

**Company Registration Number: 00759327**  
**Charity Registration Number: 312855**

**THE PURCELL SCHOOL**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**THE PURCELL SCHOOL**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2024**

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<b>Trustees</b>	Sophia Coles, Safeguarding Governor Jeffrey Hewitt, Chair of Finance and General Purposes Committee from 1 December 2023 to 29 August 2024 (resigned 29 August 2024) <sup>1,3</sup> Richard Hill <sup>1</sup> Professor Timothy Jones <sup>1,2,3</sup> William McDonnell, Chair of Finance and General Purposes Committee until 30 November 2023 (resigned 30 November 2023) <sup>1</sup> Dr Diana Salazar <sup>2</sup> Gautam Shashichandra Dalal, Chair of Finance and General Purposes Committee from 31 August 2024 <sup>1</sup> Professor Christopher Swee Chau Liu (appointed 26 March 2024) <sup>1</sup> Dr Bernard Trafford, Chair of Full Governing Body <sup>1,2,3</sup> Kirsty Von Malaisé, Chair of Music and Education Committee <sup>2,3</sup>  <sup>1</sup> Finance and General Purposes Committee <sup>2</sup> Music and Education Committee <sup>3</sup> Nominations Committee
<b>Company registered number</b>	00759327
<b>Charity registered number</b>	312855
<b>Registered office</b>	Aldenham Road Bushey Watford Hertfordshire WD23 2TS
<b>Company secretary</b>	Adam Wroblewski
<b>Independent auditor</b>	MHA Statutory Auditor 6th Floor 2 London Wall Place London, United Kingdom EC2Y 5AU
<b>Bankers</b>	Coutts and Co. London WC2R 0QS

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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<b>Solicitors</b>	Harrison Clark Rickerbys Ltd Ellenborough House Wellington Street Cheltenham GL50 1YD
	Farrer and Co. 66 Lincoln Inn Fields London WC2A 3LH
<b>Senior Leadership Team</b>	Paul Bambrough - Principal Adam Wroblewski - Bursar Paul Hoskins - Director of Music Tom Burns - Vice-Principal Kate Cayley - Director of Boarding (resigned 31 December 2023) Ziggi Szafranski - Head of Sixth Form and Designated Safeguarding Lead Michael Long - Director of Teaching and Learning Emma Bantock - Director of Operations Chris Harbour - Director of Development Jane Mitchell - Director of Boarding

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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The Members of the Purcell School Governing Body, who are also the Trustees of the charitable company, present their Annual Report for the year ended 31 August 2024 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

The Purcell School ("the School") was incorporated on 30 April 1963, changing its name to the present name on 6 June 1984. It was incorporated as a Company limited by guarantee not having a share capital, with the registration number 00759327. It is also a registered Charity under the Charities Act 2011 with the charity number 312855. In 1980, the Purcell School was designated by the Secretary of State for Education as one of five specialist schools in Britain under what is now the Music and Dance Scheme (MDS). Currently, the Purcell School is one of the 8 schools in the UK supported by the MDS.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing documents**

The Purcell School is governed by its Memorandum of Association last updated in 1999.

**Governing Body**

The Governing Body is self-appointing, with one-third of its Members required to retire by rotation at each AGM. The first appointed, or longest serving since last reappointment, are the first to retire. Members retiring by rotation can be re-elected.

It is the policy to recruit Trustees from a wide variety of professions to enhance the Governing Body's strategic judgement. New Trustees are elected by current Members of the Governing Body. The professional backgrounds of current Trustees encompass music (including performance, teaching and the conservatoires), secondary and tertiary education, the wider world of the arts, law, banking, business, accountancy, and medicine. The Governing Body aims to provide a balance between those who know the School and the local area very well, and those who, whilst committed to its aims, come from further away and are able to provide special insights, experience, political sensitivity and objectivity. It is the policy of the Trustees to include a former student on the Governing Body provided that they have the requisite skills and experience.

The recruitment process is managed by the Nominations Committee. The chief requirement of all Trustees is to accumulate sufficient understanding of the School, its aims and its *modus operandi*, to enable them to use their knowledge and their professional background in agreeing the strategic direction of the School.

**Recruitment and training of Trustees**

New Trustees are inducted into the workings of the School through briefing sessions with the Chairman, Principal and Members of the Senior Leadership Team. In addition, they are provided with guidance from AGBIS (Association of Governing Bodies of Independent Schools), ISC (Independent Schools Council), BSA (Boarding Schools' Association) and the Charity Commission. Governors are advised of and encouraged to attend appropriate external training workshops and presentations.

**TRUSTEES' REPORT**  
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All Trustees have access to the papers for all Trustees' Committees to allow them to stay informed of current issues within the School. Staff make regular presentations to the Governing Body or its Committees on a wide range of topics. A programme of gubernatorial visits is arranged to allow Trustees to gain first-hand experience of the School at work; their observations are shared with the Principal and reported on at a full Governors' meeting. During the visit the Governor checks the school's SCR (Single Central Record). Sophia Coles serves as Safeguarding Governor with particular responsibility for Child Protection.

**Organisational management**

The Members of the Governing Body, as the Charity Trustees, are legally responsible for the overall management and control of the School. They meet three times a year.

The work of implementing their policies is carried out by three Committees:

- The Finance and General Purposes Committee scrutinises revenue, the budget and capital expenditure. This Committee also supervises and finalises the audited financial statements and annual report for approval by the Governing Body. In addition, it monitors operational matters, risk management, capital building projects and maintenance and leads on the development and review of the School's strategic plan. The Committee is chaired by Gautam Dalal who was appointed from 31<sup>st</sup> August 2024.
- The Music and Education Committee considers educational and pastoral policy and leads on monitoring and reviewing Safeguarding arrangements within the School. The Committee is chaired by Kristy Von Malaise who was appointed on 1<sup>st</sup> September 2021
- The Nominations Committee takes responsibility for reviewing the composition, skill and renewal of the Governing Body and the appointment of the Principal and Bursar. The Committee is chaired by Dr Bernard Trafford who was appointed on 1st September 2021.

The day-to-day running of the school is delegated to the Principal and Bursar. The Senior Leadership Team comprises of the Principal, Bursar, Vice-Principal, Director of Music, Director of Teaching and Learning, Safeguarding Lead, Director of Boarding, and Director of Operations. The Principal and Bursar attend all Governing Body (excluding the Nominations Committee) meetings and the Director of Music attended the Music and Education Committee meetings.

Employees' remuneration is set by the Board, with the policy objective of providing appropriate incentives and of rewarding fairly and responsibly individual contributions to the School's success. For teaching staff, the School aims, where possible, to mirror state school salaries and pay reviews. Employees' remuneration is reviewed annually and benchmarked against the school's sector pay level as a whole. The School subscribes to external HR benchmarking tool to analyse competitiveness against other organisations, and at the same time ensuring a fair level of pay in accordance with role responsibilities. It is also the intention of the school Trustees to apply a percentage increase to all staff when financially possible.

