele

SECRETARY
Pippa Adamson

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CHARITY REGISTRATION NUMBER
285766

The Royal Ballet School Endowment Fund
Report of the Trustees

The Trustees submit their report and the audited financial statements of The Royal Ballet School Endowment Fund ("the Endowment Fund" or "the Charity") for the year ended 31 August 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION AND OBJECTS

The Royal Ballet School Endowment Fund is a registered charity (number 285766) and was established under a Definitive Trust Deed dated 9 June 1982.

The income and assets of The Royal Ballet School Endowment Fund (the "Charity") are used to provide funding and facilities for students at The Royal Ballet School ("the School"). In particular:

- Scholarships and financial assistance to students, including overseas and Associate students, who would not otherwise be able to come to the School
- Grants, generally means-tested, to students at the School to pay for items such as dance shoes and music lessons which are not covered by Department for Education ("DfE") funding
- For facilities and expenditure at the School which are not covered by DfE funding, such as new buildings, the archive, choreography for new ballets for School performances and international tours
- Funding for student and teacher exchange programmes

Income not spent in the year is carried forward in the reserves of the Endowment Fund and used to assist in the funding of the School's future development programme.

TRUSTEES

The responsibility for the management of the Charity is vested in its Charity Trustees. Trustees are appointed and removed by the existing Board of Trustees.

The Trustees in office during the year and to the date of this report were as follows:

Jonathan Chenevix-Trench (resigned 31 December 2019; reappointed 17 May 2020)
Suneel Bakhshi (resigned 29 January 2020)
Tom Clementi (appointed 26 November 2019)
Richard Cunis
Menna McGregor
Zita Saurel
Kenneth Steele

The Trustees meet periodically, usually three times a year, to review grant applications, spending needs and investment strategy and performance.

The policy of the Trustees is to ensure that they understand their responsibilities and duties. Training needs are considered from time to time and appropriate support provided as necessary. The Trustees liaise with the management of the School to ensure a clear understanding of the financial and training needs of the School and its students. The Fund Managers provide the Trustees with regular reports on investment performance and they also regularly attend board meetings.

To discharge their functions more effectively, the Trustees delegate certain aspects of the day to day management of the Charity to the Artistic Director of The Royal Ballet School, Christopher Powney, and other members of the Executive Leadership Team of the School.

The Trustees are aware of the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector. The Trustees are satisfied that the charity applies the principles of the code within its current Governance arrangements.

OBJECTIVES AND ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Royal Ballet School Endowment Fund provides grant support to the students and facilities of The Royal Ballet School. Each year the Endowment Fund Trustees consider applications from the Royal Ballet School to support students enrolled in full-time courses and the Associates Programme; in particular, the Endowment Fund supports a small number of exceptional young international students at White Lodge who show the potential to become classical ballet dancers.

The Endowment Fund provides an annual grant award to the Royal Ballet School to support the maintenance and care of its archive, a resource that is available publicly through an interactive, online tool.

The Trustees of the Endowment Fund work with carefully chosen fund managers to maximise investment returns for the charity. The long term objective for each fund manager is to protect capital and deliver a return of RPI+3%.

In setting our objectives and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Endowment Fund has continued to make grants to students of the School and to the School itself.

GRANT MAKING POLICY

The Artistic Director of the School identifies students of particular talent and with specific financial needs. The Trustees consider the Director's recommendations and discuss and approve scholarships, bursaries and other grants of financial assistance. The School currently benefits from an annual grant of £29,000 from the GBL Wilson fund for the maintenance of the archive facility held at White Lodge. The Trustees are supporting the phased repair and refurbishment of White Lodge, a Grade I listed building leased from the Crown Estate. Other grants are occasionally awarded to the School for specific purposes, and these are considered on a case-by-case basis.

PUBLIC BENEFIT

The Endowment Fund remains committed to the aim of providing public benefit in accordance with its founding principles. Following charity legislation, the Endowment Fund reports that it has carried out the charity's purposes for the public benefit.

The School is open to any student who has the potential to become a classical ballet dancer regardless of their family's financial means. The Endowment Fund provides support to these students in the form of scholarships, bursaries, facilities and opportunities through exchange programmes.

FINANCIAL REVIEW

The full financial results are shown on pages 11 to 26 of these financial statements. Incoming resources were £313,000 (2019: £1,832,000). As well as investment income, the Endowment Fund benefited from six new legacies totalling £65,000 (2019: £700,000). The Endowment Fund also received donations of £5,000 (2019: £nil) and a further £2,000 for the Prince of Wales permanent endowment (2019:£839,000).

