

**THE ASSOCIATED BOARD OF THE  
ROYAL SCHOOLS OF MUSIC  
REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 JANUARY 2025**

**CHARITY NUMBER (ENGLAND AND WALES):**

**292182**

**CHARITY NUMBER (SCOTLAND):**

**SC043343**

**COMPANY NUMBER:**

**01926395**

# **THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**

## **REFERENCE AND ADMINISTRATIVE INFORMATION**

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### **PATRON**

His Majesty King Charles III

### **PRESIDENT**

His Majesty King Charles III

### **GOVERNING BODY**

Tony Hales, Chair, CBE, BSc

Frances Anderson, M.Soc.Sc (URS), BSc (Econ), FRSA

Abdul Bhanji OBE, FCA

Baroness Fleet CBE

Professor Jonathan Freeman-Attwood CBE, BMus, MPhil, Hon RAM, FKC, FRNCM  
(Principal, Royal Academy of Music)

Professor Linda Merrick CBE GRSM, MMus, PhD, FRAM, FRCM, FLCM, FRSA, Hon VCM, FHEA  
(Principal, Royal Northern College of Music)

Gavin Reid ALCM, LLCM, GMusRNCM, PPRNCM, FRCS, LVO

Georgina Robb, FCA

Professor Jeffrey Sharkey, MPhil (Cantab)  
(Principal, Royal Conservatoire of Scotland)

Bronwyn Syiek, MA (Cantab)

James Williams, BA (Hons), LVO, FRCM  
(Director, Royal College of Music)

Damian Wisniewski BSc (Eng), ACGI, BFP, FCA, LRAM, Hon FRAM

### **CHIEF EXECUTIVE**

Chris Cobb BSc, FRSA

### **DEPUTY CHIEF EXECUTIVE**

Penny Milsom, BA

### **CHIEF OPERATING OFFICER**

Helen Coleman, BA, MBA

### **ACTING CHIEF DIGITAL AND INFORMATION OFFICER**

Steve Wheeler, BSc

### **CHIEF PRODUCT OFFICER**

Torn Lee, BA

### **CHAIR OF THE CHIEF EXAMINER GROUP**

Mervyn Cousins, MMus, ARCO

### **CHIEF FINANCIAL OFFICER**

Charlotte Razzell, BSc, MA Econ, CPFA

### **SECRETARY TO THE GOVERNING BODY**

Rachael Casstles, LLB (Hons)

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
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<b>CHARITY NUMBER (ENGLAND AND WALES):</b>	292182
<b>CHARITY NUMBER (SCOTLAND):</b>	SC043343
<b>COMPANY NUMBER:</b>	01926395
<b>TRADING NAME:</b>	ABRSM
<b>REGISTERED AND PRINCIPAL OFFICE:</b>	4 London Wall Place, London, EC2Y 5AU
<b>TELEPHONE:</b>	+44(0) 20 7636 5400
<b>EMAIL:</b>	abrsms@abrsms.ac.uk
<b>WEBSITE:</b>	www.abrsms.org
<b>ADVISERS:</b>	
<b>External Auditors:</b>	Crowe UK LLP 55 Ludgate Hill, London EC4M 7JW
<b>Internal Auditors:</b>	BDO LLP 55 Baker Street, London W1U 7EU
<b>Bankers:</b>	Barclays Bank PLC Level 27 1 Churchill Place, London E14 5HP  Santander UK PLC 3 <sup>rd</sup> Floor, Santander House 100 Ludgate Hill, London EC3M 7RE  Lloyds Bank PLC 25 Gresham Street, London EC2V 7HN
<b>Solicitors:</b>	Farrer & Co 66 Lincoln's Inn Fields, London WC2A 3LH
<b>Pension Scheme Administrators:</b>	Broadstone Pensions and Investments Limited 100 Wood Street, London EC2V 7AN
<b>Pension Scheme Actuary and Investment Advisors:</b>	Lane Clark & Peacock LLP 95 Wigmore Street, London, W1U 1DQ
<b>Investment Managers (Prize Funds):</b>	BlackRock Investment Management (UK) Limited 12 Throgmorton Avenue, London EC2N 2DL

# **THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**

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# THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC

## GOVERNING BODY'S REPORT (INCORPORATING THE STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 JANUARY 2025

The members of the Governing Body (the 'Governors'), who are also directors of the company, present their annual report (incorporating the Strategic Report) for the year ended 31 January 2025, together with the audited financial statements for the year in accordance with the Charities Act 1993 as amended by the Charities Act 2011. They confirm that these comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102).

#### STATUS AND ADMINISTRATION

The Associated Board of the Royal Schools of Music (ABRSM) is a registered charity, number 292182 (Charity registered in Scotland number: SC043343), and a company limited by guarantee, registered number 1926395, established by four Royal Schools of Music for the benefit of music education. The company has no share capital and the liability of the members in the event of winding up is limited to £1 per member. The members are the Royal College of Music, the Royal Academy of Music, the Trustees of the Royal Northern College of Music Endowment Fund and the Trustees of the Royal Conservatoire of Scotland Trust.

The charity has a wholly owned subsidiary company, The Associated Board of the Royal Schools of Music (Publishing) Limited (ABRSM Publishing), the results of which are consolidated in these financial statements.

#### GOVERNING BODY, CHIEF EXECUTIVE AND MANAGEMENT STRUCTURE

For the purposes of the Companies Act 2006 the Governors are the directors of ABRSM. They are also the charity trustees under the Charities Act 2011. The Governing Body is constituted under the Articles of Association of the company as drawn up in 1985 and amended on 26 July 2011. The amendment allows for three additional independent members to join the Governing Body.

Membership of the Governing Body consists of two persons appointed by each of the Royal Academy of Music, the Royal College of Music, the Royal Northern College of Music Endowment Fund and the Royal Conservatoire of Scotland Trust, together with three independent Governors<sup>1</sup> and a Chairman who is appointed by the members.

Nominations for new Governors are considered by the Nominations Committee. In the case of Independent Governors, the Nominations Committee follows an open recruitment process and recommends preferred candidates to the Governing Body. New Governors follow a programme of induction involving briefings on ABRSM's strategy, risks, governance and trustee duties and future plans. New Governors meet other Governors, the Chief Executive and senior staff to learn about their areas of work. These meetings are tailored to the needs of each Governor depending on their background, experience and expertise. The Governors in office from 1 February 2024 to the date of this report are listed below and, where applicable, their alternate directors ('Alternates').

#### Governors

Tony Hales CBE, Chair  
Frances Anderson<sup>1</sup>  
Abdul Bhanji OBE<sup>1</sup>  
Professor Jonathan Freeman-Attwood CBE  
Nicola Irvine (resigned 14 March 2024)  
Leslie Kwan (resigned 9 August 2024)  
Professor Colin Lawson CBE (resigned 1 September 2024)  
James Williams (appointed 1 September 2024)  
Professor Linda Merrick CBE  
  
Gavin Reid (appointed 14 March 2024)  
Georgina Robb (appointed 25 September 2024)  
Professor Jeffrey Sharkey  
Bronwyn Syiek<sup>1</sup>  
Baroness Fleet CBE  
Damian Wisniewski, Deputy Chair

#### Alternates

Karen Di Lorenzo  
  
Kevin Porter  
  
George Whalley (resigned 1 March 2024)  
Deborah Harry (appointed 14 March 2024)

<sup>1</sup>Frances Anderson, Abdul Bhanji and Bronwyn Syiek are independent Governors

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**GOVERNING BODY, CHIEF EXECUTIVE AND MANAGEMENT STRUCTURE (continued)**

Alternates are appointed by the Governor for whom they act. They are entitled to attend, vote and generally act on behalf of the appointing Governor at any Governing Body meeting where that Governor is not present. Alternates are officers of ABRSM, rather than agents of appointing Governors. They are therefore subject to all terms and conditions, other than remuneration, existing with reference to other Governors.

**Finance & Business Development Committee Members**

Damian Wisniewski, Chair  
Tim Barton  
Tony Hales CBE  
Rachel Harris  
Karen Di Lorenzo  
Bronwyn Syiek

**Music Education Advisory Committee**

Professor Jeffrey Sharkey, Chair  
Natasha Baldwin  
Carolyn Baxendale  
Francis Cummings  
Barry Farrimond  
Miranda Francis

Rylan Gleave  
Paul Harris  
John Hutchins  
Gabriel Lee  
Orphy Robinson  
Jimmy Rotherham  
Bronwyn Syiek  
Aled Tudor  
Matt Wingfield

**Audit & Risk Committee Members**

Abdul Bhanji OBE, Chair  
Frances Anderson  
Deborah Harry  
Alan Smith  
Tony Hales CBE (attendee)

**Remuneration Committee Members**

Bronwyn Syiek, Chair  
Baroness Fleet CBE  
Professor Jonathan Freeman-Attwood CBE  
Tony Hales CBE

**Nominations Committee**

Tony Hales CBE, Chair  
Abdul Bhanji OBE  
James Williams  
Professor Linda Merrick CBE

**Ethics Committee**

Frances Anderson  
Abdul Bhanji

**Key Management Personnel**

The Governors delegate the day-to-day management of ABRSM to the Chief Executive, and through him to his team of senior executive staff, who comprise the key management personnel:

Chris Cobb, Chief Executive  
Penny Milsom, Deputy Chief Executive  
Helen Coleman, Chief Operating Officer  
Mervyn Cousins, Chair of Chief Examiner Group  
James Halliwell, Chief Digital Officer (resigned 31<sup>st</sup> January 2025)  
Steve Wheeler, Acting Chief Digital and Information Officer (appointed 31<sup>st</sup> January 2025)  
Tom Lee, Chief Product Officer  
Una Quinn, Finance Director (resigned 12<sup>th</sup> April 2024)  
Charlotte Razzell, Chief Financial Officer (appointed 6<sup>th</sup> August 2024)

**Decision Making**

Proposals for developing ABRSM's work are discussed and refined by this senior team. Where appropriate they may be reviewed by one of the specialist committees of the Governing Body, set out below. Any proposals that have a financial implication are presented by the Chief Executive to the Finance & Business Development Committee, which reviews the impact of all such proposals on the budget and long-term high-level plan for the charity. Depending on the value of the proposal it may additionally proceed to the Governing Body for final approval.

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**GOVERNING BODY, CHIEF EXECUTIVE AND MANAGEMENT STRUCTURE (continued)**

All aspects of ABRSM's work in support of its charitable objectives are brought together in a Corporate Plan which, together with financial projections (comprising budgets, forecasts and high-level plan), is monitored by the Senior Management Team and considered by the Finance & Business Development Committee and then the Governing Body. The Corporate Plan sets out the strategic direction for ABRSM in the medium term which is then communicated to all staff.

The Finance & Business Development Committee holds management to account for the financial performance of ABRSM and oversees the development of the business. It meets four times a year and monitors the finances of ABRSM on behalf of the Governing Body. It exercises oversight of the funding strategy and related policies. The Committee will evaluate business cases for investment and monitor their benefits and return on investment. The Finance & Business Development Committee comprises up to six members: The Chair who shall be an ABRSM Governor; one independent Governor; up to two members co-opted by the members of the committee with relevant skills and experience to support the ABRSM strategy; and two Royal Schools of Music Directors of Finance.

The Audit & Risk Committee oversees risk management on behalf of the Governing Body and meets three times a year. It provides assurance to the Governing Body on the effectiveness of risk management, controls and governance arrangements. It also meets with both the external and internal auditors to discuss the findings and recommendations from the audit reports. The Audit & Risk Committee comprises four members: two independent Governors and two Directors of Finance from two of the Royal Schools of Music. The Audit & Risk Committee requires that at least one member should have recent audit and/or financial accounting experience.

ABRSM procures internal audit services from BDO LLP. BDO delivers select audits defined by management. An annual audit plan is informed by an analysis of risks to which ABRSM is exposed. The Audit & Risk Committee approves the internal audit plan. BDO LLP submit regular reports to the Audit & Risk Committee on audits conducted, risks identified and management's response to their findings, as well as their independent opinion on internal control.

The Nominations Committee is responsible for selecting and recommending new appointments to the Governing Body.

The Music Education Advisory Committee is an advisory body which supports the Senior Management Team and Governing Body to assure the musical integrity, quality and relevance of ABRSM's offer in the context of a contemporary global landscape.

The Remuneration Committee is responsible for determining and implementing the remuneration policy of the senior personnel. In doing so it considers remuneration trends across comparable institutions as well as performance. The remuneration of the senior executive staff is determined through the completion of performance related assessments in line with company policy. The level is determined by evaluating a combination of performance and market rate.

The Ethics Committee is an advisory body which supports the Senior Management Team and Governing Body to consider the application of ethical principles to ABRSM's decisions and actions.

ABRSM's governance is structured around its Articles of Association and guided by the principles of the Charity Governance Code. The Governing Body and committees review their practices against the principles to ensure high standards of governance."

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**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
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**GOVERNORS, CHIEF EXECUTIVE AND MANAGEMENT STRUCTURE (continued)**

**Governors' and Officers' Liability**

Governors' liability is included in the combined business insurance policy and is purchased by authority contained within the Memorandum and Articles of Association, as permitted by Section 232(2) of the Companies Act 2006 and with the agreement of the Charity Commission. The total cost of Governors' and Officers' liability insurance was £406 (2024: £403).

**CHARITABLE OBJECTIVES**

ABRSM has the following aims and objectives set out in its Memorandum and Articles of Association:

- to advance the arts, science and skills of music, speech and drama throughout the UK and overseas; and
- to promote the education and instruction in, and the study and appreciation of music, speech and drama.

During 2021, ABRSM developed and implemented a 5-year corporate strategy centred around our mission to enrich lives by inspiring musical achievement around the world. A focus on the needs of our customers is at the core of this strategy, which is also guided by five key themes: educational excellence; collaboration; leadership and advocacy; equality, diversity and inclusion; and sustainability. During 2023, ABRSM evolved our brand and established an updated mission: We bring the joy of music to lives everywhere by inspiring, recognising and supporting the global musical community. This evolution did not radically change our themes or goals, and in 2024 we continued to:

- Value and support our learners and teachers
- Be an innovator in music teaching, learning and assessment
- Support and promote music education globally

By January 2026 we will have grown:

- The number of learners engaging with us
- Our charitable donations
- The breadth of our activities- with further emphasis on demonstrating that impact throughout the year

The following report explains in more detail how our objectives are achieved. Our main measurements of success continue to be the level of candidate numbers and turnover, customer satisfaction, the delivery of key targets for the launch of new products and services, digitally and in person. ABRSM also seeks to progressively reduce its carbon footprint.



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## **STRATEGIC REPORT**

### **PRINCIPAL ACTIVITIES**

In alliance with four Royal Schools of Music, we carry on a long legacy of musical excellence. More than an awarding organisation, we support learners from the first note they play and empower teachers who help build musical skills and encourage progress around the world.

We continue to deliver our strategy guided by the three pillars of our business which underpin our purpose, to inspire a love of music and our vision of a world that embraces a life of music making.

**1. Music Making – Be inspired**

We inspire and celebrate music making and performance in our core role as a music education charity, embracing musical diversity and creativity as we help nurture future generations of musicians.

