

THE ARTS EDUCATIONAL SCHOOLS
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Company Number: 00712444
Registered Charity Number: 311087

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**THE ARTS EDUCATIONAL SCHOOLS
PATRONS, GOVERNORS, OFFICERS AND ADVISORS
FOR THE YEAR ENDED 31 AUGUST 2022**

President Lord Lloyd-Webber

Vice Presidents Robert Powell
David Grindrod
Sharon D Clarke

Patrons and Artistic Creatives	Don Black, OBE Sir Matthew Bourne, OBE John Brant Chrissie Cartwright Anthony Cherry Bill Deamer Janie Dee Mike Dixon Anthony Drew Nigel Havers David Howe Rachel Kavanaugh	Mary King Nigel Lilley Lynette Linton Robert Lindsay Lesley Manville Stephen Mear Sir Trevor Nunn Arlene Phillips Mark Shenton George Stiles Ian Talbot Roy Williams
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The Governors and Trustees

Brian Brodie (appointed 21 June 2022)	David Ian (resigned 21 June 2022)
Mark Burch (resigned 7 February 2022)	Brenlen Jinkens
Jaqueline Brunjes	Nicholas La Barrie (resigned 2 February 2022)
Sandra Cahill (resigned 21 June 2022)	Joanna Macdonnell (appointed 21 June 2022)
Ann Cottis	Diana Maine (resigned 21 June 2022)
Stephen Denyer	Farida Mannan (appointed 5 January 2022)
Cherry Dickins (appointed 12 July 2022)	Robert Mathieson
Simon Dowson-Collins (appointed 21 June 2022)	Guy Mullin-Henderson
Clare Ferguson (resigned 21 June 2022)	Ruth Mundy
Benjamin Gudgeon (appointed 21 June 2022)	Jennifer Wilkinson (appointed 21 June 2022)

Members of the Trust *

Ian Biller	Prue Gee	Robert Powell
Martin Bishop	David Grindrod	Robert Pritchett
Rosemarie Breitenstein	Dorothy Ind	Joyce Rae
Judy Bristow	Geoffrey King	Sue Rose
Doreen Brown	Peter Kyle OBE	Jane Seymour
The Duchess of Buccleuch	Maggie Lee	John Shuffrey
Vanessa Cameron, MBE	Ruth Leon	Diane Yeo
Coralyn Canfor-Dumas	Cherie Lunghi	
Emma Cherniavsky	Kenneth May	
Martin Clunes	Terry Molloy	
Penny Deben	Mike Morris	
Graham Elton	Muriel Pilkington	
Maria Friedman	Babs Powell	

*Note: Following an amendment to the Articles of Association on 21 June 2022 all Members of the Trust listed above ceased to be members from 21 June 2022.

**THE ARTS EDUCATIONAL SCHOOLS
PATRONS, GOVERNORS, OFFICERS AND ADVISORS
FOR THE YEAR ENDED 31 AUGUST 2022**

Officers

Principal	Dr. Julie Spencer
Company Secretary	Michael Stewart (resigned 7 February 2022) Alexander Gillespie (appointed 7 February 2022)

Registered office	Cone Ripman House 14 Bath Road London W4 1LY Website: www.artsed.co.uk
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Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
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Bankers	Lloyds Bank Plc St Mary's Court 100 Lower Thames Street London EC3R 6HX
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Insurance brokers	Marsh Limited Education Practice Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY
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REFERENCE AND ADMINISTRATIVE INFORMATION

The Arts Educational Schools ('the Trust' or 'ArtsEd') is a company limited by guarantee not having a share capital (company number 0712444) and is registered as a charity (registered charity number 311087). The Trustees, Members of the Trust (until 21 June 2022, when all Membership ceased) and executive officers of the Charity are as listed on pages 1 and 2. Particulars of the Trust's registered office which is also the main place of business and details of the professional advisers are given on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Trust is governed by its Memorandum of Association dating from 1962 and last amended in 2022.

Method of Recruitment and Appointment of Trustees

The Trustees of the Charity are the Trust's directors for the purposes of the Companies Act.

In accordance with the Articles, the Trustees of ArtsEd may recommend individuals to be appointed as new Trustees and the Members (i.e. those who are "Members" for the purposes of company law as set out in the Articles) can also nominate individuals. Candidates are interviewed, and if appropriate put forward for election by the Trustees. The new Trustees are then appointed at the Annual General Meeting. In practice the Board will encourage the Principal, and other connected parties to suggest the names of potential candidates.