**Charity Governance Code**

The Trustees are aware of the Charity Governance Code and have received the AGBIS guidance which explains in detail the Governors' Code of Practice and good governance. The School has reviewed its current governance arrangements against the Charity Governance Code in May 2024, and confirms it complies with the Code.

**Group structure**

The School wholly owns Purcell School (Trading) Limited, which did not trade in the year.

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Employment policy**

The School is an equal opportunities employer. Full and fair consideration is given to all job applications.

Employees are made aware of the financial and economic performance of the School, at least on an annual basis.

Communication with employees takes place through normal management channels and includes staff briefings, departmental meetings and a variety of electronic communication.

**Relationships between the School and related parties**

The Trustees consider that the Board of Trustees and the Senior Leadership Team comprise the Key Management Personnel of the School. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes to the accounts.

The Purcell School maintains close partnerships with other Music and Dance Schools (MDS) and together shape the specialist musical education in the UK. The School also maintains links with music colleges, and London venues where it regularly performs. There is also a strong relationship with UK Conservatoires as it is often a direction where most of our students go. The numbers in brackets represent the number of scholarships awarded:

**2024 LEAVERS**

**MUSIC COLLEGES & CONSERVATOIRES**

Royal College of Music, London: 12 (4)

Royal Academy of Music, London: 9 (5)

Guildhall School of Music and Drama, London: 4 (3)

Royal Northern College of Music, Manchester: 1

Royal Conservatoire of Scotland, Glasgow: 1 (1)

**UNIVERSITIES & COLLEGES**

University of Oxford: 1

University of Cambridge: 2

The Juilliard School: 1

King's College London: 2

University of Edinburgh: 1

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

**Charitable objects**

The School's Objects, as set out in the Memorandum and Articles of Association, is to establish and conduct a school for the purpose of providing general and specialist music education. The School offers a rounded education, with music at its heart, and provides young musicians of exceptional talent and promise with the best possible teaching and environment in which to fulfil their potential, regardless of their background. The Governing Body is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Governing Body has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

**Mission statement**

The mission of The Purcell School is to provide young musicians who demonstrate the potential to become exceptional (irrespective of background) with outstanding teaching within a supportive school environment and to equip them with the self-confidence, adaptability, maturity and perspective to sustain their professional development and personal fulfilment throughout their lives.

**Aims**

The School's aims for public benefit are:

- To sustain a safe, happy and healthy environment in which all can flourish musically, academically and emotionally.
- To deliver outstanding musical and academic education.
- To provide a range of high-profile and developmental performance opportunities.
- To deliver personalised pastoral care and support so that the individual needs of each student are met.
- To provide access to musical opportunity and widen participation in areas where this is especially difficult.
- Maintain (as far as is practically possible) open access by admitting students solely on the ability, not according to financial means.

**Key financial performance indicators**

- A balanced budget is maintained throughout the year – objective met
- An accounting surplus is achieved before depreciation – objective unmet
- Gradual increase of student numbers year on year to reach school capacity – objective met

**Trustees' Indemnities**

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise unjustly attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the School. The cost of this insurance in the year has been included within total insurance costs.



**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

**Primary objectives**

The primary objectives of the School to fulfil these aims are to:

- To maintain and develop an exceptional student experience underpinned by outstanding artistic ambition
- To attract, retain and add value to the finest national and international talent
- To facilitate transformational engagement with partners, communities and the wider world
- To develop world-class resources and facilities
- To ensure financial sustainability through effective financial planning and management, diversification of income streams and significant and sustained fundraising

**Strategies to Achieve the Primary Objectives.**

The key strategies are as follows:

- maintaining high levels of musical and academic performance through Continuing Professional Development (CPD), visits to other institutions and departmental reviews
- ensuring that the School's policy of offering places according to musical potential rather than ability to pay is upheld by offering means tested financial assistance to all students accepted by the School, either through the Department for Education's Music and Dance Scheme or School Bursaries
- ensuring that funding arrangements are effectively communicated to talented young musicians and their parents.
- continuing the enhancement of the School's premises
- expanding fundraising initiatives in the school
- monitoring the requirement placed on the School under the Charities Act 2011 to continue to demonstrate public benefit
- continuing to build links with the community both through access to musical events and activities in the School as well as through Outreach Programmes
- reviewing and developing the School's strategic plan to ensure that it is fit for purpose and will lay for the foundations for long term future development

**Public benefit**

The Purcell School remains committed to the aim of providing public benefit in line with Section 17 of the Charities Act 2011.

The School offers bursaries through the Department for Education Music and Dance Scheme. For students who do not qualify for the Music and Dance Scheme, support is offered by the School from the School's own bursary fund. As a result, every student accepted by the School is entitled to means tested financial assistance and the key criterion for admission to the School is musical excellence and not ability to pay. Parental contributions for the majority of families supported by the MDS was 15% of gross fees in 2024/25 are currently 15% of gross fees in 2025/26 , and any non-Music and Dance Scheme bursaries are funded from the school's reserves.

The financial support available to students is promoted through the website, on Open Days and in all of the School's marketing materials. All parents have an opportunity on Open Days and audition days to discuss financial concerns.

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**FOR THE YEAR ENDED 31 AUGUST 2024**

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In addition to bursaries, the School engages in many other activities that provide benefit to the public within the School's objectives. These include:

- Concerts in and for the local community
- Free access to the local community to attend all concerts held at the School
- Making premises and specialist facilities available in holiday periods to the music "community" for a wide range of courses, workshops, audition days and study days

In addition, the School plays a leading role in shaping the broader landscape of specialist music and dance education in the UK. The Principal chairs the national Music and Dance Scheme (MDS) Schools Group, which comprises nine leading institutions dedicated to music and dance. Through this leadership role, the School fosters collaboration between specialist schools, shares best practice, and promotes a unified approach to nurturing young artistic talent across the country. The Principal has also actively contributed to the development of advocacy for specialist arts education, working alongside peers to align artistic and educational objectives that enhance access and opportunity for young musicians on a national scale.

**Equal opportunities**

The Purcell School is an equal opportunities organisation and is committed to a working and educational environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, gender, sexual orientation or disability.

**Safeguarding**

The School is committed to safeguarding and promoting the welfare of students and expects all stakeholders to share this commitment.

Governors monitor that safeguarding arrangements are effective by:

- Ensuring that Safeguarding is an agenda item at every meeting of the Governing Body and Education Committee and maintaining appropriate policies, procedures and operational arrangements
- Appointing a Trustee with particular responsibility for safeguarding who visits the School termly and monitors arrangements
- Reviewing an annual report compiled by the Designated Senior Person detailing how School procedures are working and providing an update on staff training
- Undertaking necessary training as required

**Fundraising performance**

Income raised through fundraising efforts amounted to £356,180 (2023 - £481,131) in the academic year.