Expenditure totalled £650,000 (2019: £398,000) with grants of £175,000 (2019: £173,000) for student support remaining at similar levels to 2019. Requirements for grant support vary each year dependant on the School's fundraising success and the profiles of the students in each year group. As the assets of the Endowment Fund grow, the Charity expects to offer more funds for student support each year. Additional bursary support will become necessary post-Brexit and when, from September 2021, government funding for eligible students from the European Economic Area is removed.

Over the last three years, the Charity has supported The Royal Ballet School with grants for the renovation of White Lodge. In 2020, Phase Two of the project was completed with repairs made to the brickwork and windows of the Windsor Crescent and David Norman Dining Hall. The Trustees made a total award of £400,000, of which £146,000 was drawn down this financial year. The project has been an enormous success with acknowledgement from Heritage England and the Crown Estate for the quality of workmanship. Both phases of the project have been brought in on time and on budget.

The Trustees continued to closely monitor the performance of the fund managers; Troy Asset Management, Ruffer LLP and Fundsmith LLP and the weighting of investments between each portfolio is discussed at every meeting. Net gains in the portfolio were £1,240,000 (2019: £1,413,000 net gain), with all fund managers performing particularly well despite the uncertainty created by world events.

A combination of donations, legacies and strong investment performance resulted in reserves increasing to £25,417,000 (2019: £23,524,000).

FUNDS AND RESERVES POLICY

The Charity has a number of endowment and restricted funds, the use of which is limited as specified by donors.

Endowment funds of £6,091,000 (2019: £5,868,000) are held as investments to maintain the capital, and income is to be spent on charitable activity according to the conditions the donor has given. The Charity has both permanent endowments and expendable endowments: expendable endowments are where the capital may be spent.

Restricted funds of £6,844,000 (2019: £6,786,000) are subject to the specific restricted conditions imposed by the donor.

Details of these funds, the movements on the funds and the purposes for which they were given are shown in Notes 11 and 12 respectively.

Of unrestricted funds of £12,482,000 (2019: £11,870,000), the trustees have designated £1,703,000 from which scholarships, financial support and facilities grants may be provided. The balance of £10,779,000 represents the Endowment Funds's general or free reserves. The Trustees receive regular updates from the Royal Ballet School on potential future requests.

The Trustees place funds not immediately required for expenditure with the Endowment Fund's fund managers for investment.

The Trustees' reserves policy is to continue to grow the Endowment Fund's funds in order to enable it to provide the School and its students, both now and in the future, with the resources needed to sustain and enhance the quality of the education provided by the School and to provide support to enable students with limited means to be able to attend and to benefit fully from the School.

INVESTMENT POWERS, POLICY AND PERFORMANCE

Troy Asset Management Limited, Ruffer LLP and Fundsmith LLP managed the Endowment Fund's investment portfolio during the financial year, with the investment strategy of protecting capital and providing a consistent long term return.

This strategy means that, on the whole, returns on investments outperform the market in difficult times but do less well than the market in periods of market growth. The Trustees continue to measure the performance of the portfolio regularly against the agreed target of 3% over RPI over a rolling five-year period.

There is still a very small diminishing residual balance of hedge fund investments held with Morgan Stanley which has a market value of £690 (2019: £782) which is being liquidated over a period of time.

Any paid dividend income from the investments in the permanent endowment funds are transferred to restricted income funds to be expended. Dividend income within accumulation funds are held within the permanent endowment fund.

RISK MANAGEMENT

The Trustees are responsible for the management of the risks faced by the Charity. Detailed consideration of risk is carried out by the Trustees in consultation with the School's Executive Leadership team and board of Governors. Key controls used by the Trustees to identify and assess risks during the year include:

- The formal programme of risk assessments and steps taken to mitigate those risks identified
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal authorisation and approval levels.

The most significant risk identified relates to the value of the investment portfolio, the income from which is used to finance the Endowment Fund's activities.