The Board carries out regular reviews and skills audits to identify the appropriate mixture of skills and experience required to manage the multi-faceted affairs of ArtsEd which is also a registered charity, a company limited by guarantee, a medium sized business, and a local employer with over 100 employees.

We devote a good deal of thought to successor planning and keep a register of the mixture of skills and professional backgrounds represented on the Board. Our aim is to achieve a balanced Board with a core of individuals with educational, legal, accountancy, finance, property management, business, marketing and performing arts industry backgrounds. We review this balance regularly.

Our Articles specify that there should be a minimum of 5 and a maximum of 15 Trustees on our Board.

Trustees may serve up to three terms of three years and shall serve for no more than nine years.

The current Trustees are:

Brian Brodie	(appointed 2022)	Elected June 2022
Jacqueline Brunjes	(appointed 2017)	Re-elected April 2020
Ann Cottis	(appointed 2017)	Re-elected April 2020
Stephen Denyer	(appointed 2019)	Elected June 2019
Cherry Dickins	(appointed 2022)	Elected July 2022
Simon Dowson-Collins	(appointed 2022)	Elected June 2022
Benjamin Gudgeon	(appointed 2022)	Elected June 2022
Brenlen Jinkens	(appointed 2017)	Re-elected April 2020
Joanna MacDonnell	(appointed 2022)	Elected June 2022
Farida Mannan	(appointed 2022)	Elected June 2022
Robert Mathieson	(appointed 2017)	Re-elected April 2020
Guy Mullin-Henderson	(appointed 2014)	Re-elected March 2021
Ruth Mundy	(appointed 2021)	Elected March 2021
Jennifer Wilkinson	(appointed 2022)	Elected June 2022

Policies and Procedures adopted for the induction and training of Trustees

All new Trustees are given a tour of the school and the chance to meet staff and students. All Trustees are provided with copies of the policies, procedures, minutes, accounts, budgets, plans, an induction pack and any other documents they need to undertake their role as Trustees. Trustees are encouraged to attend training courses and seminars arranged by the Association of Governing Bodies of Independent Schools (AGBIS) and other professional providers, such as law and accountancy firms in order to reinforce their awareness of their varied duties and responsibilities. Trustees also receive training on KCSIE and Prevent.

Organisational Management

The Trustees are legally responsible for the overall management and control of the Schools and meet at least three times a year. The day-to-day responsibilities are delegated to the Principal. The Board has six sub-committees which meet as follows:

- The Finance Committee meets four times a year to review financial operations.
- The Facilities Committee meets three times a year to review IT and building facilities.
- The Development Committee meets three times a year to review development and funding opportunities.
- The Day School Sixth Form Committee meets at least once per term to review governance of the School.
- The Higher Education Committee meets at least once per term to review all HE Programme
- The EDI Committee meets at least once per term to review our EDI initiatives.

During the year a review of the committee structure was undertaken, which included consideration of the role and responsibilities delegated to each sub-committee; and a consideration of the terms of reference and membership of each committee. This work will conclude in 2022-23.

In addition, a Project Board oversees and reports on delivery of capital projects. The Project Board advises on proposals for improvements, alterations, and refurbishment in the redevelopment of the ArtsEd campus. All meetings of the Trustees are attended by the Principal together with other senior staff as may be required for that meeting. Specially convened meetings of staff and Trustees are arranged from time to time on topics of strategic interest. Trustees often attend performances and meetings with external partners.

Membership of the Trust

During the year the Trust had 47 members. We should like to thank those members of the Trust who have actively supported the School during the year. Following the adoption of the amended Articles of Association on 21 June 2022, all Membership of the Trust ceased from that date.

Schools Structure

ArtsEd comprises the Day School (Day School for 11-16 and Sixth Form for 16-18), the School of Musical Theatre and the School of Acting. In addition, ArtsEd Extra offers provision to the local community. These departments are supported by the Finance, Facilities, HR, Production, Academic Management, Communication and Development teams and other administrative and support services.