**2. Teaching and Learning – Be supported**

We support music teachers and learners and value their ongoing learning and development. We are introducing new courses and resources to support excellence in music teaching.

**3. Qualifications and Assessments – Be recognised**

We continue to grow our portfolio of qualifications to recognise a wide range of musical achievement, embracing increasingly diverse genres, activities and learning settings.

During the last four years, our corporate strategy has remained focused on supporting teachers and learners, improving services for customers and expanding the diversity of the music we offer. Sustainability also continues to be an important theme, with our ongoing objective to reduce our carbon emissions in line with the Paris Agreement.

The Governors believe that these activities continue to meet ABRSM's charitable objectives both in the year under review and into the future.

ABRSM's subsidiary, The Associated Board of the Royal Schools of Music (Publishing) Limited, is engaged in the production and sale of music publications, recordings and digital resources in support of the charitable activities of ABRSM, both of exam related publications, and wider repertoire music and textbooks supporting music education.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Expanding and enhancing the ways we support and assess musical progression**

We continued to focus on the core activity of ABRSM, delivering music exams of a consistently high quality both in the UK and internationally, while also developing our offer of alternative and new format online examinations approved by Ofqual to meet our learners' needs both in the UK and internationally. There were 459,000 (2024: 469,000) ABRSM assessments in 2024-25, a decrease of 2.1% on the prior year.

New Performance Diplomas at LRSM and FRSM were successfully introduced in April 2024, followed closely by the new Teaching Diplomas in November 2024. Final results were issued for the FRSMs from our previous suite of diplomas in December 2024. Jazz Performance Grades 1-5 were successfully launched in January 2024 for Piano, Flute, Clarinet, Saxophone, Trumpet and Trombone and we also launched Drumkit Performance Grades 1-8.

Most of ABRSM's qualifications are formally recognised by the UK qualifications regulators: in England by the Office of Qualifications and Examinations Regulation (Ofqual); in Wales by Qualifications Wales; and in Northern Ireland by Council for the Curriculum, Examinations and Assessment (CCEA Regulation). All our regulated qualifications are listed on Ofqual's Register of Qualifications. The Governing Body is responsible for overseeing ABRSM's compliance with the conditions of recognition as set by the three regulators.

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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Expanding and enhancing the ways we support and assess musical progression  
(continued)**

***UK and Ireland examinations***

During 2024-25 a total of 225,000 (2024: 229,000) assessments were completed for ABRSM's Practical, Performance Grade, Diploma, Theory and Music Medals qualifications in the UK and Ireland, a decrease of 0.9% on the prior year. Assessments completed in Scotland make up 4.4% of the total (2024: 2.5%). In the UK we opened three new centres. There are currently 160 Honorary Local Representatives (HLRs), a slight reduction owing to a project to identify and close centres offering minimal availability. In 2024 HLRs received dedicated Specific Needs information and training, enabling them to better support candidates and examiners.

***International examinations***

During the year a total of 232,000 (2024: 240,000) international assessments were completed for ABRSM's Practical, Performance Grade, Diploma and Theory qualifications, a decrease of 3.3% on the prior year. Internationally we opened new centres in Spain, Portugal, Cyprus, South Africa, Malaysia, Hong Kong, Thailand and USA. Growth territories for practical exams in 2024 included Malaysia (increase of 2,598 candidates), Singapore (increase of 1,655 candidates), India (increase of 1,933 candidates), and the USA (increase of 403 candidates). Four International reps were recruited for Italy North, Italy South, South Korea and Republic of Ireland. These were replacement appointments. In Autumn 2024 we held conferences for all International Representatives for the first time post-pandemic, providing essential updates.

There are currently 575 examiners, of which circa 15% examine only our digital Performance Grades. In 2024 we held five Examiner conferences in the UK and one in Hong Kong. We ran an examiner Mentor Programme in conjunction with Black Lives in Music with members from this group going on to join the examiner team as a drive for greater diversity. In addition, we delivered two UK examiner training courses and one Singapore course for Digital Grade Examiners. Additional training was delivered to selected existing examiners to add Performance and Teaching Diploma examining to their portfolios, along with Drum Kit Performance Grade examining.

An internal audit of the Examiner Quality team's processes was carried out in Summer 2024. This focused on both our customer facing Quality Assurance activities and our Professional Support activities related to our examiners. The outcome was extremely positive with only a small number of low/medium priority recommendations. During 2024, our UK based contact centre responded to circa 120,000 enquiries by phone and email and oversaw multiple customer update mailouts to subscribers.

We successfully migrated to a new proctoring software, Bridge, in April 2024 for Online Theory Grades 1-5. It was a significant cross-organisational effort to migrate platforms resulting in positive impacts in the reduction of customer enquiries and reduction in videos being flagged during proctoring. The global roll-out of our digital certificate solution was completed in August 2024. All customers receive their digital certificates at the same time, irrespective of their location, which directly addresses distribution issues.

During 2024 our project management and delivery focus team successfully delivered a range of projects and supporting activities. The strategic projects they delivered included Diplomas in Performance and Teaching, the global rollout of our Digital certificates' solution, an external quality assurance partnership with Play Virtuoso and an improved Theory on Demand user experience. The team's work led to savings of circa 6,000 hours of manual operational tasks and a 30% increase in specific customer experience improvements.

**Supporting and recognising excellence in music teaching**

ABRSM supports teachers worldwide by developing printed and digital resources that complement our exam focussed books, recordings, apps and videos, and through a range of online and face-to-face events and qualifications.

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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Supporting and recognising excellence in music teaching (continued)**

ABRSM's Teacher Hub continued to be successful, with a relaunch during the year. The relaunch introduced a personalised dashboard, expanded resources, weekly updates, and a series of webinars which have driven platform growth by over 26,000 new users. Key highlights included 1,159 course enrolments; 37 free resources; 8 webinars and 92 presentations delivered to teachers globally and in the UK.

We launched Teaching Diplomas in January 2024 for first assessment in October 2024; these included a brand new ARSM Level 4 as a fully accessible qualification. A key characteristic of these new qualifications is that they are instrument agnostic. The emphasis is now on Music Teaching, and not instrumental/vocal, which widens their appeal considerably.

**Support for learners of music & product development**

2024 was the first full year of our new approach to Product Management, with a renewed focus on embedding a customer-centric mindset across the team, ensuring a consistent and relevant musical voice across everything we do, improving our focus on teacher support and transforming our predominantly print-focused publishing operation into a digital content function.

In 2024, we launched several new products aimed at supporting music learners globally including:

- Drum Kit Performance Grade – a new subject for ABRSM and a first step into the non-classical world of learning and assessment.
- Music Medals – system improvements and redevelopment of the assessment offer. New subjects of Piano, Singing and Ukulele added to the portfolio with redesigned standardisation parameters.
- Piano Syllabus 25 – a new narrative of introducing new genres such as jazz, pop, film and contemporary classical to a historically western classical traditional offer across all grades and Prep Test. Of new pieces added, 40% were of a contemporary genre.
- DJ Levels: 1 & 2 – a new partnership where content was authored by PlayVirtuoso and repurposed for the use of assessment at Levels 1 and 2, linked to online courses accessed via Spotify
- Diplomas in Performance, Teaching and Directing L4-6 – a renewed offer of a 24-year-old product increasing relevance and accessibility, with new lists of repertoires ensuring broader choice
- Harp – renewed syllabus offers with more diverse and inclusive repertoire and a revised approach to the assessment of technical skills
- Development of EQA method of assessment with all associated documentation and CASS (Centre Assessment Standardisation Scrutiny), enabling ABRSM to broaden its assessment reach and scale whilst maintaining standards.
- Redeveloped Open Music Assessment including the addition of accessible instruments including Clarion

In addition, 2024 saw the Music Development team established as a vital function in ensuring ABRSM's music remains relevant, representative, and forward-thinking. Through in-depth consultation, active participation in external conferences, increased visibility, and tangible outputs in our products, we are positioning ABRSM at the forefront of Equity, Diversity, and Inclusion (EDI) developments in music education. This involved:

- Establishing a clear and tangible vision for ABRSM's musical voice and direction: 'For everyone to be able to see themselves in ABRSM's music'
- Comprehensive EDI reporting across 25 syllabuses, steering musical narrative in new products and delivering a reimagined selection process for Woodwind, Harp, Piano, and Jazz 6-8, embedding EDI principles and commitments.
- Diversified composer representation through targeted selection and a new commissioning strategy.

We also introduced Music Minds, our in-house research panel, which gathered 2,377 responses to 24 surveys with 16% of respondents being non-customers in its first year, providing valuable insights into exams, syllabuses, digital products, and teaching methods.

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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Development of published resources & publishing transformation**

Publishing turnover for the year (including intra-group charges) was £7,256,000 (2024: £6,833,000). The Publishing Company results (including intra-group charges) produced a gift aid payment of £319,000 (2024: £807,000) to ABRSM.

This year saw the release of several publications including the following:

Publication date	Title/project	Notes
April 2024	Drum Kit Exam Pieces + audio	Exam Pieces albums and audio for Grades Initial–8 Drum Kit. Audio available on streaming platforms and Tomplay.
June 2024	Piano Exam Pieces + audio, and <i>Teaching Notes</i> , and Practice Partner app, 2025–26	Covering Grades Initial–8, to support new Piano syllabus. Audio tracks for entire syllabus available on all streaming platforms. Digital downloads of sheet music available separately.
June 2024	Piano Prep Test	Renewed content and recalibrated level.
September 2024	Piano Exam Pieces Chinese Edition	Piano Exam Pieces translated into Simplified Chinese, in JV with PMPH (presented at Music China expo)
September 2024	Ukulele Music Medals repertoire albums	Books to support this new subject area in our Music Medals portfolio.
January 2025	Harp Scales and Sight-Reading products	To support Harp syllabus/supporting tests refresh.
January 2025	Singing Music Medals Songbook	Book to support this new subject area in our Music Medals portfolio.
January 2025	Music Theory Sample/Practice Papers and Model Answers	Theory exam preparation for Grades 1–8.

Established in September 2023, the Publishing Transformation business area aims to maximise the value of ABRSM's existing and future assets while optimising the necessary systems and processes. The initial focus has been on developing new consumer and business channels for ABRSM's extensive catalogue of repertoire recordings, licensing ABRSM's syllabuses, sheet music, and audio to third-party digital platforms and services, and enhancing physical, digital, and audio distribution. The initiative also includes reviewing and streamlining data protocols, systems, and processes to ensure seamless asset management and revenue flow.

**Digital products development**

This year has seen significant strides in embedding user experience (UX) as a strategic function, improving cross-departmental collaboration, and fostering systematic innovation. This has included continuing to build our UX expertise, launching a persona hub to shape data driven product decisions, ongoing management of ABRSM's suite of apps across Apple and Google stores including Piano Practice Partner syllabus refresh as part of Piano 2025 and the launch of DJ Qualifications – a new departure into contemporary genres for ABRSM, in collaboration with PlayVirtuoso, available via Spotify and assessed via EQA.

**Audience development including brand, engagement and advocacy**

This year, Business Development has continued to drive growth through strategic international engagement and expansion. We have strengthened our global presence by attending key International school conferences, including The Music and Drama Expo and Music Mark in the UK, as well as FOBISIA, COBIS, and YMOG internationally.

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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Audience development including brand, engagement and advocacy (continued)**

Additionally, we have expanded our team of overseas consultants, with four now supporting our efforts in Southeast Asia and one dedicated to international schools globally. We also successfully launched and ran a piano competition in China, further strengthening our presence in the region and engaging with a wider community of aspiring musicians. This growth enables us to provide tailored support to schools, teachers, and candidates across the regions in which we operate, reinforcing our commitment to excellence in music education worldwide.

ABRSM's website relaunched in October 2023 and in 2024 (January to January) it attracted 12.5 million views, an increase of 77% on the previous year and 5.6m total users, an increase of 156% on 2023. The site currently features minimal localised content for every country in which we operate and responds automatically to each visitor's location in order to provide local exam entry, contact and event information. In 2024-5 following development work, we plan to further enhance this localisation with more content both translated and localised.

Our digital footprint increased across our social channels last year with 6.9m views on our YouTube channel and Facebook followers increasing to 158,816, Instagram to 33,428 and TikTok followers to 2,758. Our reach on these channels far exceeded our followers with at least one IG post exceeding 2m views. Our email engagement continues to be beyond industry benchmarks with an average 52% open rate and 2.90% CTR, 12% of our database contacts are opted in to receive marketing and we currently have 3 automation journeys live.

As we continued the journey of bringing our brand to life we launched *Start Here*, a podcast featuring a range of expert guests discussing a wide variety of musical genres hosted by our Artistic Director, Alexis French. We also launched ABRSM Stage, a YT series of performance videos featuring a range of musical styles and performances.

We also hosted our first annual symposium, *Music the rhythm of our lives*, a panel debate featuring Professor Ian Cross, Dr Hannah Critchlow and Dr Tara Venkatesan to an invited audience at the Royal Institution in London. The panel sought to explore the myriad cognitive and physiological benefits of listening to or playing music and was part of our advocacy work in 2024. This event sat alongside other commissioned articles including Roger Kneebone (Professor of Surgical Education and Engagement Science at Imperial College London on creativity), Michelle James and Barry Farrimond-Chuong, Co-Chairs of the Music Education Council, exploring the role of AI in promoting equity, diversity and inclusion in music education, and Hester Cockcroft, Chief Executive of Young Sounds UK on progress and progression in music and why it's so important.

We have continued to play our part in advocating for the place and purpose of music education. We do this through membership of various forums, through thought leadership pieces and through delivering keynote presentations around the world. In 2024-25, much of this work was underpinned by ABRSM's Making Music research. Charting trends in teaching and learning, this project has a thirty-year history and as such provides incredibly useful longitudinal data to the sector. This research will extend in 2025-26 to take in key international markets giving us the opportunity to interrogate both commonalities and differences in how progression in music is approached around the world.

Following the creation of an Engagement Team to build on and drive forward our philanthropic work, we have given new energy to our strategic partnerships, development programmes for next generation musicians, research projects and advocacy for music education globally.

**Partnerships, sponsorships and donations for the benefit of music education**

ABRSM has undertaken a range of activities and support for the benefit of music education, with funding amounting to £379,000 in the year to 31 January 2025 (2024: £291,000). This includes:

**Partnerships**

In 2024 we established several new strategic partnerships in the UK and key international regions. A new partnership with Music for Youth in support of live performance opportunities for young people across the UK



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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Partnerships, sponsorships and donations for the benefit of music education (continued)**

culminated in the Music for Youth Proms in November, which featured more than 3,000 young musicians performing a new piece by Cassie Kinoshl that we co-commissioned alongside the BBC, Music for Youth and the Royal Albert Hall. In Wales our partnership with National Youth Arts Wales supported music education and the talent pipeline across the country. And in Scotland our new partnership with StAMP saw the launch of a new creative composition project in schools, led by Scotland-based composers, helping to support teachers in schools across Scotland to engage with composition.

We also established key partnerships around the world to strengthen ABRSM's role as a global leader in music education. Our partnership with Music Children Foundation supported young musicians from low-income backgrounds in Hong Kong to access high quality music education and experiences, while our partnership with Hong Kong Virtuoso Chorus supported their work with thousands of young musicians across the territory, including their annual Hong Kong Inter-school Choral Festival, one of the largest choir festivals in Asia. And in Malaysia our partnership with Young Choral Academy supported their large-scale Malaysian Choral Eisteddfod, with more than 4,000 participants from 164 local and international choirs taking part.