Through the above risk management processes, the Trustees anticipate that major risks will be identified and as far as practicable adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

FUNDRAISING

Fundraising is a very modest part of the Charity's activities and the focus is to raise funds through legacies. Supporters of the connected charity, The Royal Ballet School are asked to consider leaving a gift in their will to the Charity. There are no professional fundraising organisations used and occasional fundraising support is provided by the Development staff of the connected charity, The Royal Ballet School. The Charity has not subscribed to the Fundraising Regulator but adheres to the Code of Fundraising Practice when undertaking fundraising activity. There were no complaints received by the Endowment Fund in relation to fundraising activity. The Endowment Fund takes its responsibility to anyone who might be vulnerable very seriously and this will continue to be considered in the Endowment Fund's approach to fundraising activity.

PLANS FOR FUTURE PERIODS

The Trustees have started a review of the Charity's grant-making policy, to better define the criteria to assess grant applications. Applications generally fall into two categories; annual requests for the support of students and the archive and one-off grants for larger-scale projects. To this end, the Charity has requested a long term plan from the Royal Ballet School to anticipate future grant applications over the next five years. In turn, this will support Trustees in their investment decisions.

The Trustees intend to continue to make grants to provide assistance to current and future beneficiaries. The Trustees are mindful of the uncertainty surrounding the Department for Education's funding of The Royal Ballet School and the outcome of Brexit which will halt the Music & Dance Scheme's support of students from the European Economic Area joining the School from September 2021. The COVID-19 pandemic and public recession will add further funding pressure on students and their families. With this in mind, the Trustees recognise the potential requests that may come to increase support from September 2021.

The Endowment Fund continues to develop its strategy of growth and the achievement of this aim is dependent on future fundraising and the performance of the Endowment Fund's investment portfolio. Trustees will continue to review the weighting of investment between fund managers fund types.

This report was approved by the Board of Trustees on 25 March 2021.

Jonathan Chenevix-Trench
Trustee

46 Floral Street
Covent Garden
London WC2E 9DA

Statement of Trustees' responsibilities in the preparation of financial statements

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law, applicable to charities in England and Wales, requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL BALLET SCHOOL ENDOWMENT FUND

OPINION

We have audited the financial statements of The Royal Ballet School Endowment Fund for the year ended 31 August 2020 which comprise the Statement of Financial Activities, Balance Sheet and 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 charity'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 Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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 charity'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 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Tina Allison

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

Date: 26 April 21

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Royal Ballet School Endowment Fund
Statement of Financial Activities
For the year ended 31 August 2020

	Notes	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	**2020 £000**	2019 £000
Income and endowments from:						
Donations	*1*	35	2	35	**72**	1,539
Investments	*2*	117	24	100	**241**	293
Total income		**152**	**26**	**135**	**313**	1,832
Expenditure on:						
Raising funds	*3*	92	44	50	**186**	131
Charitable activities	*4*	29	55	376	**460**	263
Governance costs	*5*	4	-	-	**4**	4
Total expenditure		**125**	**99**	**426**	**650**	398
Net income/(expenditure)		**27**	**(73)**	**(291)**	**(337)**	1,434
Transfers between funds		(19)	-	19	-	-
Net gains on investments		604	296	333	**1,230**	1,413
Net movement in funds		**612**	**223**	**58**	**893**	2,847
Reconciliation of funds:						
Total funds brought forward		11,870	5,868	6,786	**24,524**	21,677
Total funds carried forward		**12,482**	**6,091**	**6,844**	**25,417**	24,524

The net incoming resources for the year arise from the Charity's continuing operations.

The accounting policies and notes on pages 14 to 26 form part of these financial statements.

Royal Ballet School Endowment Fund
Balance sheet
to 31 August 2020

	Notes	**2020 £000**	2019 £000
Fixed assets			
Heritage assets - ballet memorabilia	6	**32**	32
Investments	7	**24,797**	23,523
Total fixed assets		**24,829**	23,555
Current assets			
Prepayments and accrued income		**-**	1
Cash at bank		**1,955**	1,873
Total current assets		**1,955**	1,874
Liabilities – falling due within one year			
Accruals		**(4)**	(3)
Connected charity creditor	8	**(1,363)**	(902)
Total liabilities		**(1,367)**	(905)
Total net assets	9	**25,417**	24,524
The funds of the charity:			
Unrestricted funds			
General fund		**10,779**	10,245
Designated funds		**1,703**	1,625
Total unrestricted funds	10	**12,482**	11,870
Endowment funds	11	**6,091**	5,868
Restricted funds	12	**6,844**	6,786
Total charity funds		**25,417**	24,524

The financial statements on pages 14 to 26 were approved by the trustees and authorised for issue on 25 March 2021 and signed on its behalf by:

Jonathan Chenevix-Trench
Trustee

T. Clementi

Tom Clementi
Trustee

Royal Ballet School Endowment Fund
Statement of cash flows
31 August 2020

	Note	2020 £000	2019 £000
Cash flows from operating activities:			
Net cash provided (used in)/by operating activities	A below	**(115)**	1,223
Cash flows from investing activities:			
Dividends and interest from investments		**230**	282
Interest receivable		**11**	11
Allocation of funds for investments		**(116)**	(2,175)
Net cash used by/(used in) provided by investing activities		**125**	(1,882)
Cash flows from financing activities:			
Receipt of endowment		**72**	1,539
Net cash provided by investing activities		**72**	1,539
Change in cash in the reporting period		**82**	880
Cash at the beginning of the year		**1,873**	993
Cash at the end of the year	B below	**1,955**	1,873

Reconciliation of cash flows from operating activities:	Note A	2020 £000	2019 £000
Net income, from the statement of financial activities		**893**	2,847
Adjustments for:			
Gains on investments		**(1,230)**	(1,413)
Dividends, interest and rents from investments		**(241)**	(293)
Decrease in debtors		**1**	1
Increase in creditors		**462**	81
Net cash (used in)/provided by operating activities		**(115)**	1,223

Analysis of cash	Note B	2020 £000	2019 £000
Cash at bank and in hand		**1,955**	1,873

Royal Ballet School Endowment Fund
Accounting policies

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

TRUE AND FAIR OVERRIDE

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and amended rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

The Royal Ballet School Endowment Fund is a Public Benefit Entity registered as a charity in England and Wales and was established under a Definitive Trust Deed dated 9 June 1982 (charity number 285766).

GOING CONCERN

At the time of approval of the Annual Report, the COVID-19 pandemic continues to evolve and the long-term impact on the charity, in common with other businesses, is unknown. Note 14 of the financial statements explains the current actions taken by the charity in response to this crisis. The Trustees have reviewed the position carefully with a view to managing the investment portfolio and the ability to fund grants already agreed.

Having reviewed the funding facilities available to the Charity together with the expected ongoing need for grants and the Charity's future projected cash flows, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 7.

CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATING UNCERTAINTY

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value 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 affected current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

INCOME

Income consists of donations (including legacies) and investment income. All income is accounted for when the Charity has entitlement, there is probability of receipt and the amount is measurable. Legacies are recorded when they are received, on receipt of finalised estate accounts or where there is sufficient evidence that the legacy will probably be received. Investment income is apportioned to unrestricted, endowment and restricted funds based on the values of the funds. The income generated from permanent endowment funds is apportioned to restricted funds for future expenditure.

EXPENDITURE
Resources expended are recognised in the period in which they are incurred. Costs are allocated to the particular activity to which they relate. Grants payable are recognised when a constructive obligation exists. Governance costs comprise costs of running the Charity.

HERITAGE ASSETS
Heritage assets are valued at the cost of purchase less any impairment in value over the period. Donated heritage assets have not been valued, as it is not practicable to obtain a valuation of unique assets. Heritage assets held are ballet memorabilia and are tangible fixed assets of historical and artistic importance held to advance the educational objectives of the Charity and The Royal Ballet School. Where these assets are capitalised, depreciation is not charged because the assets have a very long useful life and the estimated residual value is not materially different from the carrying amount. The assets are subject to an annual impairment review by the Trustees and there was no reduction in the value of the heritage assets during the year.

INVESTMENTS
Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

FUND ACCOUNTING
The charitable trust funds of the Charity are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable endowment funds.

Unrestricted general funds comprise of the accumulated unrestricted surplus or deficit each year.

Unrestricted designated funds are amounts put aside by the Trustees. The Property Fund represented the funds invested in property and so not available for other purposes. The other designated funds have been set aside by the Trustees to follow the donors' wishes although the Trustees do have discretion on the use of these funds.

Permanent endowment funds consist of capital that cannot be spent. The income earned on these funds is subject to specific conditions imposed by the donors and is shown in restricted funds.

Expendable endowment funds consist of funds where the capital can be spent, and the funds are subject to specific conditions imposed by the donors.

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

FINANCIAL INSTRUMENTS
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise 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.