Cultural spending on the arts has been reduced and funding shortfalls are threatening the future of many arts institutions and the broader cultural infrastructure. In order to support our bursary students, we need to raise over £600,000 per year and there is a significant variance between money needed and raised.

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Currently, admission to the School is “means blind”, meaning that we select students based on talent and potential, rather than the family’s ability to pay. This life-changing philosophy can only continue if we have the bursary funds to enable it. We continue to take significant steps to discover fundraising opportunities for our bursary students.

The School carried out its fundraising internally and has a fundraising policy in place which reflects the standards laid down by the Fundraising Regulatory Board established following the 2016 Charities Act to promote ethical practice in fundraising and gain public trust and confidence. The School is signed up to the Fundraising Regulator and contributes annually to the levy. The policy also includes a complaints procedure and there were no complaints received in the year.

To protect vulnerable people and other members of the public, the School only contacts people who have a legitimate interest in music and the School, and/or have opted in to receive information. Trustees have a commitment to the highest standards of good practice and to ensuring that all fundraising activities are open, legal, and fair.

Our fundraising policy, gift acceptance policy and development privacy notice have all been reviewed in this accounting year.

TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2024

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STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

KEY ACADEMIC STATISTICS

Students at The Purcell School are characteristically motivated both musically and academically, and exam results are consistently strong. Depending on a student's age and instrumental commitments, approximately a third of curricular time at The Purcell School is spent on musical activities. For this reason students may take fewer academic subjects than in other schools, and many will take Music exams one year early. For these reasons, numbers and grade distributions may fluctuate from year to year. However, excellent teaching, dedicated facilities, and small class sizes help to ensure that our students attain good grades to continue in their studies.

GCSE /IGCSE Overview of Grades											
GCSE / IGCSE											
Subject	Entries	9	8	7	6	5	4	3	2	1	U
ART & DESIGN: FINE ART	21			4	9	6		2			
BIOLOGY	1				1						
CHEMISTRY	1				1						
DRAMA	7	1			1		2	3			
ENGLISH LANGUAGE	21		3	3	7	1	5	2			
ENGLISH LITERATURE	13		2	3	4	1	2		1		
FRENCH	5	4	1								
GERMAN	9	4	3			1	1				
HISTORY IGCSE	11		1	4	1	1		1	1	1	1
MATHS	34	2	1	6	2	14	5	1	2	1	
PHYSICS	1					1					
SCIENCE: Trilogy Dual Award	31	2	5	7	3	3	6	5			

IGCSE	Entries	A*	A	B	C	D	E	F	G
Subject									
ENGLISH SECOND LANGUAGE	13	2	1	5	1	1		2	1
MUSIC (32 results received Nov. 23)	34	15	14	4	1				

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A-Level

Subject	Entries	A*	A	B	C	D	E	U
ART & DESIGN: Fine Art	6	1	2	3				
ART & DESIGN: Photography	7		1	3	2	1		
BIOLOGY	5	2			1		2	
CHEMISTRY	5	1	1		2	1		
DRAMA & THEATRE	3				1	2		
GERMAN	3		2			1		
ENGLISH LITERATURE	6		1	3		2		
FRENCH	1	1						
HISTORY	7		4	1		2		
MATHEMATICS	14	1	5	5	1	1	1	
MUSIC	36	3	11	16	6			
MUSIC TECHNOLOGY	14	1		4	6	2	1	
PHYSICS	1		1					

A Level statistics	2024	2023
Percentage A* - A	36%	33%
Percentage A* - B	68%	52%
Percentage A* - C	85%	77%
Percentage A* - D	96%	95%
Percentage A* - E	100%	99%

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**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Musical Achievements**

**Music Departments**

- The Pop & Commercial Department launched successfully in renovated accommodation. Performing opportunities have included pubs, clubs and theatres in and around Watford. In September 2024, 15% of the school was 1st study Jazz or P&C.
- The Piano Department performed the complete solo piano works of Schoenberg, Berg and Webern, had several prize winners in competitions in the UK and overseas, and provided several concerto soloists for concerts in school and outside.
- The String Department performances included the complete Bach Cello Suites, and Brahms Double Concerto. They undertook their first ever international tour with new Patron Dmitry Sitkovetsky, to Malta Spring Festival April 2024.
- Masterclasses included visits from professors at all the UK conservatoires, several from overseas, and several international soloists in all departments.
- Numerous composition projects were instigated by external composers with professional players including Peter Sheppard Skaerved and Fenella Humphreys; several recent alumni were accepted on LSO Panufnik Scheme and in the 2024 BBC Proms programme.
- 2 Evensongs at St Albans Abbey.

**Classical Concert highlights**

- 2 orchestral concerts at St John's, Smith Square including several significant premieres and a new collaboration with Orion Orchestra, and a big Gala at Southwark Cathedral. 2024-5 sees us return to SJSS with Dmitry Sitkovetsky, and to Cadogan Hall and Milton Court
- 2 concerts at Wigmore Hall in 2023-24. We returned there for Mahler songs and Pierrot Lunaire on 22 September 2024.
- Regional concerts including this year Leeds Conservatoire, Birmingham Conservatoire, University of Birmingham, music clubs in Watford, Radlett, Weston, Bracknell, Godalming, St Albans, Huntingdon, Rickmansworth; retirement homes, care homes and churches.
- Several students enjoyed success in NYO, NCO, at various international competitions, and we had 4 students selected for BBC Young Musician of the Year and 1 in the finals (due to happen in July 2025).

**Partnerships**

- Visit from Harmony Choir, India, return invitation to promote the school during an online course.
- Reciprocal visits to and from Middle School of Shanghai Conservatory.
- Increased presence in China with Purcell staff visiting in November 2023, invited to return; and invitation to host a day of a Chinese summer school in London.
- 3 primary school concerts at Hatfield House Chamber Music Festival, 1 at St Mary's Watford, several workshops and concerts in Dover schools and in Norfolk, and a Double Reed extravaganza with Wells at Christchurch Cathedral Choir School.
- 4 composers involved in a secondary school project alongside London Sinfonietta.
- New partnership beginning next year with the Philharmonia Orchestra.

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**FOR THE YEAR ENDED 31 AUGUST 2024**

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- Closer partnership working next year with Hertfordshire Music Service, including Royal Albert Hall gala
- BBC Bitesize filmed 50 students to make 10 films for broadcast.
- Re-invitation visit to Romania, where conducted schools concert of concerto movements with Purcell soloists May 2024.