Senior Leadership Board

The Senior Leadership Board for the year ended 31 August 2022 comprised:

Julie Spencer, Principal (Interim Principal until 24 April 2022, Principal from 25 April 2022)
Yewande Akindele, Deputy Principal (appointed 1 November 2021)
Matthew Bulmer, Headteacher (appointed 1 January 2022)
Frank Daniel, Facilities Manager
Alexander Gillespie, Finance Director (appointed 31 January 2022)
Nick Granville, IT Manager
David Grindrod, Executive Director (appointed 1 September 2021)
Jonathan O'Boyle, Director – School of Musical Theatre (appointed 1 November 2021)
Cheryl Jarman, HR Manager (resigned 31 July 2022)
Sue Sandle, Director of Development
Di Stedman, Production Manager (resigned 28 February 2022)
Michael Stewart, Finance Director (until 31 January 2022)
Kim Vithana, Director – School of Acting (appointed 1 September 2022)

Pay Policy for Senior Staff

The Trustees consider that they, together with the Senior Leadership Board, comprise the Key Management Personnel. The Trustees give of their time freely. Annual salary increases for all staff are approved by the Finance Committee. The pay and remuneration of the Principal and senior staff is kept under annual review. A number of criteria are used in setting pay:

- nature of the role and responsibilities
- competitor salaries in the region
- the sector average salary for comparable positions
- trends in pay.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects for which the Trust is established are to promote the advancement of education and in connection therewith in particular to acquire, establish, provide, conduct, and carry on residential and non-residential schools in which children and students may receive a general education in conjunction with a specialised education for students desiring to follow a career in or connected with the performing arts.

Aims and intended impact

ArtsEd's aim is to provide a first-class education through strong vocational and general education and through developing wider artistic and social skills in all its pupils and students. Each pupil or student is encouraged to develop and fulfill his or her potential, promoting self-confidence and desire to contribute to the wider community.

Objectives and Activities

ArtsEd's mission is to deliver successful and fulfilling careers for all our students and staff. This mission is at the core of all decision making and ensures that students and staff are central to strategic planning.

Strategic Aims

- Provide outstanding education and training
- Widen participation and encourage a diverse student intake
- Exploit our growing reputation
- Increase our emphasis on staff development and engagement
- Foster a culture of philanthropy
- Develop the building and its facilities to enhance the student experience
- Sustain the financial health of the Schools while allowing for investment in new initiatives

Key Strategic Objectives

- To provide exceptional learning opportunities that enable all pupils and students to realise their individual potential
- To recruit, develop and retain outstanding academic and professional staff
- To review the delivery and relevance of all our education and training
- To evaluate how student development and achievement is enabled through robust quality assurance and enhancement
- To provide excellent pastoral care
- To market ArtsEd as the destination of choice for a successful and fulfilling education and career
- To develop our distinctive brand identity as the leading force in Musical Theatre training
- To continue to maintain strong relationships with the industry
- To retain and progress talented staff through development, staff wellbeing and performance management, to enable them to realise their full potential
- To build philanthropic and public support for student scholarships, the Student Support Fund and the capital campaign
- To provide facilities that are fit for purpose, through effective maintenance and refurbishment programmes, space planning and facilities management
- To achieve the required level of operational surplus to meet ongoing investment requirements and provide contingency against unanticipated adverse developments
- To achieve maximum cost efficiency and value for money in all operations
- To sustain our cash flow and liquidity
- To monitor fee levels across the sector to ensure that we remain competitive

PUBLIC BENEFIT

The Trust provides a public benefit by providing first class independent education and vocational training, both through strong teaching and through developing wider artistic and social skills in all its pupils and students. This is intended to provide an environment where each student can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

Grants and bursaries, provided by the Trust, enable those who cannot afford to pay the full fees, to benefit from an ArtsEd education. Students are also able to apply for the Dance and Drama Award (DaDA) scheme which is provided by the Education and Skills Funding Agency. This allows the most talented students from a broad range of backgrounds to benefit from the training which ArtsEd offers.

The school encourages the local community to hire the Andrew Lloyd Webber Foundation theatre and other spaces for their own activities.

In addition to the above, ArtsEd have hosted or attended the below events:

- Audition fee waivers are available to applicants from disadvantaged backgrounds.
- The Principal has given free advice on teacher training.
- School continued to work as affiliate drama school to Rising Waves, a free mentoring scheme for artists and creative practitioners of British East and South East Asian heritage.
- The Day School has held a cross-curricular day with local schools and communities
- The School gave free use of its theatre to the Chiswick Book Festival
- The School gave free use of its facilities to the Bedford Park Society
- The Day School performed at and supported the Bedford Park Festival
- Students performed for residents at a local Age Concern Day Centre
- ArtsEd hosts Dynamic Piano Lessons, which offers lessons to local children with dyslexia and/or autism.