1 DONATIONS

	2020 £000	2019 £000
Legacies and gifts by individuals	**70**	700
Permanent endowments to set up named bursary awards	**2**	839
	72	1,539

2 INVESTMENT INCOME

	Unrestricted £000	Endowment £000	Restricted £000	Total 2020 £000	2019 £000
Income from securities:					
Equities	111	23	95	**229**	282
Cash	6	1	5	**12**	11
	117	24	100	**241**	293

3 EXPENDITURE ON RAISING FUNDS

	Unrestricted £000	Endowment £000	Restricted £000	Total 2020 £000	2019 £000
Investment management costs	92	44	50	**186**	131

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted £000	Endowment £000	Restricted £000	Total 2020 £000	2019 £000
Grants payable:					
Grants to students	29	-	146	**175**	173
Grants to the School	-	55	230	**285**	89
	29	55	376	**460**	263

The Charity had no employees in either year.

The Trustees received no remuneration or any other benefits for their services and were not reimbursed for any expenses in either year. Trustees made no donations to the Charity in either year.

5	GOVERNANCE COSTS	2020 £000	2019 £000
	Fees payable to the auditor for the statutory audit	4	4

6 HERITAGE ASSETS

The heritage assets of £32,000 (2019: £32,000) consist of the cost of ballet memorabilia of Margot Fonteyn who was a former alumna of the School. The purchase was made in the year 2000/01 and the Trustees have carried out an impairment review and there is no reduction in the value of these assets.

7 INVESTMENTS

	2020 £000	2019 £000
Market value brought forward	23,523	21,474
New money invested	-	500
Reinvested income	230	277
Proceeds received	-	-
Management charges	(186)	(141)
	23,567	22,110
Net gain on revaluation	1,230	1,413
Market value carried forward	24,797	23,523

The investment portfolio is divided into the following classes:		
Equities	19,139	20,534
Index-linked	673	185
Fixed interest	1,855	584
Credit and illiquid strategies	838	767
Gold	808	323
Forward foreign exchange	2	-
Options	257	182
Hedge funds	479	429
Cash	746	519
	24,797	23,523

As part of the overall management of funds the investment managers have entered into commitments to sell a total of USD Nil (2019: USD 202,955), EUR £1,758 (2019: £Nil) and JPY 85,403 (2019: JPY 10,704,580) under forward rate contracts at 31 August 2020. All contracts mature on 24 September 2020 and are included within total investments at a market value of £2,174 (2019: £533) at 31 August 2020.

8 RELATED PARTY TRANSACTIONS

The connected charity, The Royal Ballet School, has as its purpose the training and education of students for a career as ballet dancers. Four of the Royal Ballet School Endowment Fund Trustees are also Trustees and Governors of The Royal Ballet School (2019: five). During the year the Endowment Fund provided grants to students and to the School of £460,000 (2019: £262,000). The School has not recharged any sum for staff costs in either year. The Endowment Fund owes £1,363,000 to the School at the balance sheet date (2019: £902,000).

There are no other related party transactions (2019: None).

9 ANALYSIS OF NET ASSETS BY FUND TYPE

Funds:	Fixed Assets £000	Investments £000	Net current assets £000	**Total Funds 2020 £000**
Unrestricted general fund	32	10,159	588	**10,779**
Unrestricted designated funds	-	1,703	-	**1,703**
Endowment funds	-	6,091	-	**6,091**
Restricted funds	-	6,844	-	**6,844**
	32	24,797	588	**25,417**

ANALYSIS OF NET ASSETS BY FUND TYPE 2019

	Fixed Assets £000	Investments £000	Net current assets £000	Total Funds 2019 £000
Unrestricted general fund	32	9,244	969	10,245
Unrestricted designated funds	-	1,625	-	1,625
Endowment funds	-	5,868	-	5,868
Restricted funds	-	6,786	-	6,786
	32	23,523	969	24,524

10 UNRESTRICTED FUNDS

	Balance at 1 September 2019	Income	Expenditure	Gains and transfers	**Balance at 31 August 2020**
	£000	£000	£000	£000	**£000**
General fund	10,245	115	(83)	502	**10,779**
Designated Sutton fund	620	7	(5)	32	**654**
Designated GBL Wilson fund	778	8	(35)	38	**789**
Designated GT Sindell fund	14	-	-	1	**15**
Designated Dulcie Pamela Tilley fund	213	2	(2)	11	**224**
Valarie Adams Award	-	20	-	1	**21**
	11,870	152	(125)	585	**12,482**