**FINANCIAL REVIEW**

**Results for the year**

The School's total incoming resources for the year amounted to £7,602,678 (2023 - £6,948,008). The net deficit for the year was £866,908 (2023 - £781,513) as shown in the Statement of Financial Activities. The deficit for the year arose as a result of ensuring adequate level of staffing resources to ensure safe, happy and healthy environment for students, as detailed in Note 20.

**Reserves level and policy and financial viability**

The School's total reserves were £11,112,514 (2023 - £11,979,422) at the year end, of which £276,831 (2023 - £429,501) are restricted funds, £10,862,760 (2023 - £11,222,994) are designated funds and £(27,077) (2023 - £326,927) are general funds. The School's free reserves are currently negative, and the Trustees acknowledge the need to rebuild them to a healthy level. As of 31 August 2024, free reserves - defined as unrestricted funds not invested in fixed assets or earmarked for specific purposes - were approximately £27,000 in deficit. This means that, after excluding the value of the School's buildings and other fixed assets, the School had a small deficit in readily available (liquid) funds at year-end. The Board has set a clear goal to eliminate this deficit and restore positive free reserves over the next three years. In the medium term, the School is aiming to accumulate reserves equivalent to about 3 to 5 months of operating expenditure. Holding 3–5 months of spending in reserve is a key part of the School's financial policy, as it provides a sufficient cushion to cover unexpected downturns or delays in funding without tying up excessive resources. (For context, 3–5 months of expenditure for the School equates to a reserve on the order of a few million pounds, based on current annual costs.)

It is important to distinguish between the School's total accounting reserves and the available free reserves. On the face of the balance sheet, the School had total funds of £11.11 million at the end of August 2024 (2023 - £11.98 million). However, the vast majority of this amount represents the net book value of fixed assets (land, buildings, and equipment) or funds designated for specific purposes. These "accounting reserves" are not money in the bank, but rather the recorded value of assets that serve the School's mission. When we exclude those fixed assets and restricted funds, the true free reserve - the portion that is undirected and liquid - was the aforementioned negative £27,000. In practice, this situation has arisen because the School has made substantial investments in its facilities over the years and has experienced operational deficits in recent periods, which together have reduced the liquid reserves.

One notable factor affecting the reserves is the Samuel Gardner Memorial Trust loan of £395,000. This loan is recorded as a liability in the financial statements, which in turn reduces the net unrestricted reserves. However, as explained above, the SGMT loan is a concessionary loan with no fixed repayment timeline. The Trustees do not foresee the need to repay this loan in the near term. Therefore, it does not materially impact the School's day-to-day liquidity. In effect, aside from accounting presentation, the presence of the SGMT loan does not constrain our operational cash flow – the School can continue to use those funds in its operations unless and until a repayment is requested (which is considered unlikely in the immediate future). If the SGMT loan were excluded from the calculation of free reserves, the School's effective available reserves would be higher, moving the free reserve position closer to break-even. This highlights that the current negative free reserves are largely an

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**FOR THE YEAR ENDED 31 AUGUST 2024**

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accounting outcome of how past investments and obligations are recorded, rather than an indication that the School lacks the cash to operate.

The Trustees and management are actively implementing a reserves rebuilding plan to strengthen the School's financial base and ensure long-term sustainability. Key elements of this plan include maintaining the cost control and income generation measures described above (to produce annual operating surpluses that can be added to reserves) and closely monitoring cash flow to safeguard liquidity. The School's budgeting process for the coming years has been designed to generate modest surpluses each year, which will be earmarked for increasing free reserves. The Board will review the reserves position and the underlying assumptions (such as student numbers, fee levels, and funding commitments) on a regular basis. If the School encounters any significant upswing in financial performance (for example, through successful fundraising or higher-than-expected enrolment), the Trustees intend to direct a portion of those gains into reserves to accelerate reaching the target. Overall, the aim is to gradually rebuild the free reserves to meet the 3 to 5 months of expenditure target within approximately three years. Achieving this will greatly improve the School's financial resilience, ensuring it can weather future uncertainties and continue to deliver on its educational mission for the long term.

The Trustees have assessed the School's ability to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. This assessment has taken into account a range of financial and operational factors, and reflects both the School's current financial position and its medium-term strategic planning.

Since the reporting date, the School has received confirmation from the Department for Education that funding under the Music and Dance Scheme (MDS) has been granted for the academic year 2025/26. Although MDS funding continues to be reviewed and allocated on an annual basis, the confirmation for the coming year significantly reduces the material uncertainty that previously existed and provides greater short-term funding assurance.

In light of this confirmed income, the School has updated its multi-year cash flow forecasts to reflect secured grant funding and latest budget assumptions. These revised forecasts include scenarios planning and demonstrate that the School has sufficient liquidity and financial resources to meet its obligations as they fall due for at least the next 12 months and beyond. Even under prudent downside assumptions, the School remains capable of operating within its existing financial framework.

To further support its financial sustainability, the Executive Team is actively developing an interim financial strategy aimed at securing the School's longer-term viability beyond the immediate 12-month horizon. This strategy includes a suite of potential strategic, operational and structural measures and will be presented for discussion and approval at the forthcoming Board of Trustees meeting on 1 July 2025.

In the meantime, the School continues to operate with strong financial discipline, including:

- Rigorous monthly financial monitoring, enabling prompt corrective actions if variances arise;
- Scenario-based forecasting across multiple planning horizons;
- Active engagement with key external stakeholders, including government bodies, to remain informed and responsive to policy changes.

While the nature of annual MDS funding means that a level of uncertainty remains in the medium term, the confirmation of grant support for 2025/26 materially reduces the level of risk relating to going concern. The Trustees are satisfied that, based on the information available and the measures in place, the School remains a going concern. Accordingly, the financial statements have been prepared on a going concern basis.



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**PRINCIPAL RISKS AND UNCERTAINTIES**

The Governing Body is responsible for the management of the risks faced by the School. Detailed considerations of risk are delegated to the Finance and General Purposes Committee, which is assisted by senior School staff. Risks are identified, assessed and controls established throughout the year. A formal review of the School's risk management processes is undertaken on an annual basis. The key controls used by the School include:

- formal agendas for Governing Body activity
- detailed terms of reference for all Committees of the Governing Body
- comprehensive strategic planning, budgeting and management accounting
- established organisational and governance structures and lines of reporting
- a comprehensive suite of formal written policies including staff handbook, safeguarding and child protection, and health and safety
- hierarchical authorisation and approval levels
- external review by the insurance company
- financial procedures policy.

Through the risk management processes established for the School, the Trustees are satisfied that the major risks identified have been managed as necessary. The Trustees have identified that the key areas of risk that the School faces lie in the effectiveness of its governance and management, the efficiency of its operations, the effectiveness of its safeguarding procedures and in ensuring its financial health and stability. These include, in particular, a significant fall in student numbers and withdrawal or changes to the Department for Education funding, which has been intensified by the current cost of living and the addition of VAT on school fees.. It is recognised that systems can only provide reasonable but not absolute assurance that major risks are being managed.