The Trustees have given consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education, and have concluded:

- that there are clearly identifiable benefits from the Schools' work which relate directly to their aims as set out above;
- there is no significant detriment flowing directly from the Schools' work which we consider needs to be balanced against those benefits;
- that the benefits which the Schools provide are widely available to the public.

REGULATORY COMPLIANCE

The summary of the external investigation undertaken by Rebecca Tuck QC (in June 2021) into allegations of historic misconduct, and the subsequent announcement by the Board of Trustees were published on 22 October 2021 and are available on the ArtsEd website. The report contained a range of recommendations in response to the conclusions of the report which related over a number of years to the HE Musical Theatre activity. The Trustees at a meeting on 20 October 2021 agreed an action plan which was summarised in the Trustees' announcement. This plan included reviews of policy and procedures, employment of an external governance adviser to review Board governance, a review of HE well-being and enhanced HE staff training with an external review of the implementation of the action plan.

In the announcement of 22 October the Chair stated "The Board of Trustees is ultimately responsible for the conduct of the staff, freelancers and visiting creatives, and on behalf of ArtsEd, I am deeply sorry. However I am confident that these robust measures are necessary and will deliver the change that is required". The Trustees and the Senior Leadership Board remain committed to ensuring that all recommendations from the external investigation and the subsequent work undertaken are embedded in ArtsEd's strategic and operational plans."

Foundational work commenced immediately upon the completion of the report. An institutional restructuring of safeguarding procedures was undertaken, alongside the review and roll out of training for all staff and Trustees. A policy review working group was established to assist the institution with its policy reviews. In March 2022 an external governance adviser completed a review of the Trust's governance. The outcome of this review has had a profound effect on our operations. A 12-month action plan to address the recommendations from this review was subsequently approved by the Trustees, which focussed on 10 key themes:

1. Articles of Association
2. Membership of Committees

3. Annual Assurance
4. Governance and Management
5. Committee Administration
6. Mapping Governance and Regulatory Codes and guidance
7. Committee Structure Review
8. Development and Training
9. Review
10. Resources

ArtsEd commenced and completed work in a number of areas in 2021/22 in response to these recommendations. A Clerk was appointed to the Board and in June 2022 the Trust adopted its amended Articles of Association, to include public interest governance principals, which amongst other amendments will help ensure on-going compliance with the OFS regulatory framework and the requirements of our other regulators. The amended articles also give greater clarity with regards the role of the Higher Education Committee and the DSSF Governors within ArtsEd's governance structure.

Other projects that commenced and are expected to conclude over the following 12 months include:

- A review of the makeup of the Board of Trustees, in particular the skills mix of the Trustees. As part of this review, Trustees will self-classify their individual skills.
- A review of the subcommittees that support the Board of Trustees, to help ensure that the Board of Trustees is best supported in its decision making and that each subcommittee is appropriately staffed and represented from a Trustee and senior management perspective. Part of this work will also involve a review of the terms of reference of each committee in the new structure, and the adoption of a clear framework of delegation of responsibilities.
- A consideration of annual assurance, to help ensure and confirm that the Trustees receive appropriate and timely information from each subcommittee, and that the key actions and outcomes from each subcommittee are reported to the Trustees in a timely and effective manner.
- Continued engagement between the Trustees and the SLB, through regular meetings between the Principal and the Chair of the Trustees, and through meetings between the Chair of the Trustees and the SLB members, both individually and collectively.
- The on-going review and mapping of ArtsEd's governance structure, delegation of responsibilities, and processes in accordance with the requirements of OFS and other applicable regulatory frameworks as these frameworks and requirements evolve.

In addition, throughout 2021/22, a comprehensive review and update of all policies and procedures was undertaken, with the aim of providing clarity of expectations to staff and Trustees, so that each individual is accountable for their actions in the context of the defined policies. The updated policies have been published on our website. Training has been provided to relevant staff, to support the effective implementation of the policies.

A comprehensive review of training was undertaken, with the institution given sufficient resource available for training, to enable staff and Trustees to effectively undertake their duties with a broader and deeper understanding of the requirements of the institution, the regulators, and expectations of key external stakeholders.