We were delighted to play a key role in several high-profile events during the year, including as Principal Supporter for Classically Black, a celebration of Black musicians and music curated and hosted by our partners Black Lives in Music at King's Place in London. As part of our collaboration, we commissioned a new piece of music by Jason Yarde, which was performed on the day by a bespoke ensemble of musicians from the local area. We also continued to support the vital work of the Royal Philharmonic Society and Ivors Academy in championing composers and new music, including through the annual RPS Awards and Ivors Classical Awards.

**Programmes**

With our composer mentoring programme, *Writing for Music Education*, now firmly established within the UK, we launched the programme in Southeast Asia to further expand our support for emerging and early career composers interested in composing music for educational settings. We delivered a two-day workshop at RondoFest in Malaysia, followed by a six-month programme of online sessions and mentoring for eight composers based across Asia.

Following the launch of our inaugural Youth Advisory Board the previous year, 2024 saw the successful completion of its first academic year and recruitment of our second cohort of young musicians aged between 10 and 25.

Available to non-UK organisations and projects and managed by our partners The Commonwealth Resounds, our Play On fund supported eight organisations and their projects in 2024, including a composition summer school in the Caribbean, a music therapy project in Guatemala and a marimba hub programme in South Africa, among others.

**Other activities**

ABRSM supports a range of organisations internationally and within the UK. One recipient is Open Up Music - whose mission is to open up music to young disabled musicians. They note that "The impact of [ABRSM's] support has been tremendous. Together, we have created a more equitable and accessible space for young disabled musicians to thrive and pursue their passion."

Our exam discount scheme, managed by Music Mark, continues to gain traction among the UK's network of music services and hubs, following a successful two-year pilot. We continue to promote the scheme and explore ways to improve its administration as we look to reach more people facing financial barriers to progression in music.

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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Supporting new generations of musicians in alliance with our four Royal Schools of Music**

During the year ABRSM made distributions to the four Royal Schools of Music, totalling £4m. Our distributions support the Royal Schools in offering their own unique programmes to aspiring professional musicians of the future, helping to sustain an international musical community.

Our programme of valuable scholarships is an important element in fulfilling our mission to enrich lives by inspiring musical achievement. ABRSM maintained scholarships for UK-based and international students of the Royal Academy of Music, the Royal College of Music, the Royal Northern College of Music and the Royal Conservatoire of Scotland, and also at the Royal Welsh College of Music and Drama and the Hong Kong Academy of Performing Arts. A total of 82 (2024: 87) scholars benefited from ABRSM funding during the year.

An ABRSM scholarship is an award that is valued highly and is significant in nurturing new generations of talented musicians. Scholarships awarded totalled £1,258,000 (2024: £1,379,000). Students who benefited during the year included:

**Royal Academy of Music**

Norwegian Baritone Aksel Rykkvin is currently undertaking the third year of his undergraduate studies under Prof. Mark Wildman at the Royal Academy of Music, with the generous support of ABRSM. Aksel received several accolades in 2023 and 2024, including third place in the Joan Chissell/Rex Stephens Schumann Lieder Prize, Second Prize and the Song Prize at the Kathleen Ferrier Society Bursary for Young Singers, and Most Promising Young Singer at the Somerset Song Prize. Aksel and duo partner pianist Zany Denyer were 'Leeds Lieder Young Artists' in 2024. At Christian Gerhaher and Gerold Huber's Lied festival in 2023, *Neue Zürcher Zeitung* praised his 'voice as beautiful as blood and milk' and Deutschlandfunk radio commended his 'extremely clear diction'. In August 2024, Aksel will re-visit Oslo Chamber Music Festival for two concerts.

**Royal College of Music**

Deniz Sensoy has enjoyed a year filled with extraordinary performance opportunities across the globe. As a member of LGT Young Soloists, she has performed at world-renowned venues in Germany, Austria, Switzerland, Hong Kong, Thailand, Singapore, Australia, and the United States. Her achievements at the RCM have been equally impressive. She won second prize in the RCM Concerto Competition and performed Bruch's *Violin Concerto No. 1* with the RCM Symphony Orchestra under the baton of Martyn Brabbins. She has recorded Sarasate's *Gypsy Airs* as a soloist with a chamber orchestra, with the release set for spring 2025. Deniz was invited to perform at the Klosters Christmas Concerts, directed by Stephen Johns, and played Vivaldi's *Four Seasons* with the Orchestra of St John's at Dorchester Abbey in January. In addition, as a London Symphony Orchestra scholar, she participated in a concert at the Serpentine Gallery. Her chamber ensemble, Flora Quartet, has also had a remarkable year, performing as part of the Intermezzo Concerts series at the New North London Synagogue. The quartet was recently selected as a Britten Pears Young Artist ensemble, and they are currently undertaking a two-week residency at Snape Maltings, receiving coaching from John Myerscough of the Doric String Quartet and performing at Jubilee Hall and the Britten Studio. Deniz's year has been filled with extraordinary growth and invaluable experiences, all made possible through the generosity of ABRSM.

**Royal Northern College of Music**

Tako Tkabladze is part way through her second year of undergraduate study and is immersed in RNCM life. She led the Autumn RNCM Opera (Chabrier's 'L'etoile') with finesse in the violin solos and a great sense of the responsibilities of the leader's role. Her string quartet, the Emerz Quartet have been active in coaching, masterclasses and concert performances. As a solo violinist, Tako was selected to play in a masterclass for the RNCM Strings Festival with visiting artist, Simone Lamsma, and also reached the finals of the RNCM Concerto Competition with the Britten Violin Concerto. It is rare for a second-year student to reach this stage and a clear testament to her talent and potential.

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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Supporting new generations of musicians in alliance with our four Royal Schools of Music (continued)**

**Royal Conservatoire of Scotland**

Valentin Danisevicius has grown a lot as a performer, confidently carrying his first solo concert programme through his 1<sup>st</sup> year of Master and giving multiple performances in Scotland - notably at the Ullapool Guitar Festival - and in France. Since the start of his 2<sup>nd</sup> year, he has been expanding his repertoire by preparing an ambitious concerto for guitar and developing a new guitar duo. He also set up his professional website and is currently developing mindfulness workshops for musicians on the side. His progress has been noted by both his teachers at RCS, and they have commended him for his commitment and work ethic.

**Prize Funds**

The charity's endowment funds are restricted to specific purposes related to progression and accomplishment in music education, and to provide individual prizes for musical achievement in ABRSM's examinations. All funds have been donated to the charity, in many cases as legacies. The majority are based in the UK. All investments have been acquired in accordance with the powers available to the Governors.

**Fundraising**

The organisation does not engage in fundraising activities. Its income is derived from music examination fees and from sales of associated publications.

**Protecting the planet for future generations**

We recognise a climate emergency is happening. As a global organisation bringing musical achievement to a young audience, we have committed to engage our staff and the wider ABRSM community to protect the planet for future generations. We are adapting our activities to reduce our impact on the environment. Our long-term goal is to cut our GHG emissions in half by 2030 and reduce them to net zero by 2050, tracking the aims of the Paris Agreement on global temperature rise.

We are changing the way we do things to improve our environmental impact. Of all our activities, international travel produces the highest emissions, and we continue to plan international tours carefully to minimise their impact. Digital Certificates by default were fully rolled out in 2024. During the financial year, we had 71,000 printed certificates ordered, which included certificates relating to past exams that took place before the current financial period. Overtime we expect this to reduce. We monitor our carbon footprint through bi-annual audits of our core business and publishing supply chain.

**Diversity and Inclusion**

Our Diversity and Inclusion Plan is based on a definition of diversity and inclusion that promotes opportunity for everyone regardless of disability, age, sexual orientation, gender or ethnicity.

There are five areas for action within our Diversity and Inclusion Plan, each of which has the explicit goal of broadening the music we promote, commission, and publish to recognise the richness of diverse music and our global identity, to acknowledge cultural diversity, and composers from every part of society.

Our five areas for action are:

1. An active commissioning programme
2. Transforming syllabuses
3. A mentorship and development programme for composers
4. Developing partnerships and advocacy
5. Transforming our organisation

We have detailed work undertaken in the last year against these action areas in the pages above as this work is interwoven into every aspect of our organisation.



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## **FINANCIAL REVIEW**

The consolidated statement of financial activities is given on page 27 of the accounts.

Total turnover of ABRSM and its UK subsidiary from examinations, publications, teacher support and investment income for the year amounted to £50,899,000 (2024: £48,890,000). The increase in turnover mainly arises from increased exam income from candidates for our assessments, both in the UK and internationally. Turnover for our Publishing subsidiary also increased to £7,256,000 (2024: 6,833,000).

Net income for the year was £4,859,000 (2024: £6,973,000). The performance of the publishing company is set out in note 6 to the accounts. The net income is stated after charging £1,867,000 (2024: £2,079,000) of amortisation costs in line with ABRSM's policy regarding the capitalisation of software development costs (note 2h). This amortisation relates to continuing development of our CRM system.

Increased cash receipts and higher interest rates have allowed us to increase the level of cash held on deposit to £26,079,000 (2024: £22,300,000). This is held in various accounts with different maturity dates to maximise returns whilst still allowing flexibility.

The level of creditors due within one year has increased to £11,647,000 (2024: £10,298,000). The total amount due to our International Representatives at the year-end has increased to £2,681,000 (2024: £2,561,000), due to increased revenue in territory.

The risks associated with our pension fund are well managed, with repayments being made under the deficit recovery plan. Although the defined benefit scheme valuation as at 31 January 2025 shows a surplus of £2.0m, in accordance with FRS102 and IFRIC14, the surplus has been capped at £0 and not recognised on the balance sheet (2024: £1,796,000).

### **Going Concern**

The strong performance of the Group during the year ended 31 January 2025 has provided a firm foundation for the forthcoming year.

A budget has been set for the following year which shows the Group generating a surplus for the year. Reforecasts to the end of June 2026 have also been prepared based on actual performance in the year to April 2025 and including adjustments for any known future changes in performance or costs, for example the changing global prices for energy and raw materials such as paper. High level assumptions have been modelled to assess scenarios that may arise if there was a downturn in activity. In both the base reforecast and modelled scenarios, it is expected that the Group will continue with net positive current assets and total assets, along with sufficient positive cash balances.

The charity has the resources to allow it to continue to invest in its digital programme to meet the changing customer needs.

The Governors therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

### **Investment Selection Policy and Performance**

On the incorporation of the Associated Board in 1985, it was decided that the publishing business of ABRSM should be transferred to a wholly owned subsidiary, The Associated Board of the Royal Schools of Music (Publishing) Limited. This company granted an unsecured loan note to ABRSM as consideration for the transfer of the publishing business. ABRSM receives interest on this loan note at 2% above the bank base rate. Additionally, the subsidiary company pays royalties to ABRSM on copyrights owned by ABRSM. Finally, it donates its taxable profits to ABRSM under a deed of covenant, which amounted to £319,000 (2024: £807,000). This is a long-term investment held for the benefit of ABRSM and integrated within ABRSM's operations utilising the intellectual property contained in ABRSM's syllabus listings, which are periodically refreshed.

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**FINANCIAL REVIEW (continued)**

**Investment Selection Policy and Performance (continued)**

ABRSM occasionally receives sums of money to provide for prizes for candidates performing well in its examinations. In order to maintain the real value of these gifts it invests a significant proportion of the Prize Endowment Funds in Blackrock Charities UK Bond and Equity Common Investment Funds. At 31 January 2025 these had a cost of £879,000 and a market valuation of £1,810,000 (2024: £879,000 and £1,666,000 respectively), reflecting an increase in market value of 8.6% from the prior year, (2024: net increase of 5.8%).

All other surplus liquid funds held by ABRSM are placed on deposit to safeguard the funds involved and to earn interest until such time as they are needed to meet the expenditure involved in ABRSM's operations. The interest earned on these deposits during the year was £1,216,000 (2024: £837,000).

**Principal Risks and Uncertainties**

The Governing Body is responsible for the assessment and control of the risks faced by ABRSM. Consideration of risks is delegated to the Audit and Risk Committee and managed on a day-to-day basis by senior staff. The Governors believe that awareness of the key risks is the single most important element in ensuring that they are controlled. Risks are identified, assessed and controls maintained throughout the year, with a formal review of ABRSM's risk management processes undertaken on an annual basis.

In addition to the risk management and mitigation actions identified in the table below, ABRSM uses the following controls to manage risk:

- formal agendas and minutes for all Governing Body and committee activity;
- clear terms of reference for all committees – Finance & Business Development Committee, Audit & Risk Committee, Remuneration Committee, Nominations Committee and the Music Education Advisory Committee;
- a rolling programme of internal audit
- comprehensive strategic planning, forecasting, budgeting, management accounting and variance analysis;
- an established governance and organisational structure with clear lines of reporting;
- formal written policies, including staff policies readily accessible to all staff;
- hierarchical authorisation and approval levels; and
- review of cashflow forecasts

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**FINANCIAL REVIEW (continued)**

**Principal Risks and Uncertainties (continued)**

In addition to the significant business and financial risks which, together with the mitigating actions are referred to in the Financial Review, key risks affecting the charity include:

<b>Risks</b> <b>What are the key risks facing ABRSM?</b>	<b>Management and mitigation</b> <b>What is ABRSM doing to reduce the likelihood or minimise the impact of these risks occurring?</b>
Cyber-attack, major incident or technology failure leading to loss of data and business interruption	<p>Cyber Security simulation by an external consultant to inform updates to our Business Continuity and Disaster Recovery plans</p> <p>Cyber Essentials Plus Accreditation and external review of systems</p> <p>Mandatory Security training for all staff</p> <p>Testing, scanning and phishing strategy</p> <p>Multifactor Authentication for remote access</p> <p>Automatic 3rd party security patch management</p> <p>Advanced Firewall security</p> <p>Support contract with PwC</p> <p>Designated security roles and responsibilities</p>
Changes to educational policy and changes in social attitudes lead to a decline in suitably skilled music teachers and the population of learners who can and want to make music	<p>Involvement of ABRSM's voice in the policy debate</p> <p>Supporting the Department of Education Progression Fund</p> <p>Grants and partnerships with community music hubs and centres of excellence</p> <p>Making Music longitudinal research and publication</p> <p>Scholarships and donations</p> <p>Brand messaging and PR</p> <p>Diversification of music genres in syllabuses</p> <p>Teacher Hub community and CPD programmes and resources</p>
Failure to innovate and move into new market segments, leading to ABRSM products and services becoming less attractive and relevant to the market	<p>Customer and audience insight and engagement</p> <p>Communications strategy</p> <p>Sales and marketing strategy</p> <p>Product development</p>

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**FINANCIAL REVIEW (continued)**

**THE ABRSM PENSION AND LIFE ASSURANCE SCHEME (THE SCHEME)**

ABRSM operates a defined benefit pension scheme which closed to future accrual on 31 December 2018. The notional surplus that can be recognised, or deficit on the funding of the Scheme, calculated annually under this standard, is shown in the financial statements as a designated fund entitled "Pension Reserve". This is deducted from Unrestricted Funds in the balance sheet.