The management of risk is a routine part of the day to day operation of the School. Policies and procedures are in place to assess and manage risks. During the year Governors reviewed child protection, health and safety, risk management, whistleblowing, professional standards, staff recruitment, bursary and equality policies.

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**FUTURE STRATEGIC PLANS**

The School is planning to launch in the next academic year, a comprehensive new strategic plan which will deliver significant improvement to every aspect of its work over the coming 5 – 10 years. In so doing, it will secure and expand recruitment of pupils; widen participation and social impact; improves its physical and virtual resources and strengthen its financial position. The key principal strategic aims are:

Principal Strategic Aim 1	<b>To maintain and develop an exceptional student experience underpinned by outstanding artistic ambition</b>
Principal Strategic Aim 2	<b>To attract, retain and add value to the finest national and international talent.</b>
Principal Strategic Aim 3	<b>To facilitate transformational engagement with partners, communities and the wider world.</b>
Principal Strategic Aim 4	<b>To develop world-class resources and facilities</b>
Principal Strategic Aim 5	<b>To ensure financial sustainability through effective financial planning and management, diversification of income and significant and sustained fundraising</b>


Integral to the Strategic Plan is the School's core mission of ensuring that places are secured (as far as is practically possible) on the basis of talent, not on the ability to pay and to enable each and every student to experience a safe, happy and healthy environment in which to grow and develop musically, academically and personally.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company Directors.

On behalf of the Board



.....  
**Dr Bernard Trafford**  
Chair of Full Governing Body  
Date: 25/06/2025



.....  
**Gautam Shashichandra Dalal**  
Chair of Finance and General Purposes Committee

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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The Trustees (who are also the Directors of the School for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 School and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 School will continue in business.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Members of the Board of Trustees and signed on its behalf by:



.....  
**Dr Bernard Trafford**  
Chair of Full Governing Body  
Date: 25/06/2025



.....  
**Gautam Shashichandra Dalal**  
Chair of Finance and General Purposes Committee

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PURCELL SCHOOL**

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**Opinion**

We have audited the financial statements of The Purcell School (the 'School') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PURCELL SCHOOL (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PURCELL SCHOOL (CONTINUED)**

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**Auditor responsibilities for the audit of the financial statements**

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

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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**THE PURCELL SCHOOL**  
**(A Company Limited by Guarantee)**

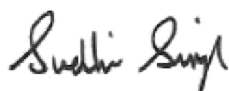
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PURCELL SCHOOL (CONTINUED)**

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**Use of our report**

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



**Sudhir Singh FCA (Senior Statutory Auditor)**

for and on behalf of

**MHA**

Statutory Auditor

London, United Kingdom

Date: 27 June 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

**THE PURCELL SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Donations and grants	4	-	356,180	356,180	484,131
Charitable activities	5	6,939,878	-	6,939,878	6,118,978
Other trading activities	8	236,588	-	236,588	324,271
Investments	9	-	70,032	70,032	20,628
<b>Total income</b>		<b>7,176,466</b>	<b>426,212</b>	<b>7,602,678</b>	<b>6,948,008</b>
<b>Expenditure on:</b>					
Raising funds	10	140,855	-	140,855	165,072
Charitable activities	11,12	7,749,849	578,882	8,328,731	7,564,449
<b>Total expenditure</b>		<b>7,890,704</b>	<b>578,882</b>	<b>8,469,586</b>	<b>7,729,521</b>
<b>Net movement in funds</b>		<b>(714,238)</b>	<b>(152,670)</b>	<b>(866,908)</b>	<b>(781,513)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		11,549,921	429,501	11,979,422	12,760,935
Net movement in funds		(714,238)	(152,670)	(866,908)	(781,513)
<b>Total funds carried forward</b>		<b>10,835,683</b>	<b>276,831</b>	<b>11,112,514</b>	<b>11,979,422</b>

All income and expenditure derives from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The Notes on pages 25 to 49 form part of these financial statements.



**THE PURCELL SCHOOL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00759327**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2024**

	Note	2024 £	2024 £	2023 £	2023 £
<b>Fixed assets</b>					
Tangible assets	16		<b>10,862,760</b>		11,222,994
Investments	17		<b>100</b>		100
			<b>10,862,860</b>		11,223,094
<b>Current assets</b>					
Debtors: Amounts falling due within one year	18	<b>346,422</b>		588,068	
Cash at bank and in hand	23	<b>1,436,380</b>		1,950,022	
		<b>1,782,802</b>		2,538,090	
Creditors: Amounts falling due within one year	19	<b>(1,533,148)</b>		(1,781,762)	
<b>Net current assets</b>			<b>249,654</b>		756,328
<b>Total net assets</b>			<b>11,112,514</b>		11,979,422
<b>School funds</b>					
Restricted funds	20		<b>276,831</b>		429,501
Unrestricted funds	20		<b>10,835,683</b>		11,549,921
<b>Total funds</b>			<b>11,112,514</b>		11,979,422

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

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



**Dr Bernard Trafford**  
Chair of Full Governing Body  
Date: 25/06/2025



**Gautam Shashichandra Dalal**  
Chair of Finance and General Purposes Committee

The notes on pages 25 to 49 form part of these financial statements.

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**THE PURCELL SCHOOL**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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	<b>Note</b>	<b>2024 £</b>	<b>2023 £</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	22	<b>(551,816)</b>	<b>(105,942)</b>
<b>Cash flows from investing activities</b>			
Investment income	9	<b>70,032</b>	<b>20,628</b>
Purchase of tangible fixed assets	16	<b>(31,858)</b>	<b>(172,471)</b>
<b>Net cash provided by/(used in) investing activities</b>		<b>38,174</b>	<b>(151,843)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(513,642)</b>	<b>(257,785)</b>
Cash and cash equivalents at the beginning of the year		<b>1,950,022</b>	<b>2,207,807</b>
<b>Cash and cash equivalents at the end of the year</b>	23	<b>1,436,380</b>	<b>1,950,022</b>

The notes on pages 25 to 49 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**1. General information**

The Purcell School is a private charitable company limited by guarantee and is registered with the Charity Commission (Charity Registered Number: 312855) and Registrar of Companies (Company Registration Number: 00759327) in England and Wales.

The registered office and principal place of operation is detailed on page 1. The nature of the School's operations are detailed in the Trustees' Report.

The liability of the 10 Members at the year-end is limited to £1 each.

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

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

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

The financial statements are prepared in sterling, which is the functional currency of the School, and rounded to the nearest pound.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**2. Accounting policies (continued)**

**2.2 Going concern**

The Trustees have assessed the School's ability to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. This assessment has taken into account a range of financial and operational factors, and reflects both the School's current financial position and its medium-term strategic planning.