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR Student and Pupil numbers

	2021/2022	2020/2021
Applications received		
Musical theatre (3 year BA)	1,310	1,403
Acting (3 year BA)	838	883
Acting (1 year MA)	282	287
Applicants auditioned		
Musical theatre (3 year BA)	1,110	1,152
Acting (3 year BA)	764	771
Acting (1 year MA)	244	253
New student intake		
Musical theatre (3 year BA)	54	54
Acting (3 year BA)	32	32
Acting (1 year MA)	29	28
Total students (at year end)		
Musical theatre	187	188
Acting	145	156
Total	332	344
Pupils (including "A" Level)		
Applications	284	252
Offers	201	180
Acceptances	107	116
Total number of pupils at year end	<u>312</u>	<u>294</u>

ArtsEd continues to maintain high standards across its range of activities and to sustain stable pupil and student numbers and these are more fully described for each of the schools below.

The Trustees would like to thank all staff members for the continuing success of ArtsEd, for achieving such excellent academic results and for the continued stability in the financial results.

DAY SCHOOL AND SIXTH FORM

We are extremely proud of our GCSE, A-Level and BTEC examination results, and credit goes to the hardworking and dedicated staff.

It is important to emphasise that as a school we do not select on academic ability, but we have always been confident that our small class sizes, our positive and supportive pupil/teacher relationships and our robust curriculum enable pupils of all abilities to achieve to a very high level. This year's results underline that these features of ArtsEd are continuing to empower and equip our pupils to surpass expectations. The value-added tables will be released later this year but with a VA score of +1.5 again (comparing to 2019, the last meaningful set of data) it is likely that we will have outperformed our nearest competitors once again.

GCSE RESULTS

In terms of educational progress and attainment the actual results achieved by the Year 11 cohort in their GCSEs were compared to their predicted results according to the CAT (cognitive ability test) data supplied by GL Learning, which is a nationally recognised provider of educational statistics.

The new 'Headline' Measure is:

Progress 8 = **+1.47**

Overall the pupils did exceptionally well, 51% of our results were 7+ (or an A/A*, in old money). CATs had predicted that to be 1.2%.

We are pleased to report that all our pupils have gone on to study A Level or BTEC courses at their first-choice colleges or schools - including ArtsEd Sixth Form.

In the core subject areas of Maths and English, it is important to note that the results exceeded the CAT predictions by nearly 80%.

A LEVEL RESULTS

The students achieved a 100% pass rate with 42% of all grades achieving an A* or A, and 86% achieving A*-C, which is significantly above the national average.

When combined with our BTEC results, 95%, all results were A*-C or equivalent, which cements our position as the most academically successful performing arts school in the U.K.

BTEC RESULTS

Our BTEC cohort succeeded in achieving an outstanding set of results with **100%** securing a Triple Distinction*/Distinction combination (equivalent to 3 A*/A grades at A level) with **73%** securing **Triple Distinction*** (equivalent to 3 A*s).

HIGHER EDUCATION DESTINATIONS

This year the majority (58%) of our Year 13 students wanted to carry on with vocational training at specialist conservatoires, and they secured places to study courses in Acting, Dance, Musical Theatre and Visual Arts in some of the most prestigious institutions in the UK and overseas.

**THE ARTS EDUCATIONAL SCHOOLS
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2022**

ArtsEd; GSA; LAMDA; Mountview; Trinity Laban; The Royal Central School of Speech and Drama; Rose Bruford; LIPA; PPA; Emile Dale; Laine Theatre Arts; Courtyard Theatre; Rambert; Performers; Oxford School of Drama; Urdang and London Studio Centre.

17% of our students have chosen to attend universities such as Sussex, Warwick, Nottingham, Chichester, Falmouth, Bristol, Bath University to study Politics and Leeds Arts University. We have a student at Royal Central School of Speech and Drama studying Costume Construction and a student at Solent University in Southampton studying Film Production. This demonstrates our commitment to supporting and encouraging all our students as individuals to continue learning and to pursue their personal ambitions. We have students at Cambridge, Oxford and the Ivy League.

16% of our students have gone straight into work.

9% took a gap year.

POST-18 PROVISION

As one of the UK's leading centres of conservatoire education, ArtsEd is proud of its reputation as a provider of world-class, contemporary training. Our Musical Theatre course is consistently recognised as the best in the UK, and one of only a handful which can genuinely claim to produce 'triple threat' performers. Our 3-year Acting course is leading the way in delivering a robust, inclusive, skills-based actor training, focusing on new thinking in response to the rapidly evolving world of the arts and culture. Applications for the Acting course have significantly increased to nearly 900 in 2022/23.