The approximate actuarial valuation carried out at 31 January 2025, as required by FRS 102, represents the market value of the assets of the Scheme as £40.4 million and the value of the liabilities at that date as £38.4 million (2024: £40.3 million and £42.1 million). The net surplus on the Scheme of £2.0 million (2024: deficit of £1.8 million) is a statement of the transient situation as at 31 January 2025. Both the Governors and the Trustees of the pension scheme recognise that such valuations can move significantly in response to market factors and the actuarial assumptions made. Although the defined benefit scheme valuation as at 31 January 2025 shows a surplus of £2.0m, the Charity has no unconditional right to a refund or reduction in future contributions. In accordance with FRS102 and IFRIC14, the surplus has been capped at £0 and not recognised on the balance sheet.

The Governors recognise that the funding position arising under FRS 102 does not have a significant immediate cash-flow impact on the charity as contributions are agreed with the Pension scheme Trustees every three years. The last triennial actuarial valuation was prepared as at 31 December 2021 and showed a deficit of £12.3 million. The Scheme closed to future accrual from 31 December 2018 and had already closed to new entrants, with certain limited exceptions, on 1 February 2014.

A new deficit recovery plan was agreed by the Pension scheme Trustees in 2022. Under the plan, the Employer agreed to pay deficit reduction contributions of £2.75m per annum for a period of 3 years and 4 months from 1 January 2023 to 30 April 2026. The Employer also agreed to pay all costs associated with running the Scheme and to take over responsibility for Life Assurance arrangements with effect from 1 February 2019. The Scheme is undergoing a triannual actuarial valuation as at 31 December 2024 and discussions are taking place to agree a revised contribution schedule.

**RESERVES**

Our reserves comprise unrestricted funds and endowment funds. The endowed funds result from donations and legacies which can only be applied for a purpose specified by the donor and are not available for general purposes. These funds are used to award prizes to examination candidates in accordance with the criteria specified by the donor. Endowed funds total £1.9m at 31 January 2025 (notes 2t, 5 and 24).

The unrestricted funds represent the accumulated surpluses generated from general business activities and are funds that are available for use at the discretion of the Governors. They comprise the fixed assets fund, designated funds and general funds (note 24).

**Fixed Assets Fund**

The fixed assets fund totals £4.1m (2024: £4.6m) at 31 January 2025 (note 24) and comprises the funds invested in fixed assets that the Governors consider essential in enabling us to implement effectively our operational strategy. The fund represents the net book value of tangible and intangible fixed assets. The intangible assets arise from investment in our digital transformation programme.

**Designated Funds**

Designated funds are funds that the Governors have earmarked for specific purposes. As at 1 February 2024 £3.4m was designated for the digital transformation programme, and a net movement of £500k removed from this fund during 2024. During the year, £1.2m was expended from the fund on the CRM and the new Finance system, Unit4

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**FINANCIAL REVIEW (continued)**

**RESERVES (continued)**

ERPx, leaving £1.7m remaining at 31 January 2025 to be used for ongoing digital transformation and international development. The £1m designated for examiner costs last year has been increased to £1.3m at 31 January 2025.

**General Funds**

In accordance with Charity Commission guidance, the Governors set a target for the level of free reserves, or general funds, that we should maintain to ensure our financial security and funding of our business plan. Free reserves or general funds are defined as total unrestricted funds less fixed assets and designated funds. Since many of ABRSM's costs are directly related to the number of examinations held, it is ABRSM's aim to have sufficient liquid resources and cash balances so that, in the event of a downturn in the demand for its services, its operating costs, excluding costs directly relating to activity (e.g. examiner fees and venue hire), would be met for a period of six months, plus any outstanding liabilities. During this period, other actions to mitigate loss would be implemented. This implies the need for a level of free reserves of £14.7m (2024: £13.2m). As the Charity is wholly reliant on global trading conditions to generate income, the Governors consider that six months represents a realistic and prudent position.

General funds stand at £18.4m at 31 January 2025. This is an increase of £3.8m on the prior year (2024: £14.6m) and is £3.7m above the minimum level of general reserves set out in the preceding paragraph (2024: £1.4m). This enables the charity to continue to invest in our business development and product development, and to meet the objectives outlined in the 5-year corporate strategy.

The pension liability represents the present value of the pension liabilities less the fair value of the pension scheme assets (to the extent that the assets can be recognised under accounting requirements for the recognition of surpluses), calculated in accordance with FRS 102 (note 31) and does not imply a significant constraint over the use of reserves for the foreseeable future other than to ensure monthly contributions are budgeted for and met.

**PLANS FOR FUTURE PERIODS**

**General objectives**

ABRSM will continue to conduct its operations to the highest standards, including all forms of online assessment, recognising that integrity and impartiality are fundamental to ABRSM's continuing success. All developments are evaluated for financial viability to ensure sound cost and budgetary controls and to enable ABRSM to maximise its contribution to music education. ABRSM will continue to use its influence in promoting music education generally, in accordance with its charitable mission and will continue to take steps to protect our environment by operating in ways that reduce our carbon footprint.

**Short term objectives:**

Our areas of focus in 2025 are:

- Developing our presence and deliver growth in key international regions
- Evolving our music education and charitable identity
- Developing relationships and services with institutional customers and partners
- Growing our products and services, portfolio and reach
- Enabling and supporting our people and infrastructure

**Long Term Plans:**

During 2021, ABRSM developed and implemented a new 5-year corporate strategy centred around our ongoing mission to enrich lives by inspiring musical achievement around the world. A focus on the needs of our customers is at the core of our strategy, which is also guided by five key themes; educational excellence; collaboration; leadership and advocacy; equality, diversity and inclusion; and sustainability. As we come to the end of this 5-year strategy we are in the process of developing our next 5-year plan. The core of our strategy will continue to focus on advocating for music education, supporting teachers and learners, contributing to educational excellence, continuing to grow our reach and engagement and inspiring people around the world to live a life with music.

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## **PUBLIC BENEFIT**

The Governors have considered the guidance on Public Benefit published by the Charity Commission. The Governors believe that increasing the skills, knowledge and understanding of music provides benefit since the subject itself is of educational merit. Additionally, they also believe that the processes involved in reaching the particular level of competence tested in one of ABRSM's assessments deliver educational value of themselves. The benefits of increased musical skill are directly related to the charity's aims and no detriment or harm is considered likely to arise from these activities.

The Governors consider the beneficiaries to be a very wide range of people, insofar as the assessments offered by ABRSM are taken up in over 90 different countries throughout the world with many thousands of candidates both in the UK and worldwide. There is no age limit for those entering exams although the vast majority of the candidates are of school age. Comprehensive access arrangements are in place to meet a wide range of needs.

A number of exam fees charged internationally are based on local economic conditions and in the UK, we operate an exam discount scheme. Some of ABRSM's online resources, such as Classroom 200 are available at no charge internationally. ABRSM will continue to support these innovative educational tools and develop additional online tools to support music education. ABRSM also provides public benefit by funding scholarships and bursaries for students at four Royal Schools of Music. Additionally, ABRSM provides sponsorship for other musical organisations in the UK and internationally subject to the availability of funds.

ABRSM supports the Royal Academy of Music, the Royal College of Music, the Royal Northern College of Music and the Royal Conservatoire of Scotland, which are charities in their own right. It does this through the provision of scholarships and, where possible, through distributions in the form of donations. It also supports the Royal Welsh College of Music and Drama and the Hong Kong Academy of Performing Arts. The public benefit delivered by ABRSM's support for these and other music education organisations is set out on pages 9 to 12.

The Governing Body's Report (Incorporating the Strategic Report) demonstrates the way in which ABRSM's strategies support its objectives and provide public benefit.

## **ENVIRONMENTAL IMPACT**

ABRSM is committed to protecting our environment by increasingly operating in ways that reduce our carbon footprint, harnessing technological developments to reach learners around the world.

In compliance with the Streamlined Energy and Carbon Reporting (SECR) requirements ABRSM is reporting on our energy use. ABRSM's total UK energy use and greenhouse gas emissions due to UK energy use is shown below:

	Year ended 31 January 2025	Year ended 31 January 2024
UK energy use (kWh)	706,479	876,452
Associated greenhouse gas emissions (kg CO2 equivalent)	154,933	193,442
Intensity ratio: Emissions (kg CO2 equivalent) per examination	0.34	0.41

The energy and emissions reported above arise from our office at 4 London Wall Place and car fuel. Information regarding our office is derived from information provided by our energy supplier who provided electricity and heating/cooling from a local combined heat and power facility. The amount of car fuel used is based on claims from staff and examiners.

The fit out of 4 London Wall Place achieved the Bronze standard SKA rating; lighting is controlled by infrared sensors and the heating and cooling system is timetabled.

Using 2022 and 2023 data we completed a carbon audit of the full scope of ABRSM's activities, including our print publishing supply chain. We have also completely rolled out Digital Certificates by default with an option to purchase a printed certificate.



**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
GOVERNING BODY'S REPORT (INCORPORATING THE STRATEGIC REPORT)  
(CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2025**

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**ENVIRONMENTAL IMPACT (CONTINUED)**

The delivery of Practical and Theory exams in the UK and around the world contributes most significantly to the group's environmental impact. Examiner international tours for practical exams are organised efficiently to reduce air travel to the minimum possible and emissions are monitored. We continue to carefully plan international tours and the deployment of locally based examiners to remain on target.

Our digital examinations offering of Performance Grades and Online Theory remain popular since their launch in 2020. As examiners do not need to travel for these examinations, our energy use and associated emissions are reduced compared with traditional face to face examinations.

The introduction of automated booking, processing and marking of examinations in 2021 supplanted previous paper-based processes and significantly reduced paper consumption. However, in common with other businesses who have moved their operations online, we are aware that the increased use of technology brings with it increased energy use by our staff, examiners, teachers and learners in the operation of their electronic devices.

Our published books and resources are made from sustainable sources.

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
GOVERNING BODY'S REPORT (INCORPORATING THE STRATEGIC REPORT)  
(CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2025**

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**SECTION 172(1) STATEMENT**

This section, together with those pages incorporated by reference, acts as the ABRSM's Section 172(1) statement.

The Governors have a responsibility to act to promote the success of the group with regard to the following matters (amongst others):

- The likely consequences of any decision in the long term - Page 4 details how plans are prepared and updated.
- The impact of the company's operations on the community and the environment are set out on Pages 18 to 19.
- The desirability of the company maintaining a reputation for high standards of business conduct: ABRSM is regulated by Ofqual, the Charity Commission and the Office of the Scottish Charity Regulator (OSCR) and faces competition in the markets in which it operates and therefore must ensure that it maintains the highest standards consistent with its reputation and history.
- The need to act fairly as between members of the company: Representatives of each of the four members sit as Governors on the Governing Body, thus each member has the opportunity to be fully engaged in the decisions of the Governing Body.

The Governors recognise that in addition to ABRSM's members, they have a responsibility to engage with other stakeholders. The Governors consider other main stakeholders to be candidates and their parents, music teachers, examiners, representatives, volunteers and employees. The Governors engage with these stakeholders via the senior leadership in a variety of ways as follows:

- Candidates and their parents - We engage customers through emails and social media and maintain information on upcoming exam sessions and new products and services on the website. We run regular surveys to seek customer feedback.
- Music teachers - In addition to our communication channels for candidates and their parents, ABRSM provides separate resources on its website to support teachers. Specialist courses and events are regularly held for teachers.
- Examiners - A dedicated team engage examiners in policy and other continuous professional development events, as well as town hall style discussions. Examiner online conferences are also held annually, allowing examiners to engage with their peers and ABRSM. At 31 January 2025, ABRSM had 521 UK based examiners, and 66 overseas based examiners.
- Representatives and volunteers - Contact is maintained through a dedicated ABRSM team and newsletters, training events and webinars. These include the following roles:
  - Honorary Local Representatives (HLRs) are the local community volunteer from ABRSM. They help to organise exam venues, welcome people to face-to-face exams, assist with invigilating and providing candidates with a positive exam experience. HLRs are based in the UK. As at 31 January 2025, ABRSM had 160 HLRs.
  - Local representatives (LRs) assist in the delivery of ABRSM live and remote assessments and products and provide customer support and an official point of customer service contact locally; as appropriate and within an agreed Country or territory, for all related ABRSM products. In addition, they will provide knowledge on local music activities, music exams and ABRSM customer's service provision locally. As at 31 January 2025, ABRSM had 115 LRs.
  - Regional Development Executives (RDEs) are executives responsible for growing sales and managing key accounts. They are based in their region and regularly meet with customers both current and potential. As at 31 January 2025, ABRSM had 7 RDEs - 2 employees based in the UK, and 5 consultants overseas.



**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
GOVERNING BODY'S REPORT (INCORPORATING THE STRATEGIC REPORT)  
(CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2025**

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**SECTION 172(1) STATEMENT (CONTINUED)**

- **Employees** - The staff forum meets each week to discuss matters directly affecting staff. This group meets with the Chief Executive and HR director on a quarterly basis to provide feedback. An all-staff meeting is held quarterly, to allow the senior leadership and others to provide an update on ongoing projects and current issues that affect them and ABRSM.

The Governing Body's Report (incorporating the Strategic Report) has been approved by the Governors on 25 June 2025 and signed on their behalf by:



**Tony Hales CBE**  
Chairman of the Governors

## **THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**

### **STATEMENT OF THE GOVERNING BODY'S RESPONSIBILITIES**

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The Governors (who are also directors of The Associated Board of the Royal Schools of Music for the purposes of company law) are responsible for preparing the Governing Body's Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under that law the Governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. The Governors are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors confirm that:

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNORS OF THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**

**REGISTERED CHARITY NUMBER: 292182**

**CHARITY REGISTERED IN SCOTLAND NUMBER: SC043343**

**COMPANY NUMBER: 01926395**

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## **Opinion**

We have audited the financial statements of the Associated Board of the Royal Schools of Music ('the charitable company') and its subsidiary ('the group') for the year ended 31 January 2025 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 January 2025 and of the group's and the charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company and the group 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 governor's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group'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 governors with respect to going concern are described in the relevant sections of this report.

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

## **Other Information**

The governors 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNORS OF  
THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
(CONTINUED)**

**REGISTERED CHARITY NUMBER: 292182**

**CHARITY REGISTERED IN SCOTLAND NUMBER: SC043343**

**COMPANY NUMBER: 01926395**

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**Other information (continued)**

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

**Responsibilities of Governors**

As explained more fully in the Statement of the Governing Body's Responsibilities set out on page 22, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors 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 governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNORS OF THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC (CONTINUED)**

**REGISTERED CHARITY NUMBER: 292182**

**CHARITY REGISTERED IN SCOTLAND NUMBER: SCO43343  
01926395**

**COMPANY NUMBER:**

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors 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 estimation of overseas tax provisions and defined benefit pension liability, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk 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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNORS OF  
THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
(CONTINUED)**

**REGISTERED CHARITY NUMBER: 292182**

**CHARITY REGISTERED IN SCOTLAND NUMBER: SCO43343**

**COMPANY NUMBER: 01926395**

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**Extent to which the audit was considered capable of detecting irregularities, including fraud  
(continued)**

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's governors, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's governors as a body, for our audit work, for this report, or for the opinions we have formed.