Since the reporting date, the School has received confirmation from the Department for Education that funding under the Music and Dance Scheme (MDS) has been granted for the academic year 2025/26. Although MDS funding continues to be reviewed and allocated on an annual basis, the confirmation for the coming year significantly reduces the material uncertainty that previously existed and provides greater short-term funding assurance.

In light of this confirmed income, the School has updated its multi-year cash flow forecasts to reflect secured grant funding and latest budget assumptions. These revised forecasts include scenarios planning and demonstrate that the School has sufficient liquidity and financial resources to meet its obligations as they fall due for at least the next 12 months and beyond. Even under prudent downside assumptions, the School remains capable of operating within its existing financial framework.

To further support its financial sustainability, the Executive Team is actively developing an interim financial strategy aimed at securing the School's longer-term viability beyond the immediate 12-month horizon. This strategy includes a suite of potential strategic, operational and structural measures and will be presented for discussion and approval at the forthcoming Board of Trustees meeting on 1 July 2025.

In the meantime, the School continues to operate with strong financial discipline, including:

- Rigorous monthly financial monitoring, enabling prompt corrective actions if variances arise;
- Scenario-based forecasting across multiple planning horizons;
- Active engagement with key external stakeholders, including government bodies, to remain informed and responsive to policy changes.

While the nature of annual MDS funding means that a level of uncertainty remains in the medium term, the confirmation of grant support for 2025/26 materially reduces the level of risk relating to going concern. The Trustees are satisfied that, based on the information available and the measures in place, the School remains a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**2. Accounting policies (continued)**

**2.3 Income**

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

Fees receivable are accounted for in the year to which they relate and comprise tuition fees and charges to students, net of bursary fee remissions, but gross of awards made from the School's Bursary Fund.

Donations and gifts received for the general purposes of the School are credited to the School's funds. Donations and gifts subject to specific wishes of the donors are carried to the relevant restricted fund. Voluntary income is accounted for when the School's entitlement to it is considered to be legally enforceable and there is reasonable certainty of receipt.

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

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

**2.4 Government grants**

The Charity receives government grants in respect of furthering its charitable objectives. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

**2.5 Expenditure**

Expenditure is accounted for on an accruals basis. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The Charity considers support costs to involve administration and the costs associated with the performance of these tasks.

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

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

All expenditure is inclusive of irrecoverable VAT.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**2. Accounting policies (continued)**

**2.6 Taxation**

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £5,000 (£1,000 for computer equipment) or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold buildings	- 2% on cost
Temporary classrooms	- 20% on written down value
Motor vehicles	- 25% on written down value
Furniture, fixtures and fittings	- 15% on written down value
Computer equipment	- 20% on cost
Musical instruments	- 10% on written down value

Freehold land is not depreciated.

**2.8 Investments**

Investment in the trading subsidiary is valued at cost less provision for impairment.

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**2. Accounting policies (continued)**

**2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**2.12 Concessionary loans**

Concessionary loans include those receivable and payable to a third party which are interest free or below market interest rates and are made to advance charitable purposes. Where the loan is repayable on demand within one year, the loan is measured at cost, less impairment. Where the loan is repayable more than one year, the loan is initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less impairment.

**2.13 Financial instruments**

The School only holds basic financial instruments. The financial assets and financial liabilities of the School are as follows:

Financial assets - trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 18. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

**2.14 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**2. Accounting policies (continued)**

**2.15 Pensions**

The School contributes to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised to the Governors by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS102 the scheme is accounted for as a defined contribution scheme. The School also uses a defined contribution scheme for its non-teaching staff. The contributions are charged in the Statement of Financial Activities when made.

**2.16 Termination payments**

Termination benefits, including redundancy costs, are recognised when the School has the obligation to pay the benefits and they can be reliably measured.

**2.17 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the School and which have not been designated for other purposes.

Designated funds are funds set aside out of general funds and designated for specific purposes by the Trustees.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

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



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

4. Income from donations, legacies and grants

	Restricted funds 2024 £	Total funds 2024 £
Bursary income	314,795	314,795
Friends income	9,393	9,393
Merchandise sales	497	497
Instrument and Composition income	22,395	22,395
Chamber academy income	9,100	9,100
<b>Total 2024</b>	<b>356,180</b>	<b>356,180</b>

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Bursary income	-	277,343	277,343
Friends income	-	5,677	5,677
Merchandise sales	-	325	325
Other grants	8,881	-	8,881
Instrument and Composition income	-	91,905	91,905
Capital development fund	-	100,000	100,000
<b>Total 2023</b>	<b>8,881</b>	<b>475,250</b>	<b>484,131</b>

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**5. Income from charitable activities - by fund**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Educational operations	6,939,878	<b>6,939,878</b>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Educational operations	6,118,978	6,118,978

**6. Analysis of income from charitable activities by type of income**

	<b>2024 £</b>	<b>2023 £</b>
School fees	7 <b>6,939,878</b>	6,118,978
	<b>6,939,878</b>	6,118,978

**7. School fees**

	<b>2024 £</b>	<b>2023 £</b>
Gross school fees	<b>6,939,878</b>	6,124,733
Less: Total bursaries	<b>(578,882)</b>	(460,992)
Add: Bursaries paid from restricted funds	<b>578,882</b>	455,237
	<b>6,939,878</b>	6,118,978

Net fees received included £593,280 (2023 - £1,729,496) by parents and £4,045,592 (2023 - £3,939,245) paid by the Department for Education Music and Dance Scheme.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Income from other trading activities**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Application and audition fees	17,778	<b>17,778</b>
Insurance claims	68,960	<b>68,960</b>
House fund income	13,020	<b>13,020</b>
Concert income	19,592	<b>19,592</b>
Lettings income	84,713	<b>84,713</b>
Coffee shop income	7,934	<b>7,934</b>
Sundry income	24,591	<b>24,591</b>
<b>Total 2024</b>	<b>236,588</b>	<b>236,588</b>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Application and audition fees	9,154	9,154
Insurance claims	85,824	85,824
House fund income	12,555	12,555
Concert income	34,272	34,272
Lettings income	150,992	150,992
Coffee shop income	14,525	14,525
Sundry income	16,756	16,756
Gain on disposal of fixed assets	193	193
<i>Total 2023</i>	<i>324,271</i>	<i>324,271</i>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

9. Income from investments

	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Bank interest receivable	70,032	<b>70,032</b>

	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Bank interest receivable	20,628	20,628