Based on a range of evidence, including graduate destinations, external reports, feedback from students and industry professionals, annual evaluation, and internal self-assessment, we believe our overall effectiveness to be outstanding. We report a variety of statistical data to the Higher Education Statistics Agency (HESA) including for the Destination of Leavers from Higher Education survey, which calculated that 100% of our graduates go on to work or further study.

Our graduate destinations are outstanding. Each year ArtsEd graduates can be seen performing in commercial theatres in the West End and on tour, as well as appearing in television dramas and feature films.

A number of regulatory, accrediting and validating bodies have oversight of our provision (both HE and FE), and reports from these provide assurance of the quality and relevance of our provision:

- Extremely positive reports from Trinity and graduate outcomes have confirmed DaDA funding for 2023/24.
- Initial TEF (Teaching Excellence Framework) results has placed ArtsEd above the benchmarks.
- The National Student Survey (NSS) 2022 ArtsEd students rated us 85.5% for overall satisfaction in comparison to 76.3% sector wide.
- We are accredited by the Council for Dance, Drama and Musical Theatre.
- We are a founder member of the Federation of Drama Schools.
- Our provision meets the guidelines set by Equity and Spotlight for conservatoire training.

We can therefore be confident that our content and our curricula remain relevant, the standards of teaching and learning remain very high, with high expectations for what all learners can achieve, and that our education and training provides each student with the best possible preparation for a successful and fulfilling career.

**THE ARTS EDUCATIONAL SCHOOLS
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2022**

The school continues to attract highly skilled and expert practitioners with a wealth of relevant subject knowledge to teach at ArtsEd, both as regular tutors and visiting creatives. In Year 1 the majority of teaching is undertaken by core in-house staff to encourage confidence, generosity to the ensemble, and to allow students the time and support to develop a broad range of technical skills before testing them against industry standards. As the courses progress, through projects, public productions and professional practice modules, students are introduced to a wide range of practitioners, directors and creatives, including leaders in their field as well as emerging artists. The experience of working with these people develops students' skills and confidence and allows them to build up a broad portfolio of professional contacts in preparation for entry to the industry. This combination of rigorous technical training from in-house staff, and the experience of working with a huge variety of industry professionals, is a key strength of teaching and learning at ArtsEd.

ArtsEd is noted in the industry for our success in attracting and retaining a particularly diverse student body, over one third of our students come from Black, East Asian, South Asian, and other under-represented Ethnic groups. We continue to address under-representation and lack of diversity in UK drama schools in our student population, permanent staffing and the creative practitioners we bring in to work with us. We are committed to maintaining our strength in this area, improving diversity of all kinds over the coming years.

Our commitment to inclusivity is apparent in a warm and welcoming environment, with a strong attention on the development of the individual. The pastoral care that is a core aspect of our provision is rooted in the expertise of our staff and is driven by the belief that a person's wellbeing is core to their success. Training is undertaken each year to update and allow us to critically reflect on our provision and practices. Extensive performance experience gives staff an understanding of the rigours and demands of the industry and the ability to inspire resilience alongside expertise. This is an essential element in creating graduates who are confident, resourceful and committed performers, well prepared to enrich and influence the creative industries in the UK and beyond.

Diversity statistics

In September 2022 the School of Acting recorded an intake of **41%** Black, East Asian, South Asian, and other under-represented Ethnic groups. The School of Musical Theatre recorded an intake of **20%**. Overall, **29%** of the new intake of students are Black, East Asian, South Asian, and other under-represented Ethnic groups. It is an ongoing target to maintain and improve equality, inclusivity and diversity, and efforts are made at audition to recruit students from a diverse range of backgrounds and support them to succeed at the highest levels. We continue to explore how we can influence the intake in Musical Theatre, through targeted outreach and marketing strategies. Our commitment to diversity is demonstrated by the table below, which shows a positive trend over years, reflecting our efforts to attract talented students from a range of backgrounds to our post-18 courses.

New intake

% Black, East Asian, South Asian, and other under-represented Ethnic groups.