*N. Hashemi*

Naziar Hashemi  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
London

Date: 3 July 2025

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

	Notes	Unrestricted Funds £'000	Pension Reserve (note 31) £'000	Endowment Funds £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
<b>INCOME &amp; ENDOWMENTS FROM:</b>						
Charitable activities						
Examinations	3	42,118	-	-	42,118	41,098
Teacher Support	4	25	-	-	25	14
Other trading activities:						
Publishing sales	6	7,245	-	-	7,245	6,829
Investments	5	1,216	-	64	1,280	895
Other		231	-	-	231	54
<b>Total income</b>		<b>50,835</b>	<b>-</b>	<b>64</b>	<b>50,899</b>	<b>48,890</b>
<b>EXPENDITURE ON:</b>						
Charitable Activities						
Examinations	7	36,149	(2,749)	3	33,403	32,023
Teacher Support	7	491	(1)	-	490	441
Scholarships	7,9	1,258	-	-	1,258	1,379
Music education	7,10	4,378	-	-	4,378	2,291
Other trading activities:						
Publishing	7	6,634	-	-	6,634	5,666
		<b>48,910</b>	<b>(2,750)</b>	<b>3</b>	<b>46,163</b>	<b>41,800</b>
<b>Pension finance charge</b>	<b>7</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>21</b>	<b>109</b>
<b>Total expenditure</b>	<b>7</b>	<b>48,910</b>	<b>(2,729)</b>	<b>3</b>	<b>46,184</b>	<b>41,909</b>
<b>Net gain/(loss) on investment</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>144</b>	<b>144</b>	<b>(8)</b>
<b>Net income/(expenditure)</b>		<b>1,925</b>	<b>2,729</b>	<b>205</b>	<b>4,859</b>	<b>6,973</b>
<b>Other recognised gains/(losses):</b>						
Actuarial (loss)/gain on pension scheme	31	-	1,095	-	1,095	-
Asset Ceiling		-	(2,028)	-	(2,028)	(639)
						<b>-</b>
<b>Net movement in funds</b>		<b>1,925</b>	<b>1,796</b>	<b>205</b>	<b>3,926</b>	<b>6,334</b>
<b>RECONCILIATION OF FUNDS:</b>						
Balance brought forward		23,574	(1,796)	1,724	23,502	17,168
Net movement in funds		1,925	1,796	205	3,926	6,334
<b>Fund balances carried forward, including pension reserve</b>	<b>23,24</b>	<b>25,499</b>	<b>-</b>	<b>1,929</b>	<b>27,428</b>	<b>23,502</b>

For Companies Act purposes, consolidated gross income for the financial year was £50,835,000 (2024: £48,832,000), consolidated gross expenditure was £46,181,000 (2024: £41,892,000) and net profit was £4,654,000 (2024: £6,940,000).

All income is derived from continuing operations

The notes on pages 30 to 63 form part of these accounts

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**BALANCE SHEETS**  
**AS AT 31 JANUARY 2025**

		Group		Charity	
	Notes	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>FIXED ASSETS</b>					
Tangible assets	14	1,103	1,255	1,103	1,255
Intangible assets	15	2,990	3,349	2,990	3,349
Investments	16	1,810	1,666	2,592	2,448
		<u>5,903</u>	<u>6,270</u>	<u>6,685</u>	<u>7,052</u>
<b>CURRENT ASSETS</b>					
Stocks	17	710	704	-	-
Debtors	18	2,993	3,724	5,632	5,321
Investments	19	26,079	22,300	23,079	20,550
Cash at bank and in hand		5,599	5,296	5,250	4,704
		<u>35,381</u>	<u>32,024</u>	<u>33,961</u>	<u>30,575</u>
<b>CREDITORS: amounts falling due within one year</b>	20	<u>(11,647)</u>	<u>(10,298)</u>	<u>(11,017)</u>	<u>(9,640)</u>
<b>NET CURRENT ASSETS</b>		<u>23,734</u>	<u>21,726</u>	<u>22,944</u>	<u>20,935</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>29,637</b>	<b>27,996</b>	<b>29,629</b>	<b>27,987</b>
<b>CREDITORS: amounts falling due after more than one year</b>					
	21	(578)	(561)	(578)	(561)
<b>PROVISIONS</b>	22	<u>(1,631)</u>	<u>(2,137)</u>	<u>(1,631)</u>	<u>(2,137)</u>
<b>NET ASSETS EXCLUDING PENSION LIABILITIES</b>		<b>27,428</b>	<b>25,298</b>	<b>27,420</b>	<b>25,289</b>
<b>PENSION FUND DEFICIT</b>	31	<u>-</u>	<u>(1,796)</u>	<u>-</u>	<u>(1,796)</u>
<b>TOTAL NET ASSETS</b>		<u><b>27,428</b></u>	<u><b>23,502</b></u>	<u><b>27,420</b></u>	<u><b>23,493</b></u>
<b>THE FUNDS OF THE GROUP/CHARITY:</b>					
Endowment funds	23	1,929	1,724	1,929	1,724
Unrestricted funds	24	25,499	23,574	25,491	23,565
Pension reserve	31	-	(1,796)	-	(1,796)
<b>TOTAL FUNDS</b>	25	<u><b>27,428</b></u>	<u><b>23,502</b></u>	<u><b>27,420</b></u>	<u><b>23,493</b></u>

The net income of the charity for the year was £4,860,000 (2024: £6,974,000)

Approved by the Governing Body on 25 June 2025.

Tony Hales CBE  
Chairman of the Governors

*Tony Hales*

Registered Charity Number 292182  
Charity Registered in Scotland Number SC043343  
Company Number 01926395

The notes on pages 30 to 63 form part of these accounts



**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

	Notes	2025 £'000	2024 £'000
<b>Cash flows from operating activities</b>	<b>26</b>	<b>4,631</b>	<b>7,635</b>
<b>Cash flows from investing activities</b>			
Interest income	5	1,280	895
Purchases of fixed assets	14,15	(1,829)	(2,086)
Purchase of fixed asset investments		-	(100)
Purchase of current asset investments (with maturity greater than 3 months)		750	(9,750)
<b>Net cash from / (used) in investing activities</b>		<b>201</b>	<b>(11,041)</b>
<b>Cash flows from financing activities</b>			
New finance lease obligations		-	-
Repayment of finance lease obligations		-	(33)
<b>Net cash used in financing activities</b>		<b>-</b>	<b>(33)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>4,832</b>	<b>(3,439)</b>
<b>Cash and cash equivalents at 1 February 2024</b>		<b>10,846</b>	<b>14,285</b>
<b>Cash and cash equivalents at 31 January 2025</b>	<b>27</b>	<b>15,678</b>	<b>10,846</b>
<b>Analysis of cash and cash equivalents:</b>			
Cash in bank and in hand		5,599	5,296
Deposits and notice accounts (less than 3 months)		10,079	5,550
<b>Total cash and cash equivalents</b>	<b>27</b>	<b>15,678</b>	<b>10,846</b>

The notes on pages 30 to 63 form part of these accounts

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

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**1. COMPANY INFORMATION**

ABRSM is a charitable company incorporated in England and Wales with registration number 01926395. Its registered office is 4 London Wall Place, London, EC2Y 5AU.

**2. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation in the preparation of the financial statements are as follows:

**a) Basis of preparation**

The financial statements have been prepared in accordance with the current Statement of Recommended Practice "Accounting and Reporting by Charities" (the Charities SORP (FRS 102) issued in October 2019, the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The presentational and functional currency is Sterling (£).

ABRSM meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at market value.

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made are listed below:

Significant judgements or estimates	Policy reference	Note reference
The following are considered to be significant estimates in the preparation of the financial statements:		
Amortisation	I	15
Tax Provision	U	22
Scholarships commitments	I	28
Defined Benefit Pension Scheme	J	31

Explanations of the estimates relating to the above items are given in the relevant policy.

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**b) Going Concern**

The strong performance of the Group during the year ended 31 January 2025 has provided a firm foundation for the forthcoming year.

A budget has been set for the following year which shows the Group generating a surplus for the year. A forecast to the end of December 2026 has also been prepared. Under this reforecast, it is expected that the Group will continue with net positive current assets and total assets, along with sufficient positive cash balances.

The charity has the resources to allow it to continue to invest in its digital programme to meet the changing customer needs.

The Governing Body members therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

**c) Group financial statements**

The consolidated accounts incorporate the accounts of the charitable company and its subsidiary (together, "the group") made up to 31 January each year.

The results of the trading subsidiary company are presented in the consolidated SOFA by disclosing the income and expenditure derived from its trading activities carried out separately from those of the charity. A summary profit and loss account for the subsidiary is shown in note 6. The subsidiary company's assets and liabilities are consolidated in the balance sheet on a line by line basis.

**d) UK examination fees and expenses**

Examination fees and expenses arising in the UK are credited or charged in the statement of financial activities during the accounting period in which such examinations take place.

**e) International examinations**

Where examinations take place online examination fees and expenses incurred in the UK are credited or charged in the statement of financial activities during the accounting period in which such examinations take place. Commissions due to local representatives in respect of online examinations are included in their representative returns as detailed below.

Where examinations are held locally these results are prepared from returns and annual accounts submitted by ABRSM's local representatives, which are not necessarily made up to 31 January each year but the effect of differing accounting dates is not considered by the Governors to be significant. In the rare case that the amounts owed cannot be recovered a bad debt provision is made.

**f) Teacher support**

Training course fees and expenses are credited or charged in the statement of financial activities during the accounting period in which such courses take place.

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2025**

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**2 ACCOUNTING POLICIES (CONTINUED)**

**g) Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Overheads are apportioned either on headcount, turnover, staff occupancy of accommodation area or usage basis as considered most appropriate. Expenditure includes input VAT to the extent that it is irrecoverable.

Direct charitable expenditure comprises services identifiable as wholly or mainly in support of ABRSM's charitable and operational work. These costs are regarded as an integral part of carrying out the direct charitable objectives of ABRSM and include an appropriate proportion of overhead costs.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. These costs have been apportioned across expenditure on charitable activities based on turnover except where the cost can be attributed to a specific activity.

**h) Computer software development**

Expenditure on computer software development is capitalised and amortised over a 3 year period.

**i) Scholarship awards**

All scholarships offered by the balance sheet date for the current academic year are provided in full. Awards for future years are subject to review and authorisation by ABRSM each year and are disclosed as commitments in note 28. The future commitments are estimated based on continued funding of the current students in receipt of a scholarship to the end of their academic studies plus new students starting their studies based on current funding patterns.

**j) Employee benefits**

Short-term employee benefits, including holiday pay and contributions to the defined contribution pension scheme are recognised as an expense in the period in which they are incurred.

The defined benefit scheme closed to future accrual on 31 December 2018 and employees transferred to the defined contribution pension scheme on 1 January 2019. Contributions to 31 December 2018 in respect of the defined benefit scheme are charged to salary costs for respective activities in the statement of financial activities.

The amounts recognised in the statement of financial activities including any actuarial gain or loss are estimated based on the requirements of FRS 102, and are fully explained in note 31.

**k) Tangible fixed assets**

Depreciation is provided on cost at the following annual rates in order to write off each asset over its estimated useful life:-

Short leasehold land and buildings	over the remaining life of the lease to the lease break point
Computer equipment	33%
Plant, fixtures and equipment	2.9% - 33%

Expenditure on furniture and equipment not exceeding £1,000 in total and all expenditure on repairs and maintenance is written off in the year in which it is incurred.

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2025**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**l) Intangible fixed assets**

In accordance with FRS 102 software development costs have been recognised as intangible assets as they can be identified with a project anticipated to produce future benefits. On initial recognition, assets are measured at cost and include all costs directly attributable to bringing them into working condition.

Amortisation is provided on cost at the following annual rates in order to write off each asset over its estimated useful life:-

Software development	33%
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**m) Investments**

The investment in the subsidiary company is valued at cost.

Fixed asset investments are included in the balance sheet at their market value at the end of the financial period. Realised and unrealised gains and losses are credited or debited to the statement of financial activities in the year in which they arise and are based on brought forward values.

Current asset investments consist of treasury deposits and notice accounts with maturity and notice to withdraw of less than a year.

**n) Leased assets**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease term. The aggregate benefit of any lease incentives are recognised as a reduction to the expense charged over the lease term on a straight line basis.

**o) Stocks**

Publications stocks are valued at the lower of cost and net realisable value. For printed music, cost is based on the unit cost of production for each publication. Work in progress at printers is valued at the cost of the paper used and is included in paper stocks. In estimating net realisable value, due allowance is made for slow-moving, obsolete, defective and unsaleable items. Origination costs are charged to revenue in the year in which they are incurred.

**p) Rates of exchange**

Assets and liabilities in foreign currencies are converted into sterling at the rate of exchange ruling at the balance sheet date. All income and expenditure is converted at daily exchange rates. All differences on exchange are dealt with through the net movement in funds for the year.

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**q) Financial Instruments**

Basic financial assets and liabilities such as short term debtors, creditors and bank balances are initially recognised at fair value less any impairment and transaction costs and subsequently measured at their settlement value.

Prize Endowment Funds invested in Charinco and Charishare Common Investment Funds are carried at fair value.

**r) Deferred Income**

Examination and course fees received for future sessions after the reporting date are included in creditors as deferred income.

**s) Provisions and contingencies**

Provisions are recognised when the charitable company has a present legal or constructive obligation as a result of past events where it is probable that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably.

The amount recognised is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account any risks and uncertainties surrounding the obligation.

Where the consideration required to settle a present obligation is confirmed, the amount payable is transferred to creditors and any balance released to the statement of financial activities.

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by future events not within the charitable company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is immaterial.

**t) Fund accounting**

Unrestricted funds comprise those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the Governors.

Designated funds are unrestricted funds earmarked by the Governors to be used for particular purposes in the future. Transfers are made to designated funds on the basis of approval by the Governors of future plans. Restricted funds are grants or monies raised for a specific purpose or donations subject to donor imposed conditions.

The prize endowment funds represent either permanent capital funds where there is no power to convert the capital into income and which must generally be held indefinitely or expendable funds where capital may be used for the purposes of the fund.

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2025**

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**2 ACCOUNTING POLICIES (CONTINUED)**

**u) Taxation**

The Associated Board of the Royal Schools of Music is a registered charity and therefore is not liable to UK income tax or corporation tax on income derived from its charitable activities as they fall within the various exemptions available to registered charities.

ABRSM is registered for VAT but is not able to recover the whole of its input tax owing to the partial exemption provisions. Expenditure includes input VAT to the extent it is irrecoverable.

ABRSM's activities are carried out worldwide and are subject to direct and indirect tax in different countries. A provision for ABRSM's tax liabilities in relation to its international operations has been included in note 22.

The provision is reviewed and updated regularly based on professional tax advice received for each country. It is assessed on a country-by-country basis, calculated and classed as a provision or a contingent liability per the criteria in note 2(s).

Significant judgement is needed to determine this provision as ABRSM's international operations have been expanding and there is uncertainty around the risk of exposure to direct and indirect tax in each country. In addition, the calculation of the potential tax liability for each country usually incorporates several elements, for example the type of income, the period during which the tax is due, and the size of any additional interest or penalties due in that country.