10. Expenditure on raising funds

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Direct costs - Staff costs	117,583	<b>117,583</b>
Direct costs - Fundraising and development costs	15,371	<b>15,371</b>
Support costs - Financing costs	7,901	<b>7,901</b>
<b>Total 2024</b>	<b>140,855</b>	<b>140,855</b>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Direct costs - Staff costs	122,493	122,493
Direct costs - Fundraising and development costs	17,283	17,283
Support costs - Financing costs	7,901	7,901
Support costs - Coffee shop costs	17,395	17,395
<b>Total 2023</b>	<b>165,072</b>	<b>165,072</b>

NOTES TO THE FINANCIAL STATEMENTS  
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11. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Educational operations	7,749,849	578,882	8,328,731

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Educational operations	7,109,212	455,237	7,564,449

12. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Educational operations	6,720,723	1,608,008	8,328,731

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Educational operations	6,119,419	1,445,030	7,564,449

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

12. Analysis of expenditure on charitable activities - by type (continued)

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	4,518,016	4,217,127
Premises costs	691,892	662,862
Teaching costs	261,187	224,898
Welfare and catering costs	670,746	559,295
School operating costs	578,882	455,237
	<b>6,720,723</b>	<b>6,119,419</b>

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	562,390	506,692
Depreciation	392,092	476,831
Other staff costs	21,252	26,992
Premises costs	23,702	42,886
Technology costs	109,895	97,154
Insurance costs	79,951	73,121
Transportation costs	4,917	5,678
Hospitality costs	71	110
Bank charges	48,370	6,367
Governance costs	197,088	106,062
Legal costs	4,422	6,156
Other support costs	90,641	73,031
Publicity costs	31,302	12,554
Bad debts	41,915	11,396
	<b>1,608,008</b>	<b>1,445,030</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**13. Governance costs**

	<b>2024</b> £	<b>2023</b> £
Auditor's remuneration - Audit of the financial statements	<b>26,640</b>	24,600
Auditor's remuneration - Other services	<b>39,220</b>	10,200
Auditor's remuneration - Under-accrual of prior year fees	-	3,780
Legal and professional fees	<b>131,228</b>	67,482
	<b>197,088</b>	106,062

**14. Staff costs**

	<b>2024</b> £	<b>2023</b> £
Wages and salaries	<b>4,076,651</b>	3,828,237
Social security costs	<b>379,460</b>	358,257
Pension costs	<b>741,878</b>	659,818
	<b>5,197,989</b>	4,846,312

Wages and salaries also includes agency staff costs of £27,827 (2023 - £29,494).

Wages and salaries include termination and redundancy payments, including contractual payments of £6,163 (2023 - £NIL) and non-contractual payments of £16,163 (2023 - £NIL). The non-contractual payments for 2024 were made under the authority of the Trustees as being in the best interest of the School. There were no associated liabilities at the year end.

The average number of persons employed by the School during the year was as follows:

	<b>2024</b> No.	<b>2023</b> No.
Teaching	<b>120</b>	123
Boarding, Pastoral and Housekeeping	<b>31</b>	32
Administration, Property and Fundraising	<b>18</b>	17
	<b>169</b>	172

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**14. Staff costs (continued)**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>5</b>	<b>6</b>
In the band £80,001 - £90,000	<b>2</b>	<b>2</b>
In the band £90,001 - £100,000	<b>1</b>	<b>1</b>
In the band £120,001 - £130,000	<b>1</b>	<b>1</b>

The Key Management Personnel of the School comprise the Trustees and the Senior Leadership Team as listed on pages 1 and 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by Key Management Personnel for their services to the School was £917,755 (2023 - £776,613).

**15. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).



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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Tangible fixed assets**

	Freehold land and buildings £	Motor vehicles £	Furniture, fixtures and fittings £	Computer equipment £	Musical instruments £	Total £
<b>Cost or valuation</b>						
At 1 September 2023	15,472,717	28,200	1,827,327	775,986	1,073,136	19,177,366
Additions	-	-	-	21,063	10,795	31,858
At 31 August 2024	15,472,717	28,200	1,827,327	797,049	1,083,931	19,209,224
<b>Depreciation</b>						
At 1 September 2023	4,869,305	21,509	1,497,254	775,986	790,318	7,954,372
Charge for the year	293,824	1,675	49,074	21,063	26,456	392,092
At 31 August 2024	5,163,129	23,184	1,546,328	797,049	816,774	8,346,464
<b>Net book value</b>						
At 31 August 2024	10,309,588	5,016	280,999	-	267,157	10,862,760
At 31 August 2023	10,603,412	6,691	330,073	-	282,818	11,222,994

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. Fixed asset investments**

	Investment in subsidiary company £
<b>Cost or valuation</b>	
At 1 September 2023	100
At 31 August 2024	<u>100</u>

**Principal subsidiaries**

The wholly owned trading subsidiary, Purcell School (Trading) Limited, is incorporated in England and Wales (Company Registration Number: 02914875). The registered office address is Aldenham Road, Bushey, Watford, Hertfordshire, WD23 2TS.

During the current and previous financial years Purcell School (Trading) Limited was dormant.

**18. Debtors**

	2024 £	2023 £
<b>Due within one year</b>		
Trade debtors	111,870	162,383
Other debtors	4,727	220,731
Prepayments	43,270	23,188
Music and Dance Scheme grant	186,555	181,766
	<u>346,422</u>	<u>588,068</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**19. Creditors: Amounts falling due within one year**

	<b>2024</b> £	<b>2023</b> £
Other loans	<b>395,105</b>	395,105
Trade creditors	<b>112,824</b>	253,942
Parental deposits	<b>187,409</b>	176,197
Other taxation and social security	<b>233,721</b>	212,958
Other creditors	<b>77,202</b>	117,768
Accruals and deferred income	<b>526,887</b>	625,792
	<b>1,533,148</b>	1,781,762

The other loans amount included in the creditors note above relates to a £395,105 that was borrowed in the 1980s from the Samuel Gardner Memorial Trust to move the School from its previous campus in Harrow to its current location. It is considered a concessionary loan repayable on demand. No amount has been repaid at the year ended 31 August 2024.