UNRESTRICTED FUNDS 2019	Balance at 1 September 2018	Income	Expenditure	Gains and transfers	Balance at 31 August 2019
	£000	£000	£000	£000	£000
General fund	8,891	827	(62)	589	10,245
Designated Sutton fund	581	7	(4)	36	620
Designated GBL Wilson fund	751	10	(28)	45	778
Designated GT Sindell fund	13	-	-	1	14
Designated Dulcie Pamela Tilley fund	200	2	(1)	12	213
	10,436	846	(95)	683	11,870

- The General Fund comprises of the accumulated unrestricted surplus or deficit each year
- The Sutton Scholarship Fund is a designated fund available to fund scholarships to the School but the requirements of the gift require it to be held as a separate fund with identifiable investments. This fund is used when the School requires funding for scholarships.
- The designated GBL Wilson Fund provides funds for the School archive and library. The Fund also includes a collection of prints and lithographs, received by way of gift, which have not been capitalised and included in the balance sheet as their value cannot be ascertained with reasonable certainty. The Trustees consider that the amounts involved are not material. The fund is being used to help with the costs of looking after the School Special Collections.
- The GT Sindell Fund is designated to fund scholarships to The Royal Ballet School. The fund is used when the School requires funding for scholarships.
- The Dulcie Pamela Tilley Fund is designated to fund exchange programmes with foreign ballet schools, international ballet tours, performances and student scholarships. The Trustees of the estate request that the legacy be applied where possible in the above order or priority. This fund is therefore used for exchange programmes as required by the School.
- The Valarie Adams Award is a designated fund to provide an annual student award in Valerie Adams name.

11 ENDOWMENT FUNDS

	Balance at 1 September 2019	Income	Expenditure	Gains and transfers	**Balance at 31 August 2020**
	£000	£000	£000	£000	**£000**
Permanent endowment funds					
Askew Scholarship Fund	242	-	(2)	12	**252**
Brian Shaw Memorial Fund	83	-	(1)	4	**86**
Usherwood Fund	49	-	-	2	**51**
J Edward Conway Fund	95	-	(1)	5	**99**
McMillan Memorial Fund	44	-	-	2	**46**
Calleva Foundation Fund	688	-	(5)	35	**718**
Morris Kemp Foundation Fund	385	-	(3)	20	**402**
John Dorrick Brookes Fund	85	-	(1)	4	**88**
Lynn Seymour Award	22	-	-	1	**23**
Rob Wallace Scholarship Fund	864	-	(7)	44	**901**
Prince of Wales Bursary Fund	121	2	(1)	6	**128**
Charles Hollway Bursary Fund	702	-	(5)	36	**733**
The Madeleine and Timothy Plaut Bursary Fund	53	-	-	3	**56**
	3,433	2	(26)	174	**3,583**
Expendable endowment					
Ethel Rose Hart Fund	495	5	(4)	25	**521**
Joseph Lockwood Fund	1,834	18	(43)	93	**1,902**
Nellie Florence Watson Fund	106	1	(26)	4	**85**
	2,435	24	(73)	122	**2,508**
Total endowment funds	5,868	26	(99)	296	**6,091**

ENDOWMENT FUNDS 2019	Balance at 1 September 2018	Incoming resources	Outgoing resources	Gains and transfers	Balance at 31 August 2019
	£000	£000	£000	£000	£000
Permanent endowment funds					
Askew Scholarship Fund	229	-	(1)	14	242
Brian Shaw Memorial Fund	78	-	-	5	83
Usherwood Fund	46	-	-	3	49
J Edward Conway Fund	90	-	(1)	6	95
McMillan Memorial Fund	42	-	-	2	44
Calleva Foundation Fund	652	-	(4)	40	688
Morris Kemp Foundation Fund	365	-	(2)	22	385
John Dorrick Brookes Fund	80	-	-	5	85
Lynn Seymour Award	21	-	-	1	22
Rob Wallace Scholarship Fund	819	-	(5)	50	864
Prince of Wales Bursary Fund	-	115	(1)	7	121
Charles Hollway Bursary Fund	-	666	(4)	40	702
The Madeleine and Timothy Plaut Bursary Fund	-	50	-	3	53
	2,422	831	(18)	198	3,433
Expendable endowment					
Olive Margaret Worth Fund	43	-	(43)	-	-
Ethel Rose Hart Fund	463	6	(3)	29	495
Joseph Lockwood Fund	1,718	21	(10)	105	1,834
Nellie Florence Watson Fund	135	1	(36)	6	106
Joan Kay Endowment Fund	24	-	(24)	-	-
	2,383	28	(116)	140	2,435
Total endowment funds	4,805	859	(134)	338	5,868