The wholly owned subsidiary, The Associated Board of the Royal Schools of Music (Publishing) Limited, is a commercial entity and donates its pre-tax profit to ABRSM under Gift Aid rules.

**v) Contributions to four of the Royal Schools of Music**

Contributions to four of the Royal Schools of Music (or their associated charitable trusts) are treated as distributions, the Royal Schools being members of the Charity. They are therefore charged to the statement of financial activities in the year in which they are paid and shown as a movement in funds.

**w) Government grants**

Government grants are accounted for according to the accrual model.

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

**3. EXAMINATION REVENUE**

	2025 £'000	2024 £'000
Analysis by geographical market:		
United Kingdom and Ireland	16,297	15,247
Overseas	<u>26,007</u>	<u>26,138</u>
	42,304	41,385
Foreign exchange (loss)/gain on overseas revenue	(186)	(287)
	<u>42,118</u>	<u>41,098</u>
Total income	45,217	44,137
Less: examination fees received in advance (note 20)	<u>(3,099)</u>	<u>(3,039)</u>
	<u>42,118</u>	<u>41,098</u>

**Deferred fee income:**

The movement with respect to examination fees received in advance in the year is as follows:

	2025 £'000	2024 £'000
Fees in advance as at 1 February 2024	3,039	2,802
Less fees due for examinations taken in the year	(3,039)	(2,802)
Fees received with respect to future examination periods (note 20)	3,099	3,039
	<u>3,099</u>	<u>3,039</u>

**4. TEACHER SUPPORT REVENUE**

	2025 £'000	2024 £'000
Analysis by geographical market:		
United Kingdom and Ireland	24	4
Overseas	<u>1</u>	<u>10</u>
Total income	<u>25</u>	<u>14</u>



**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

**5. INVESTMENT INCOME**

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Interest receivable from:				
Unrestricted funds	1,216	837	1,168	801
Prize endowment funds	64	58	64	58
	<u>1,280</u>	<u>895</u>	<u>1,232</u>	<u>859</u>

**6. NET INCOME OF TRADING SUBSIDIARY**

The Associated Board of the Royal Schools of Music owns the entire issued share capital of The Associated Board of the Royal Schools of Music (Publishing) Limited, a trading company incorporated in the United Kingdom with company number 01910047. This subsidiary undertaking donates its taxable profits to ABRSM under Gift Aid rules.

The activities of the subsidiary undertaking support the examination activities of the parent company by provision of specialist graded repertoire and other materials targeted at specific examination levels.

A summary of the results of the publishing activities for the year (excluding intra-group charges eliminated on consolidation) is given below. Audited accounts of the subsidiary undertaking will be filed with the Registrar of Companies.

	2025 £'000	2024 £'000
Turnover	7,245	6,829
Cost of sales	<u>(1,632)</u>	<u>(1,510)</u>
Gross profit	5,613	5,319
Distribution costs	(933)	(888)
Administration and other operating charges	<u>(1,477)</u>	<u>(1,339)</u>
Interest receivable	48	89
Net Income	<u>3,251</u>	<u>3,181</u>

The aggregate amount of the subsidiary's assets, liabilities and funds as at 31 January 2025, excluding intercompany balances, were as follows:

	2025 £'000	2024 £'000
Total net assets	<u>4,248</u>	<u>3,339</u>

Including intra-group charges and intercompany balances, the subsidiary's results for the year were as follows; turnover £7,256,000 (2024: £6,833,000), net income £319,000 (2024: £807,000) and total net assets £20,000 (2024: £20,000).

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

**7. ANALYSIS OF EXPENDITURE**

	Direct Charitable	Support Costs (Note 8)	Staff Costs (Note 13)	Depreciation & Amortisation	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Charitable activities:</b>						
Examinations	15,039	7,124	8,997	2,243	33,403	32,023
Teacher Support	110	137	218	25	490	441
Scholarship payments	1,258	-	-	-	1,258	1,379
Music education	4,378	-	-	-	4,378	2,291
Publishing	2,953	886	2,723	72	6,634	5,666
	<u>23,738</u>	<u>8,147</u>	<u>11,938</u>	<u>2,340</u>	<u>46,163</u>	<u>41,800</u>
<b>Pension finance charge</b>	-	-	21	-	21	109
<b>Total</b>	<u>23,738</u>	<u>8,147</u>	<u>11,959</u>	<u>2,340</u>	<u>46,184</u>	<u>41,909</u>

Unrestricted expenditure on Examinations and Teacher Support for the group before the defined benefit pension scheme adjustment was £36,149,000 and £491,000 respectively (2024: £33,879,000 and £442,000). The equivalent figures for the charity were £36,160,000 and £491,000 (2024: £33,821,000 and £442,000).

Included within total expenditure is an adjustment to the defined benefit pension scheme of £2,750,000 (2024: £2,750,000) which has been credited to the pension reserve (see note 31). £2,749,000 has been allocated to Examinations expenditure and £1,000 to Teacher Support. The prior year credit of £2,750,000 was allocated £2,749,000 to Examinations expenditure and £1,000 to Teacher Support. Also included in expenditure are prizes paid from the endowment funds totalling £3,000 (2024: £17,000).

**8. SUPPORT COSTS**

Support costs including governance (see notes 7 and 11) are analysed as follows:

	Examinations	Teacher Support	Publishing	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000
Exam Support	-	-	-	-	845
IT	2,967	72	429	3,468	3,455
Sales and Marketing	1,051	46	269	1,366	967
Finance	340	-	9	349	(10)
Facilities	1,961	18	160	2,139	2,054
Governance (note 11)	252	-	17	269	147
HR & other management	553	1	2	556	1,650
	<u>7,124</u>	<u>137</u>	<u>886</u>	<u>8,147</u>	<u>9,108</u>

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

**9. SCHOLARSHIPS**

	2025 £'000	2024 £'000
United Kingdom students	226	425
Overseas students	1,032	954
	<u>1,258</u>	<u>1,379</u>

The total number of scholars supported during the year amounted to 82 (2024: 91).

**10. MUSIC EDUCATION – Unrestricted funds**

	2025 £'000	2024 £'000
<b>DONATIONS</b>		
Trustees of the Royal Academy of Music	1,000	500
Trustees of the Royal College of Music	1,000	500
Trustees of the Royal Northern College of Music Endowment Fund	1,000	500
Trustees of the Royal Conservatoire of Scotland Trust	1,000	500
	<u>4,000</u>	<u>2,000</u>

**SPONSORSHIP**

Antigua & Barbuda Youth Symphony	8	-
Black Lives in Music	17	27
BLUME Haiti	-	5
Bolton Council	8	-
Commonwealth Resources	-	10
CACEFU-Mocambique	5	-
Compass Children's Charity	5	-
Education Africa	5	5
Harmony Kenya Foundation	-	5
Harmony Project Phoenix	-	5
Hashtag The WRD Limited	-	5
India National Youth Orchestra	6	10
Kunbi's Music Company	-	5
London Music Fund	10	5
Music Children Foundation Ltd	10	-
Music Education Partnership Group	15	16
Music for Youth	24	-
Music in Africa Foundation	5	-
Music Masters	10	5
National Children's Orchestra	23	21
National Concert Band Festival	5	-
National Youth Arts Wales	8	-
National Youth Choirs	15	5
National Youth Jazz Orchestra	15	25
National Youth Orchestra	-	15
Open Up Music	25	10
Royal Philharmonic Society	10	5
Ruben Centre	5	-
School Grounds Sounds	-	6
St Christopher's School (Bahrain)	6	-
Tanglin Trust School	-	5
The British School Al Khubairat	7	-

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

**10. MUSIC EDUCATION – Unrestricted funds (continued)**

**SPONSORSHIP (CONTINUED)**

The Commonwealth Resounds	10	-
The Hong Kong Virtuoso Chorus Ltd	10	-
The Ivors Academy	11	16
The Rondo Production	10	9
Tri-Borough Music Hub	5	5
The UK Association for Music Education – Music Mark	37	21
Thrive Music Academy Africa Ltd	-	5
University of St Andrews	5	5
Venture Music Asia	5	5
Young Choral Academy Sdn Bhd	8	-
Others	30	35
	<b>378</b>	<b>291</b>

**11. GOVERNANCE COSTS – Unrestricted funds**

	2025 £'000	2024 £'000
Audit Fees parent company	56	44
Audit Fees Pension scheme	80	19
Independent Pension Scheme Chairman	47	33
Non audit services	29	-
Internal Audit	49	48
Governing Body members and Officers Liability insurance	2	1
Pension Fund Trustee Indemnity insurance	6	2
	<b>269</b>	<b>147</b>

**12. NET INCOME FOR THE YEAR**

	2025 £'000	2024 £'000
Net income for the year is stated after charging/(crediting):		
Fees payable to the company's auditor and its associates for the audit of the charitable company's annual accounts	56	44
Fees payable to the company's auditor and its associates for other services:		
Audit of subsidiary company	3	7
Tax compliance	-	2
Pension scheme audit completed by other audit firms	80	23
Depreciation of owned assets	474	394
Depreciation of assets held under finance lease obligations	-	37
Amortisation of intangible assets	1,867	2,079
Operating lease rentals – leasehold buildings	1,097	1,123
– office equipment	10	13
Dilapidations provision	17	17
Exchange loss/(gain) on overseas revenue	186	287

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

**13. STAFF COSTS**

	2025 £'000	2024 £'000
Staff costs during the year included:		
Wages and salaries	9,617	8,336
Social security costs	986	859
Employer pension costs	3,378	3,293
Defined Benefit Pension adjustment (see note 31)	(2,750)	(2,750)
Pension finance charge	21	109
Other staff costs	707	526
	<u>11,959</u>	<u>10,373</u>

The number of employees who earned £60,000 or more (including benefits) during the year were as follows:

	2025 No.	2024 No.
£ 60,001 - £ 70,000	3	8
£ 70,001 - £ 80,000	8	4
£ 80,001 - £ 90,000	3	4
£ 90,001 - £100,000	3	2
£100,001 - £110,000	1	2
£110,001 - £120,000	1	-
£120,001 - £130,000	2	2
£130,001 - £140,000	1	1
£140,001 - £150,000	-	-
£150,001 - £160,000	-	2
£160,001 - £170,000	2	-
£220,001 - £230,000	2	1
£230,001 - £240,000	1	-

During the year £24,168 (2024: £6,752) was paid in redundancy and pay in lieu of notice. These payments are included in the tables above and have been recognised in full in the statement of financial activities.

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2025**

**13. STAFF COSTS (continued)**

The number of employees who earned £60,000 or more during the year to whom retirement benefits are accruing under pension schemes funded by the company are:-

	2025 No	2024 No.
Defined contribution scheme	24	25

The company made pension contributions of £198,534 (2024: £178,547) in respect of employees noted above.

The defined benefit scheme closed to future accrual on 31 December 2018 and active members elected to transfer to the defined contribution pension scheme from 1 January 2019.

The average number of employees, excluding temporary staff, during the year was as follows:

	2025 No.	2024 No.
Charity	184	177
UK trading subsidiary	13	14
	<u>197</u>	<u>191</u>

The key management personnel of the charity and its wholly owned subsidiary received total employee benefits of £1,194,095 (2024: £1,111,147). The key management personnel are considered to be the individuals noted on page 2.

No Governor received payment for their services in the year (2024: £nil).

Total travelling and subsistence expenses reimbursed by ABRSM to Governors and Alternates in the year, for expenditure necessarily incurred on ABRSM's business, were £1,290 (2024: £708).

No other Governor, nor any person connected with any Governor, received any remuneration in the year ended 31 January 2025 (2024: £nil).

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

**14. TANGIBLE FIXED ASSETS**

<b>Group and Charity</b>	<b>Short leasehold land and buildings £'000</b>	<b>Computer equipment £'000</b>	<b>Furniture, fixtures and equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>				
At 1 February 2024	2,358	784	853	3,995
Additions	-	311	2	313
Disposals	-	(251)	-	(251)
Transfers	-	-	-	-
At 31 January 2025	<u>2,358</u>	<u>844</u>	<u>855</u>	<u>4,057</u>
<b>Depreciation</b>				
At 1 February 2024	1,439	687	614	2,740
Charge for the year	212	184	76	472
On disposals	-	(258)	-	(258)
At 31 January 2025	<u>1,651</u>	<u>613</u>	<u>690</u>	<u>2,954</u>
<b>Net book values</b>				
At 31 January 2025	<u>707</u>	<u>231</u>	<u>165</u>	<u>1,103</u>
At 31 January 2024	<u>919</u>	<u>97</u>	<u>239</u>	<u>1,255</u>

All assets are used for charitable purposes. The net book value of assets held under finance leases is £nil (2024: £nil).



**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2025**

**15. INTANGIBLE FIXED ASSETS**

Group and Charity	Assets under construction £'000	Software development £'000	Total £'000
<b>Cost</b>			
At 1 February 2024	1,375	11,751	13,126
Additions	-	1,508	1,508
Disposals	-	-	-
Transfers	(850)	850	-
	<u>525</u>	<u>14,109</u>	<u>14,634</u>
At 31 January 2025			
<b>Amortisation</b>			
At 1 February 2024	-	9,777	9,777
Charge for the year	-	1,867	1,867
	<u>-</u>	<u>11,644</u>	<u>11,644</u>
At 31 January 2025			
<b>Net book values</b>			
At 31 January 2025	<u>525</u>	<u>2,465</u>	<u>2,990</u>
At 31 January 2024	<u>1,375</u>	<u>1,974</u>	<u>3,349</u>

All assets are used for charitable purposes. The transfer from assets under construction to software development mainly relates to expenditure on roadmaps, digital certificates, and Music Medals.

Roadmaps relate to continuous development on the CRM, in order to help with income recognition. Digital certificates have been rolled out during the year, and offer customers digital certificates rather than physical copies. A new syllabus of Music Medals was developed, alongside the recording of these transactions on the CRM. This was also completed during the year.

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**16. FIXED ASSET INVESTMENTS**

	Subsidiary undertakings £'000	Prize endowment funds £'000	2025 Total £'000	2024 Total £'000
<b>Group</b>				
Prize endowment funds - listed investments at market value				
At 1 February 2024	-	1,666	1,666	1,574
Additions	-	-	-	100
Unrealised gain/(loss) in the year	-	144	144	(8)
At 31 January 2025	<u>-</u>	<u>1,810</u>	<u>1,810</u>	<u>1,666</u>
<b>Charity</b>				
Prize endowment funds - listed investments at market value (as above)	-	1,810	1,810	1,666
Investment in subsidiary				
Ordinary shares of £1 each at cost	10	-	10	10
Unsecured loan note	772	-	772	772
	<u>782</u>	<u>1,810</u>	<u>2,592</u>	<u>2,448</u>

The prize endowment funds are invested in Blackrock Charities UK Bond and Equity Common Investment Funds with a cost of £879,000 (2024: £879,000).

The charity's subsidiary undertaking is The Associated Board of the Royal Schools of Music (Publishing) Limited. The charity owns 100% of the company's issued ordinary £1 shares. The principal activity of the company is the production and sale of music publications and recordings.