	<b>2024</b> £	<b>2023</b> £
Deferred income at 1 September 2023	<b>464,031</b>	186,171
Resources deferred during the year	<b>322,307</b>	464,031
Amounts released from previous periods	<b>(464,031)</b>	(186,171)
	<b>322,307</b>	464,031

Deferred income relates entirely to Student fees received in advance of the new academic year.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

20. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset fund	11,222,994	-	(392,092)	31,858	10,862,760
<b>General funds</b>					
General Fund	326,927	7,176,466	(7,498,612)	(31,858)	(27,077)
<b>Total Unrestricted funds</b>	<b>11,549,921</b>	<b>7,176,466</b>	<b>(7,890,704)</b>	<b>-</b>	<b>10,835,683</b>
<b>Restricted funds</b>					
Capital Development Fund	137,251	-	-	-	137,251
Bursary Fund	174,710	394,717	(578,882)	-	(9,455)
Instrument Fund	96,801	15,395	-	-	112,196
Composition and Outreach Fund	13,130	7,000	-	-	20,130
Chamber Music Academy	7,609	9,100	-	-	16,709
	429,501	426,212	(578,882)	-	276,831
<b>Total of funds</b>	<b>11,979,422</b>	<b>7,602,678</b>	<b>(8,469,586)</b>	<b>-</b>	<b>11,112,514</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset fund	11,527,354	-	(476,831)	172,471	11,222,994
<b>General funds</b>					
General Fund	844,721	6,452,130	(6,797,453)	(172,471)	326,927
<b>Total Unrestricted funds</b>	12,372,075	6,452,130	(7,274,284)	-	11,549,921
<b>Restricted funds</b>					
Capital Development Fund	37,251	100,000	-	-	137,251
Bursary Fund	325,974	303,973	(455,237)	-	174,710
Instrument Fund	8,396	88,405	-	-	96,801
Composition and Outreach Fund	9,630	3,500	-	-	13,130
Chamber Music Academy	7,609	-	-	-	7,609
	388,860	495,878	(455,237)	-	429,501
<b>Total of funds</b>	12,760,935	6,948,008	(7,729,521)	-	11,979,422

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**20. Statement of funds (continued)**

**Restricted Funds**

The Capital Development Fund represents donations made to fund major projects. Capital development funds going forward will be used for the next major building project.

The Bursary Fund comprises grants and donations made to the School for the purpose of funding needy students. Tuition fees in the Statement of Financial Activities include fees funded by scholarships of £573,882. In the year, a total of £578,882 of bursaries were made to students of which £578,882 was paid from the Bursary Fund. As at the year end, the Bursary Fund had a deficit carried forward of £9,455. This is due to the School providing bursaries in advance of the funding being received in the following year.

The Instrument Fund comprises grants and donations made to the School for the purchase of specific musical instruments.

The Composition and Outreach Fund represents grants and donations made to the School for the commissioning and performance of new music and for undertaking community based activities.

The Chamber Music Academy comprises funds received specifically to fund a chamber music initiative involving students from the Purcell School led by Charles Sewart.

**Unrestricted Fund**

The general fund comprises accumulated revenue surpluses and, once any restrictions have been met, receipts from restricted and unrestricted capital funds. The transfer out of £31,358 represent capital purchases made using these funds.

The School has a designated fixed asset fund for the net book value of fixed assets held. As capital purchases are made using other funds, transfers are made into this fund.

For the year ended 31 August 2024, the School recorded an accounting deficit of approximately £866,000 (2023 - £781,000 deficit). This deficit reflects the challenging economic environment and the School's commitment to maintaining high-quality provision (for example, preserving adequate staffing levels to ensure a safe and supportive environment for students). It is important to note that roughly half of the reported deficit – around £400,000 – is due to depreciation, a non-cash accounting charge representing the wear and tear on buildings and equipment. The remaining £395,000 of the deficit relates to the longstanding Samuel Gardner Memorial Trust (SGMT) loan. This loan, which was originally provided to support the School's relocation in the 1980s, is carried as a liability in the accounts but is not expected to be repaid in the near future. Because the SGMT loan has no fixed repayment date, it does not create an immediate cash outflow for the School. Adjusting for these two factors (depreciation and the SGMT loan), the underlying operational shortfall for the year is significantly smaller than the headline deficit suggests.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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The Trustees are taking concrete steps to restore a positive fund balance and return the School to an operating surplus over the coming years. A number of initiatives are underway to achieve this, including:

- **Cost management:** The School is closely reviewing all areas of expenditure and implementing efficiency measures to reduce costs without compromising educational quality. This includes scrutinising staffing structures, procurement, and other operational expenses to identify savings and improve value for money.
- **Revenue improvement:** At the same time, efforts are being made to increase income. Strategies here include bolstering student recruitment to fill available places (thus increasing fee income), thoughtfully reviewing fee levels, and strengthening fundraising and development activities. The School is also exploring additional revenue streams where feasible, leveraging its facilities and reputation.

By tightening control over costs and actively seeking to grow income, management and Governors are confident in reducing the deficit in the short term. The goal is to steadily improve annual results such that the general (unrestricted) fund moves out of deficit. The School's leadership will continue to monitor progress against these plans closely. Achieving a balanced or surplus budget will allow any future excess funds to be added to reserves, thereby improving the School's overall financial position and resilience.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	10,862,760	-	10,862,760
Fixed asset investments	100	-	100
Current assets	1,505,971	276,831	1,782,802
Creditors due within one year	(1,533,148)	-	(1,533,148)
<b>Total</b>	<b>10,835,683</b>	<b>276,831</b>	<b>11,112,514</b>

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	11,222,994	-	11,222,994
Fixed asset investments	100	-	100
Current assets	2,108,589	429,501	2,538,090
Creditors due within one year	(1,781,762)	-	(1,781,762)
<b>Total</b>	<b>11,549,921</b>	<b>429,501</b>	<b>11,979,422</b>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024

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

		2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)		(866,908)	(781,513)
<b>Adjustments for:</b>			
Depreciation charges	16	392,092	476,831
Investment income	9	(70,032)	(20,628)
Decrease/(increase) in debtors	18	241,646	(262,308)
(Decrease)/increase in creditors	19	(248,614)	481,676
<b>Net cash used in operating activities</b>		<b>(551,816)</b>	<b>(105,942)</b>

23. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	1,436,380	1,950,022
<b>Total cash and cash equivalents</b>	<b>1,436,380</b>	<b>1,950,022</b>

24. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	1,950,022	(513,642)	1,436,380
Debt due within 1 year	(571,302)	(11,212)	(582,514)
	<b>1,378,720</b>	<b>(524,854)</b>	<b>853,866</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**25. Pension commitments**

**Introduction**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying the notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation and subsequent consultation were:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The School participates in the TPS for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £589,684 (2023 - £525,408). At the year end, there were contributions of £110,525 (2023 - £89,014) payable in respect of the scheme.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**25. Pension commitments (continued)**

**Defined Contribution Pension Scheme**

The School operates a defined contribution pension scheme for non-teaching staff. Contributions paid during the year were £152,195 (2023 - £134,410). At the year end, there were contributions of £17,209 (2023 - £33,697) payable in respect of the schemes.

**26. Operating lease commitments**

At 31 August 2024 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	<b>10,644</b>	<b>10,664</b>
Later than 1 year and not later than 5 years	<b>13,330</b>	<b>23,994</b>
	<b>23,974</b>	<b>34,658</b>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Operating lease rentals	<b>-</b>	<b>10,664</b>

**27. Related party transactions**

During the year unrestricted donations of £NIL (2023 - £681) were received from NIL (2023 - one) Trustee. There were no amounts outstanding at the year end (2023 - £NIL).