Permanent endowment funds

Permanent endowment funds are capital funds where the donor has specified that the capital is invested to provide income and only the income can be spent. This income is accumulated separately in restricted funds as shown in note 11 with the following restrictions:

- The Askew Scholarship Fund is available to fund bursaries and scholarships to the School but is required to be held in a separate fund with identifiable investments
- The Brian Shaw Memorial Fund can be used to fund bursaries and scholarships to the School
- The Usherwood Fund is to provide an annual bursary or scholarship to the School
- The J Edward Conway Fund is to fund Birmingham associates
- The MacMillan Memorial Fund for Young Dancers is to be invested and the income is to be used annually as a bursary for a male student to help him with his studies in memory of Sir Kenneth MacMillan
- The Calleva Foundation Fund is to be invested and the income generated is to provide an annual scholarship for a pupil of the Upper School
- The Morris Kemp Foundation Fund is to be invested and used to provide scholarships and bursaries for one

or two pupils who would otherwise not be able to afford to attend the School

- Income from the John Dorrick Brookes Fund is available to fund scholarships for a deserving female student of the Upper School
- The Lynn Seymour Award funds an annual prize for Upper School students.
- The Rob Wallace Scholarship Fund was set up from generous donations to celebrate the achievements of School Governor Rob Wallace on his retirement. The fund pays for an annual scholarship
- The Prince of Wales Bursary Fund was set up on the occasion of H.R.H Prince of Wales' 70th birthday. Generous donors made gifts to the fund to provide a named bursary to a student of The Royal Ballet School.
- The Charles Hollway Bursary Fund is to provide a named bursary to a student of The Royal Ballet School.
- The Madeleine and Timothy Plaut Bursary Fund is to provide a named bursary to a student of The Royal Ballet School

Expendable endowment funds

The capital element of these funds can be expended, so the fund balances represent the capital donation and subsequent income and related gains, which can all be expended

- The Ethel Rose Hart Fund is to provide one annual scholarship of £5,000 awarded for excellence in ballet and shall be called the Ethel Rose Hart Scholarship
- The Joseph Lockwood Scholarship fund is available to provide an annual scholarship to the Upper School
- The Nellie Florence Watson Fund is available to provide funding for one student per annum

12 RESTRICTED FUNDS

	Balance at 1 September 2019	Incoming resources	Outgoing resources	Gains and transfers	**Balance at 31 August 2020**
	£000	£000	£000	£000	**£000**
Dame Margot Fonteyn Fund	748	8	(57)	35	**734**
Hines Fund	284	3	(22)	14	**279**
Boscawen Fund	50	1	-	3	**54**
John Lyons Charity Fund	1	-	-	-	**1**
Upper School Maintenance Fund	1,570	16	(12)	80	**1,654**
Noreen Mummery Fund	1,139	11	(83)	54	**1,121**
Elizabeth Mills Fund	103	1	(1)	5	**108**
Partnership & Access Fund	531	5	(4)	27	**559**
White Lodge Appeal Fund	1,183	10	(154)	53	**1,092**
Royal Ballet School Fund	1,088	10	(8)	55	**1,145**
Ashton Award	-	15	-	1	**16**
Captain & Mrs John Moore Award	-	15	-	1	**16**
Restricted income funds from permanent endowment funds					
Askew Scholarship Fund	13	2	(12)	-	**3**
Brian Shaw Memorial Fund	14	6	(18)	-	**2**
Carolyn Usherwood Bequest	2	1	-	-	**3**
J Edward Conway Fund	-	1	(20)	19	**-**
McMillan Memorial Fund	2	-	-	-	**2**
Calleva Foundation Fund	-	7	-	-	**7**
Morris Kemp Foundation Fund	31	4	(35)	-	**-**
John Dorrick Brookes Fund	4	1	-	-	**5**
Lynn Seymour Prize Fund	12	-	-	1	**13**
Rob Wallace Scholarship Fund	-	9	-	-	**9**
Prince of Wales Bursary Fund	1	1	-	-	**2**
Charles Hollway Bursary Fund	9	7	-	1	**17**
The Madeleine and Timothy Plaut Bursary Fund	1	1	-	-	**2**
	6,786	135	(426)	349	**6,844**

£19,000 was transferred from the general unrestricted fund to the J Edward Conway restricted fund to provide support for Associate students from the Birmingham area.