The charity has given an undertaking to its subsidiary not to demand repayment of the unsecured loan note before 1 July 2025. Interest is chargeable on the unsecured loan note at a rate of 2% over the Bank of England base rate from time to time. No provision is considered necessary against the £10,000 cost of the investment in this subsidiary.

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**17. STOCKS**

	Group 2025 £'000	Group 2024 £'000
Printed music and recordings	627	616
Paper	83	88
	<u>710</u>	<u>704</u>

**18. DEBTORS**

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Trade debtors	902	1,149	455	655
Overseas representatives	413	522	413	522
Amounts due from subsidiary	-	-	3,455	2,546
Other debtors	535	570	183	160
Prepayments and accrued income	1,143	1,483	1,126	1,438
	<u>2,993</u>	<u>3,724</u>	<u>5,632</u>	<u>5,321</u>

**19. CURRENT ASSET INVESTMENTS**

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Cash held on deposit				
greater than 3 months	16,000	16,750	14,000	15,000
less than 3 months	<u>10,079</u>	<u>5,550</u>	<u>9,079</u>	<u>5,550</u>

Included within the above figure are treasury deposits with an original maturity of 12 months or less. At the balance sheet date the average maturity of these deposits was 6 months for the group (2024: 7 months) and 6 months for the charity (2024: 7 months). The average interest rate was 4.47% (2024: 5.11%) for the group and 4.56% (2024: 5.08%) for the charity.

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**20. CREDITORS: amounts falling due within one year**

Charity	Group			
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Trade creditors	1,875	1,447	1,748	1,265
Overseas representatives	2,681	2,561	2,681	2,561
Refunds due to customers	-	27	-	27
Deferred Income: exam fees (note 3)	3,099	3,039	3,099	3,039
Other taxes and social security costs	300	426	245	396
Finance lease arrangements	-	-	-	-
Other creditors	676	656	676	226
Accruals and other deferred income	3,016	2,142	2,568	2,126
	<u>11,647</u>	<u>10,298</u>	<u>11,017</u>	<u>9,640</u>

**21. CREDITORS: amounts falling due after more than one year**

Charity	Group			
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Other creditors	578	561	578	561
	<u>578</u>	<u>561</u>	<u>578</u>	<u>561</u>

FRS 102 requires the full amount of a dilapidation provision to be recognised when the obligation arises. Other creditors represent the estimated inflation indexed dilapidations fund potentially payable on exit from the lease of our current premises, Salters' Hall.

**22. PROVISIONS**

	Group £'000	Charity £'000
Tax provision at 1 February 2024	2,137	2,137
Total increased	462	462
Total settled	(968)	(968)
Tax provision at 31 January 2025	<u>1,631</u>	<u>1,631</u>

ABRSM continued to seek advice on its taxation position in relation to its international operations and expects that most resulting liabilities will be settled over the course of the next five years with the timescale being partly dependent on the speed of response of the relevant tax authorities. ABRSM has estimate a tax contingent liability of £620,000 (2024: £781,000) for direct and indirect tax in territories where there is uncertainty, continually working with local tax authorities and external tax advisors.

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**FOR THE YEAR ENDED 31 JANUARY 2025**

**23. ENDOWMENT FUNDS**

	At 1 February 2024	Movement in Funds		At 31 January 2025
	£'000	Income and gains	Expenditure and losses	£'000
<b>Group and charity</b>				
<b>Permanent prize endowment funds</b>				
Sheila Mossman Prize account	160	19	-	179
Ralph Bassett Prize account	124	15	-	139
Constance Haddon Prize account	141	17	-	158
Winifred Liversidge Prize account	144	17	-	161
Irene Lassen Bequest	527	63	-	590
Weinman/Duraisamy Prize	5	1	-	6
Sundry named prizes and general prizes account	317	38	-	355
	<u>1,418</u>	<u>170</u>	<u>-</u>	<u>1,588</u>
<b>Expendable prize endowment funds</b>				
Gordon Bryan Fund	114	14	-	128
Alan Pickard Prize	27	3	-	30
Taylor White Gibbs Prize	165	21	(3)	183
	<u>306</u>	<u>38</u>	<u>(3)</u>	<u>341</u>
<b>Total endowment funds</b>	<u>1,724</u>	<u>208</u>	<u>(3)</u>	<u>1,929</u>
Interest receivable		63	-	
New prize donation		1	-	
Expenditure on prizes		-	(3)	
Unrealised loss on Investments		144	-	
		<u>208</u>	<u>(3)</u>	
		Income and gains 2024 £'000	Expenditure and losses 2024 £'000	
Interest receivable and sundry income		58	-	
Expenditure on prizes		-	(17)	
Unrealised loss on investments		-	(8)	
		<u>58</u>	<u>(25)</u>	

The endowment funds were established to provide prizes for musical achievements in ABRSM's examinations. For permanent prize endowment funds, unexpended income is accumulated as capital and added to the fund each year. Expendable prize endowment funds comprise unexpended balances of donations held on trust to be applied for specific purposes.

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**24. UNRESTRICTED FUNDS**

Group	At 1 February 2024 £'000	Income £'000	Expenditure £'000	Transfers In £'000	Transfers out £'000	At 31 January 2025 £'000
<b>Fixed asset fund</b>	4,604	-	-	-	(512)	4,092
<b>Designated funds</b>						
Development funds	3,370	-	(1,172)	1,500	(2,000)	1,698
Examiner fund	1,030	-	-	250	-	1,280
<b>General charitable funds</b>	14,570	50,835	(47,738)	(1,750)	2,512	18,429
<b>Total</b>	<b>23,574</b>	<b>50,835</b>	<b>(48,910)</b>	<b>-</b>	<b>-</b>	<b>25,499</b>
<b>Charity</b>						
<b>Fixed asset fund</b>	4,604	-	-	-	(512)	4,092
<b>Designated funds</b>						
Development funds	3,370	-	(1,172)	1,500	(2,000)	1,698
Examiner fund	1,030	-	-	250	-	1,280
<b>General charitable funds</b>	14,561	44,213	(41,115)	(1,750)	2,512	18,421
<b>Total</b>	<b>23,565</b>	<b>44,213</b>	<b>(42,287)</b>	<b>-</b>	<b>-</b>	<b>25,491</b>

Designated funds represent development funds set aside for the development of ABRSM's digital infrastructure and development of overseas markets, and funds relating to examiner costs.

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**25. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances as at 31 January 2025 are represented by:

Group	Unrestricted Funds (Including Pension Reserve) £'000	Prize Endowment Funds £'000	Total 2025 £'000
Tangible fixed assets	1,103	-	1,103
Intangible fixed assets	2,990	-	2,990
Investments	-	1,810	1,810
Current assets	35,231	150	35,381
Current liabilities	(11,616)	(31)	(11,647)
Non-current liabilities	(578)	-	(578)
Provisions	(1,631)	-	(1,631)
Net assets before pension deficit	25,499	1,929	27,428
Pension deficit	-	-	-
Total net assets after pension deficit & provisions	25,499	1,929	27,428
Charity			
Tangible fixed assets	1,103	-	1,103
Intangible fixed assets	2,990	-	2,990
Investments	782	1,810	2,592
Current assets	33,811	150	33,961
Current liabilities	(10,986)	(31)	(11,017)
Non-current liabilities	(578)	-	(578)
Provisions	(1,631)	-	(1,631)
Net assets before pension deficit & provisions	25,491	1,929	27,420
Pension deficit	-	-	-
Total net assets after pension deficit & provisions	25,491	1,929	27,420
Group and Charity			
Unrealised gains included above on investment assets (see note below)	-	931	931
Unrealised gains as at 1 February 2024	-	787	787
Net gain arising from revaluations in the year	-	144	144
Unrealised gains as at 31 January 2025	-	931	931



**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
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FOR THE YEAR ENDED 31 JANUARY 2025**

**26. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2025 £'000	2024 £'000
Net income for the reporting period:	4,859	6,973
Depreciation charge	472	433
Amortisation charge	1,867	2,079
Gain/(loss) on disposal of fixed assets	-	13
Interest received	(1,280)	(895)
Gain/(loss) on investments	(144)	8
Decrease/(increase) in stocks	(6)	127
Decrease/(increase) in debtors	731	440
Increase/(decrease) in creditors	1,366	604
(Decrease) in provisions	(506)	494
Net cash movement in pension deficit	(2,728)	(2,641)
<b>Net cash inflow provided by operating activities</b>	<b>4,631</b>	<b>7,635</b>

**27. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 February 2024 £'000	Cash flows £'000	At 31 January 2025 £'000
<b>Cash and cash equivalents</b>			
Cash	5,296	303	5,599
Cash equivalents	5,550	4,529	10,079
	10,846	4,832	15,678
<b>Borrowings</b>			
Finance lease	-	-	-
	-	-	-
<b>TOTAL</b>	<b>10,846</b>	<b>4,832</b>	<b>15,678</b>

**28. FINANCIAL COMMITMENTS**

**Scholarships**

Scholarships awarded for which no provision has been made in these accounts are expected to become payable as follows:-

	2025 £'000	2024 £'000
Year ending 31 January 2025	-	1,231
Year ending 31 January 2026	1,400	788
Year ending 31 January 2027	895	350
Year ending 31 January 2028	429	200
Year ending 31 January 2029	246	-
	<b>2,970</b>	<b>2,569</b>

All scholarships offered by the balance sheet date for the current academic year are provided in full. Awards for future years are subject to review and authorisation by ABRSM each year and are therefore not included in provisions as at the balance sheet date.

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**28. FINANCIAL COMMITMENTS (continued)**

**Other payments**

At 31 January 2025 the group and charity had future total minimum operating lease payments as follows:

	Land and buildings		Other	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
One year	1,207	1,207	10	10
Two to five years	4,169	4,169	24	24
Over five years	-	-	-	-
	<u>5,376</u>	<u>5,376</u>	<u>34</u>	<u>34</u>

The total future minimum finance lease payments as the end of the reporting period are as follows:

	Group			
Charity	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**29. TRANSACTIONS WITH RELATED PARTIES**

ABRSM made contributions of £1,000,000 (2024: £500,000) to each of four Royal Schools of Music or their charitable trusts. Two representatives from each of these organisations sit on the Governing Body.

ABRSM was party to a number of financial transactions with its trading subsidiary, ABRSM Publishing during the year as follows:

	2025	2024
	£'000	£'000
<b>Charged by ABRSM to ABRSM Publishing:</b>		
Administrative expenses recharged	9	8
Pension costs recharged	385	391
Loan interest	55	53
Management charge	2,592	118
Copyright charge	352	336
Publishing VAT	4	-
<b>Charged by ABRSM Publishing to ABRSM:</b>		
Paper stock recharged	-	-
Printed music and recordings	4	4
<b>Gift aid donation from ABRSM Publishing to ABRSM:</b>	<b>319</b>	<b>807</b>
<b>Balance at the year end:</b>		
Due to ABRSM from ABRSM Publishing	3,455	2,546
Due from ABRSM to ABRSM Publishing	-	-

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
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**29. TRANSACTIONS WITH RELATED PARTIES (continued)**

During the year Professor Colin Lawson was due £15 (2024: £0) in royalties by ABRSM (Publishing) Limited on normal commercial terms. The balance outstanding at the year end was £0 (2024: £0).

ABRSM provided examination services to related parties on normal commercial terms as follows:

	2025 £'000	2024 £'000
<b>Charged by ABRSM</b>		
Royal College of Music	1	2
Royal Academy of Music	2	6
Royal Northern College of Music	12	11
Royal Conservatoire of Scotland	14	16
<b>Balance at the year end:</b>		
Royal College of Music	-	-
Royal Academy of Music	-	-
Royal Northern College of Music	-	-
Royal Conservatoire of Scotland	4	4

There have been no other related party transactions during the year.

**30. FINANCIAL INSTRUMENTS**

ABRSM has the following financial assets which are included at fair value through the statement of financial activities:

	2025 £'000	2024 £'000
<b>Financial assets at fair value through the statement of financial activities:</b>		
Investments	<u>1,810</u>	<u>1,666</u>

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC  
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**31. PENSION SCHEMES**

The charity operates two pension schemes; a group stakeholder pension plan and a defined benefit scheme.

From 1 February 2014, qualifying staff joining ABRSM are auto enrolled into the group stakeholder pension plan provided by Scottish Equitable plc under the brand name Aegon (Financial Services Register number 165548). Contributions are recognised in the Statement of Financial Activities in the year in which they are earned. The minimum employee contribution is 3% of basic salary. ABRSM contributes 5% of basic salary. Each percentage increase in the employee contribution is matched by ABRSM up to a maximum employer contribution of 10%.

The defined benefit scheme was established to provide retirement benefits for the charity's employees based upon final pensionable salaries for those joining before 6 April 2006 or career average salaries for those joining from 6 April 2006. On 1 April 2013 all members of the final salary section of the scheme transferred to the career average section of the scheme. The assets of the scheme are held separately from those of the charity. The scheme closed on 31 December 2018 to future accrual. Active members had the option to join the organisation's group stakeholder pension scheme at 1 January 2019.

Contributions payable are determined on the basis of triennial valuations carried out by a qualified actuary. The charity's contributions are charged as resources and expended in the year in which contributions are made. The charity ceased contributions for the accrual of future benefits from 1 January 2019.

The pension service costs for the year were £nil (2024: £nil). The present value of the scheme liabilities includes £835,000 (2024: £795,000), carried forward from the prior years as an estimate of the past service cost of GMP equalisation.

These accounts reflect the requirements of FRS 102.

The economic assumptions listed below have been calculated by a qualified independent actuary. They are based on market conditions as at 31 January 2025 but have been derived using the methodology set out in FRS 102.

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**31. PENSION SCHEMES (continued)**

- The discount rate has been derived using a corporate bond yield curve approach as required by FRS 102. The iBoxx over 15-year corporate AA rated bond index had a yield of 5.40% per annum as of 31 January 2025. This index has a duration of around 14.4 years, which is less than the duration of the Scheme's liabilities. The discount rate has been increased by 0.2%, which is similar to the increase in gilt spot yields at 14.5- and 20-years' duration, resulting in a discount rate of 5.6% per annum (to 1 decimal place).
- Retail price inflation (RPI) has been derived from the spot inflation rates published by the Bank of England. At duration of 20 years, the spot rate for inflation is 3.43% per annum as of 31 January 2025. An RPI increase assumption of 3.4% has been used (to 1 decimal place).
- In the prior year it was assumed that Consumer price inflation (CPI) would be 0.6% a year lower than RPI. However, it is expected that the RPI will be calculated in the same way as CPI-H from 2030, so the difference between the two indices should reduce considerably. Nonetheless, until 2030 the two indices will be calculated differently, and it should be noted that a significant proportion of the deferred pensioner liabilities will retire before the indices are aligned. It is proposed that the assumption of the difference between RPI and CPI is reduced to 0.5% (and will reduce by 0.1% each year until 2030). This results in a CPI increase assumption of 2.9%.
- No estimated salary increases due to the scheme closure on 31 December 2018.
- Increases to pensions in payment which are related to price inflation have been taken to increase in line with the RPI assumption or the annual increase cap, whichever is lower.
- Increases to deferred pensions which are related to price inflation have been taken to increase in line with the CPI assumption, or the cap, whichever is the lower.
- Commutation of pension by members estimated at 25%, allowing for an increase in commutation rates since the actuarial valuation. It is also assumed that commutation factors will be increased by 20% and this is reflected in the FRS 102 liabilities.