RESTRICTED FUNDS 2019	Balance at 1 September 2018	Incoming resources	Outgoing resources	Gains and transfers	Balance at 31 August 2019
	£000	£000	£000	£000	£000
Dame Margot Fonteyn Fund	700	9	(4)	43	748
Hines Fund	274	3	(9)	16	284
Boscawen Fund	46	1	-	3	50
John Lyons Charity Fund	1	-	-	-	1
Upper School Maintenance Fund	1,474	18	(11)	89	1,570
Noreen Mummery Fund	1,067	13	(6)	65	1,139
Elizabeth Mills Fund	97	1	(1)	6	103
Partnership & Access Fund	497	6	(3)	31	531
White Lodge Appeal Fund	1,174	14	(73)	68	1,183
Royal Ballet School Fund	1,018	13	(6)	63	1,088
Restricted income funds from permanent endowment funds					
Askew Scholarship Fund	9	3	-	1	13
Brian Shaw Memorial Fund	34	9	-	(29)	14
Carolyn Usherwood Bequest	1	1	-	-	2
J Edward Conway Fund	5	1	(12)	6	-
McMillan Memorial Fund	1	1	-	-	2
Calleva Foundation Fund	-	8	(15)	7	-
Morris Kemp Foundation Fund	24	5	-	2	31
John Dorrick Brookes Fund	3	1	-	-	4
Lynn Seymour Prize Fund	11	-	-	1	12
Rob Wallace Scholarship Fund	-	10	(29)	19	-
Prince of Wales Bursary Fund	-	1	-	-	1
Charles Hollway Bursary Fund	-	8	-	-	9
The Madeleine and Timothy Plaut Bursary Fund	-	1	-	-	1
	6,436	127	(169)	392	6,786

- The Dame Margot Fonteyn Fund can be applied to advance the education of children, young people and students of the School
- The Hines Fund is to provide bursaries to the School for children coming from the West Country
- The Boscawen Fund is used for the exchange of students and teachers between the School and the Royal Danish Ballet School
- The John Lyons Charity Fund is available to fund bursaries for students from nine specific London Boroughs
- The Upper School Maintenance Fund is available to fund Royal Ballet Upper School premises and boarding accommodation
- The Noreen Mummery Fund provides bursaries to students of the School which shall be known as Sopwith Bursaries
- The Elizabeth Mills Fund was set up from a legacy left by the late Miss Mills and is to fund a scholarship or bursary for a student who would not otherwise be able to attend the School. The support will be known as the Elizabeth Florence May Mills Bursary

- The Partnership & Access Fund is to support the School's Partnership and Access programme through which children at state schools of both primary and secondary school age are given access to classical ballet through the School's students and network of teaching expertise
- The White Lodge Appeal Fund is to support the acquisition of a new 100 year lease at White Lodge and redevelop the land and buildings at White Lodge.
- The Royal Ballet School Fund is to further the charitable objectives of The Royal Ballet School.
- The remaining restricted funds represent the expendable income element of the permanent endowment funds shown in note 10. This income is restricted to expenditure as shown in that note

13 TAXATION

As a registered charity, The Endowment Fund 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.

15 STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE PRIOR PERIOD FIGURES BY FUND

	Notes	Unrestricted Funds £000	Endowment Funds £000	Restricted Funds £000	**2019** **£000**
Income and endowments from:					
Donations	*1*	700	831	8	**1,539**
Investments	*2*	146	28	119	**293**
Total income		**846**	**859**	**127**	**1,832**
Expenditure on:					
Raising funds	*3*	58	34	39	**131**
Charitable activities	*4*	33	100	130	**263**
Governance costs	*5*	4	-	-	**4**
Total expenditure		**95**	**134**	**169**	**398**
Net income/(expenditure)		**751**	**725**	**(42)**	**1,434**
Transfers between funds		-	-	-	-
Net gains on investments		683	338	392	**1,413**
Net movement in funds		**1,434**	**1,063**	**350**	**2,847**
Reconciliation of funds:					
Total funds brought forward		10,436	4,805	6,436	**21,677**
Total funds carried forward		**11,870**	**5,868**	**6,786**	**24,524**