The principal actuarial assumptions used per annum are:

	2025	2024
Discount Rate	5.6%	5.0%
Retail price inflation	3.4%	3.3%
Consumer price inflation	2.9%	2.7%
Increases to pensionable earnings	n/a	n/a
Increases to pensions in payment		
Earned up to 31 December 2001	5.0%	5.0%
Earned from 1 January 2002 to 5 April 2005	3.4%	3.3%
Earned from 6 April 2005	2.5%	2.5%
Pre-retirement increases for deferred pensions		
Earned before 6 June 2009	2.9%	2.7%
Earned from 6 June 2009	2.5%	2.5%

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**31. PENSION SCHEMES (continued)**

**Reconciliation of funded status to balance sheet**

	2025 £'000	2024 £'000
Present value of liabilities	(38,395)	(42,141)
Fair value of plan assets	<u>40,423</u>	<u>40,345</u>
Surplus/(deficit)	2,028	(1,796)
Restriction on recoverable surplus	(2,028)	-
Net defined benefit asset/(liability) to be recognised on balance sheet	<u>-</u>	<u>(1,796)</u>

**Assets**

	2025 £'000	Weight %	2024 £'000	Weight %
Equities	7,846	19.4	11,835	29.3
Bonds	31,355	77.6	27,384	67.9
Cash (including dividends receivable)	1,222	3.0	1,126	2.8
Total market value of assets	<u>40,423</u>	<u>100.0</u>	<u>40,345</u>	<u>100.0</u>

**The amounts recognised in the Statement of Financial Activities are as follows:**

	2025 £'000	2024 £'000
Interest expense	2,066	2,051
Interest income	(2,045)	(1,942)
Pension Finance charge	<u>21</u>	<u>109</u>
Employer's deficit contributions	<u>(2,750)</u>	<u>(2,750)</u>
Defined Benefit Pension Adjustment	<u>(2,750)</u>	<u>(2,750)</u>

**Changes in the present value of the Defined Benefit Obligation (DBO) during the year are as follows:**

Year ending 31 January:	2025 £'000	2024 £'000
Present value of the liabilities as at the start of year	42,141	46,343
Current service cost	-	-
Contributions by the members	-	-
Interest expense	2,066	2,051
Past service cost	-	-
Re-measurement - effect of experience adjustments loss/(gain)	(546)	887
Re-measurement - effect of changes in assumptions (gain)/loss	(3,632)	(5,621)
Benefits paid	(1,634)	(1,519)
Present value of the liabilities as at the end of year	<u>38,395</u>	<u>42,141</u>

**THE ASSOCIATED BOARD OF THE ROYAL SCHOOLS OF MUSIC**  
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**31. PENSION SCHEMES (continued)**

Changes in the fair value of assets during the year are as follows:

Year ended 31 January:	2025 £'000	2024 £'000
Fair value of plan assets as at start of year	40,345	42,545
Interest income	2,045	1,942
Re-measurement – return on plan assets excluding interest income	(3,083)	(5,373)
Employer's normal contributions	-	-
Employer's deficit contributions	2,750	2,750
Contributions by the members	-	-
Benefits paid	(1,634)	(1,519)
Fair value of plan assets as at end of year	<u>40,423</u>	<u>40,345</u>
Actual return on plan assets (loss)/gain	(1,038)	(3,431)

Based on current pensionable earnings and the deficit recovery plan agreed in 2022, the employer's deficit recovery contributions expected to be paid to the Scheme for the year ending 31 January 2026 amounts to £0 (2024: £2,750,000).

Amounts for the current and previous four periods are as follows:

As at 31 January:	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Present value of the liabilities	(38,395)	(42,141)	(46,343)	(67,033)	(75,661)
Fair value of plan assets	<u>40,423</u>	<u>40,345</u>	<u>42,545</u>	<u>57,867</u>	<u>49,242</u>
Surplus/(deficit)	<u>2,028</u>	<u>(1,796)</u>	<u>(3,798)</u>	<u>(9,166)</u>	<u>(26,419)</u>
Re-measurement – Effect of experience adjustment on scheme liabilities (loss)/gain	546	(887)	(2,070)	739	42
Re-measurement – Effect of change in assumption on scheme liabilities gain/(loss)	3,632	5,621	23,004	(7,947)	(6,181)
Re-measurement – Return on plan assets excluding interest income (loss)/gain	(3,083)	(5,373)	(19,041)	(594)	2,835
Effect of asset ceiling	<u>(2,028)</u>	-	-	-	-
FRS 102 adjustment	<u>(933)</u>	<u>(639)</u>	<u>1,893</u>	<u>8,092</u>	<u>(3,304)</u>

**Volatility of FRS 102**

The results disclosed above are inherently volatile. This is because the liabilities have been calculated by discounting the benefits using the yield on a suitable AA-rated corporate bond, whereas the scheme does not invest solely in high quality corporate bonds. To that extent there is, for FRS 102 purposes, a 'mismatch' between the assets and liabilities, which means that the assets and liabilities (and hence the surplus or deficit) can be volatile between different accounting periods, depending on general movements in the market.



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**32. CHARITY STATEMENT OF FINANCIAL ACTIVITY**

	Notes	Unrestricted Funds £'000	Pension Reserve (note 31) £'000	Restricted & Endowment Funds £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
<b>INCOME &amp; ENDOWMENTS FROM:</b>						
<b>Charitable activities:</b>						
Examinations	3	42,118	-	-	42,118	41,098
Teacher Support	4	25	-	-	25	14
<b>Other trading activities:</b>						
Covenant from subsidiary		319	-	-	319	807
Copyright fees		352	-	-	352	336
Investments	5	1,168	-	64	1,232	859
Other		231	-	-	231	54
<b>Total Income</b>		<b>44,213</b>	<b>-</b>	<b>64</b>	<b>44,277</b>	<b>43,168</b>
<b>EXPENDITURE ON:</b>						
<b>Charitable Activities</b>						
Examinations		36,160	(2,749)	3	33,414	31,966
Teacher Support		491	(1)	-	490	441
Scholarships	9	1,258	-	-	1,258	1,379
Music education	10	4,378	-	-	4,378	2,291
		<b>42,287</b>	<b>(2,750)</b>	<b>3</b>	<b>39,540</b>	<b>36,077</b>
<b>Pension finance charge</b>	<b>7</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>21</b>	<b>109</b>
<b>Total expenditure</b>		<b>42,287</b>	<b>(2,729)</b>	<b>3</b>	<b>39,561</b>	<b>36,186</b>
<b>Net (loss)/gain on investment</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>144</b>	<b>144</b>	<b>(8)</b>
<b>Net income/(expense)</b>		<b>1,926</b>	<b>2,729</b>	<b>205</b>	<b>4,860</b>	<b>6,974</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gain/ loss on pension scheme	31	-	1095	-	1,095	(639)
Asset Ceiling			(2,028)		(2,028)	
<b>Total comprehensive income</b>		<b>1,926</b>	<b>1,796</b>	<b>205</b>	<b>3,927</b>	<b>6,335</b>
<b>RECONCILIATION OF FUNDS:</b>						
Balance brought forward		23,565	(1,796)	1,724	23,493	17,158
Total comprehensive income		1,926	1,796	205	3,927	6,335
<b>Balance carried forward</b>		<b>25,491</b>	<b>-</b>	<b>1,929</b>	<b>27,420</b>	<b>23,493</b>

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**33. COMPARATIVE GROUP STATEMENT OF FINANCIAL ACTIVITY FOR YEAR ENDED 31 JANUARY 2024**

	Unrestricted Funds £'000	Pension Reserve £'000	Restricted & Endowment Funds £'000	Total Funds 2024 £'000
<b>INCOME &amp; ENDOWMENTS FROM:</b>				
<b>Charitable activities</b>				
Examinations	41,098	-	-	41,098
Teacher Support	14	-	-	14
<b>Other trading activities:</b>				
Publishing sales	6,829	-	-	6,829
Investments	837	-	58	895
Other	54	-	-	54
<b>Total income</b>	<b>48,832</b>	<b>-</b>	<b>58</b>	<b>48,890</b>
<b>EXPENDITURE ON:</b>				
<b>Charitable Activities</b>				
Examinations	34,755	(2,749)	17	32,023
Teacher Support	442	(1)	-	441
Scholarships	1,379	-	-	1,379
Music education	2,291	-	-	2,291
<b>Other trading activities:</b>				
Publishing	5,666	-	-	5,666
	<b>44,533</b>	<b>(2,750)</b>	<b>17</b>	<b>41,800</b>
<b>Pension finance charge</b>		<b>109</b>		<b>109</b>
<b>Total expenditure</b>	<b>44,533</b>	<b>(2,641)</b>	<b>17</b>	<b>41,909</b>
<b>Net (loss)/gain on investment</b>			<b>(8)</b>	<b>(8)</b>
<b>Net income/(expenditure)</b>	<b>4,299</b>	<b>2,641</b>	<b>33</b>	<b>6,973</b>
<b>Other recognised gains/(losses):</b>				
Actuarial gain / loss on pension scheme	-	(639)	-	(639)
<b>Total comprehensive income</b>	<b>4,299</b>	<b>2,002</b>	<b>33</b>	<b>6,334</b>
<b>RECONCILIATION OF FUNDS:</b>				
Balance brought forward	19,275	(3,798)	1,691	17,168
Net movement in funds	4,299	2,002	33	6,334
<b>Balance carried forward</b>	<b>23,574</b>	<b>(1,796)</b>	<b>1,724</b>	<b>23,502</b>

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**34. COMPARATIVE GROUP ANALYSIS OF EXPENDITURE FOR YEAR ENDED 31 JANUARY 2024**

	Direct Charitable £'000	Support Costs £'000	Staff Costs £'000	Depreciation & amortisation £'000	Total 2024 £'000
<b>Charitable activities:</b>					
Examinations	13,561	8,216	7,806	2,440	32,023
Teacher Support	-	214	206	21	441
Scholarship payments	1,379	-	-	-	1,379
Music education	2,291	-	-	-	2,291
Publishing	2,687	678	2,252	49	5,666
	<u>19,918</u>	<u>9,108</u>	<u>10,264</u>	<u>2,510</u>	<u>41,800</u>
<b>Pension finance charge</b>	-	-	109	-	109
	<u>-</u>	<u>-</u>	<u>109</u>	<u>-</u>	<u>109</u>
<b>Total</b>	<u>19,918</u>	<u>9,108</u>	<u>10,373</u>	<u>2,510</u>	<u>41,909</u>

**35. COMPARATIVE GROUP ANALYSIS OF SUPPORT COSTS FOR YEAR ENDED 31 JANUARY 2024**

	Examinations Restated £'000	Teacher Support £'000	Publishing £'000	Total 2024 £'000
Exam Support	845	-	-	845
IT	3,142	87	226	3,455
Sales and Marketing	812	21	134	967
Finance	(14)	-	4	(10)
Facilities	1,860	23	171	2,054
Governance	147	-	-	147
HR & other management	1,424	83	143	1,650
	<u>8,216</u>	<u>214</u>	<u>678</u>	<u>9,108</u>

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**36. COMPARATIVE MOVEMENT OF ENDOWMENT FUNDS FOR YEAR ENDED 31 JANUARY 2024**

	At 1 February 2023	Income and gains	Expenditure and losses	At 31 January 2024
	£'000	£'000	£'000	£'000
<b>Group and charity</b>				
<b>Permanent prize endowment funds</b>				
Sheila Mossman Prize account	160	6	(2)	160
Ralph Bassett Prize account	124	4	(1)	124
Constance Haddon Prize account	141	5	(1)	141
Winifred Liversidge Prize account	144	5	(1)	144
Irene Lassen Bequest	527	17	(2)	527
Weinman/Duraisamy Prize	5	-	-	5
Sundry named prizes and general prizes account	317	11	(14)	317
	<u>1,418</u>	<u>48</u>	<u>(21)</u>	<u>1,418</u>
<b>Expendable prize endowment funds</b>				
Gordon Bryan Fund	114	4	(1)	114
Alan Pickard Prize	27	1	(2)	27
Taylor White Gibbs Prize	165	5	(1)	165
	<u>306</u>	<u>10</u>	<u>(4)</u>	<u>306</u>
<b>Total endowment funds</b>	<u>1,724</u>	<u>58</u>	<u>(25)</u>	<u>1,724</u>
Interest receivable		58	-	
Expenditure on prizes		-	(17)	
Unrealised loss on investments		-	(8)	
		<u>58</u>	<u>(25)</u>	

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**37. COMPARATIVE MOVEMENT OF UNRESTRICTED FUNDS FOR YEAR ENDED 31 JANUARY 2024**

	At 1 February 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 January 2024 £'000
<b>Group</b>					
<b>Fixed asset fund</b>	5,043	-	-	(439)	4,604
<b>Designated funds</b>					
Development funds	3,750	-	(1,880)	1,500	3,370
Examiner fund	780	-	-	250	1,030
<b>General charitable funds</b>	9,702	48,832	(42,653)	(1,311)	14,570
<b>Total</b>	<u>19,275</u>	<u>48,832</u>	<u>(44,533)</u>	<u>-</u>	<u>23,574</u>
<b>Charity</b>					
<b>Fixed asset fund</b>	5,043	-	-	(439)	4,604
<b>Designated funds</b>					
Development funds	3,750	-	(1,880)	1,500	3,370
Examiner fund	780	-	-	250	1,030
<b>General charitable funds</b>	9,692	43,110	(36,930)	(1,311)	14,561
<b>Total</b>	<u>19,265</u>	<u>43,110</u>	<u>(38,810)</u>	<u>-</u>	<u>23,565</u>

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**38. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS FOR YEAR ENDED 31 JANUARY 2024**

Group	Unrestricted Funds (including Pension Reserve) £'000	Prize Endowment Funds £'000	Total 2024 £'000
Tangible fixed assets	1,255	-	1,255
Intangible fixed assets	3,349	-	3,349
Investments	-	1,666	1,666
Current assets	31,935	89	32,024
Current liabilities	(10,267)	(31)	(10,298)
Non-current liabilities	(561)	-	(561)
Provisions	(2,137)	-	(2,137)
Net assets before pension deficit	23,574	1,724	25,298
Pension deficit	(1,796)	-	(1,796)
Total net assets after pension deficit & provisions	21,778	1,724	23,502
<b>Charity</b>			
Tangible fixed assets	1,255	-	1,255
Intangible fixed assets	3,349	-	3,349
Investments	782	1,666	2,448
Current assets	30,486	89	30,575
Current liabilities	(9,609)	(31)	(9,640)
Non-current liabilities	(561)	-	(561)
Provisions	(2,137)	-	(2,137)
Net assets before pension deficit & provisions	23,565	1,724	25,289
Pension deficit	(1,796)	-	(1,796)
Total net assets after pension deficit & provisions	21,769	1,724	23,493
<b>Group and Charity</b>			
Unrealised gains included above on investment assets (see note below)	-	787	787
Unrealised gains as at 1 February 2023	-	795	795
Net gain/(loss) arising from revaluations in the year	-	(8)	(8)
Unrealised gains as at 31 January 2024	-	787	787