2022-23	29%
2021-22	41%
2020-21	30%
2019-20	37%
2018-19	29%
2017-18	23%
2016-17	21%
2015-16	20%
2014-15	18%

Wellbeing and Pastoral Care

The challenge of supporting the growing number of pupils and students with mental health difficulties is one faced by all education and training providers. Trustees are committed to supporting initiatives for continual improvement in pastoral care and have approved increased investment in support services and the promotion of wellbeing for all our students and staff. Our work in this area was acknowledged at the inaugural Industry Minds awards in September 2020, when ArtsEd was voted Institute of the Year for the work we do in pioneering and furthering mental and physical health in the creative arts. During Covid we offered online support with Togetherall.com, alongside offering access to a specialised counsellor and a nutrition and well-being officer. [We are currently reviewing provision with the support of an external expert as part of our action plan following the external investigation to ensure that we continue to respond to the needs of the students and staff.]

School of Musical Theatre

ArtsEd's Musical Theatre ("MT") department is regarded as the premier Musical Theatre school in the country, and one of only a handful which can genuinely claim a 'triple threat' training. Despite the continued impact of the Covid pandemic on the industry as a whole, ArtsEd's training remained rigorous and robust. Graduate shows in the 2021/22 season were back to in person audiences and were well received by industry professionals. For the second year running the MT showcase was filmed as showreels directed by Jonathan O'Boyle, who is the new Director of Musical Theatre (as of November 2021). The filmed showcase is positive outcome of the pandemic and will remain in the curriculum. Classes, tutorials, masterclasses, performance projects, assessments and rehearsals for final year productions were all back on site and in the classroom/rehearsal room.

Employability

Students continue to be well prepared for employment, both in the development of the key skills necessary for work in the profession, and in the development of understanding about the industry. They take part in regular mock and preview interviews and auditions, and the requirement to audition for roles in their final year productions and films gives students a real sense of what to expect when seeking professional work. Students benefit from an extensive programme of professional practice talks from agents, casting directors and actors on a range of subjects including how to start their own theatre company, how to manage their finances and taxes, how to develop their own work for television, how to market themselves and understanding their individual casting potential. These industry guests frequently cast and audition the students for professional productions.

Similarly, the policy of bringing West End casting directors to audition BA Musical Theatre whilst still in training continues to be highly successful and will continue for the forthcoming year.

2022 Graduates

This was a record-breaking year. 100% of students (51 students) secured an agent before graduating. As of October 2022, 75% of students gained employment within the first three months of graduating.

Destinations included West End Musicals and plays including: *Frozen*, *Moulin Rouge*, *Tina: The Musical*, *Back To The Future*, *Les Misérables*, *Mary Poppins*, *Grease*, *Hex*, *South Pacific*, *Pretty Woman*, *The Crucible*, *The Lion*, *The Witch and The Wardrobe* and *Cabaret*.

Regional theatre including: *Crazy For You* at Chichester Festival Theatre, *Mrs. Doubtfire* and *R&H's Cinderella* in Manchester, *Bake Off The Musical* at Cheltenham Theatre.

UK Tours including: *Girl From The North Country*, *Six The Musical*, *Strictly Ballroom*.

TV including: *Archie* (ITV). As well as European tours and further engagements (concerts and new writing workshops).

2021 Graduates

Over this reporting period, graduates appeared or were cast in *Pretty Woman: The Musical* (West End), *South Pacific* (Chichester Festival Theatre), *Hairspray* (London Coliseum), *Les Misérables* (West End), *The Magician's Elephant* (RSC), *The Addams Family* (UK Tour), *The Book of Mormon* (West End and UK Tour), *The Phantom of The Opera* (West End), *Back to the Future* (West End) and feature film *The Bog*.

School of Acting

Our School of Acting is one of the most diverse schools in the sector, from both a student and teacher stance. Its reputation has grown substantially. By decolonising and diversifying the curriculum, pedagogical approach and operational structures it has seen a meaningful cultural shift which has impacted positively on the wellbeing of both students and staff. This is highlighted in the increase of student applications which doubled at the end of the 2022/23 audition cycle. We offer an inclusive, diverse contemporary industry-facing programme, an exciting alternative to the traditional model of classical theatre training. The BA Acting course was the first to introduce intimacy training and British Sign Language embedded within the 1st Year curriculum, these strands are further developing to ensure that they weave through all year's training. We continue to develop cross curriculum and co teaching to enhance student experience and our TV Film delivery has been noted by screen industry professionals as the best drama school training provision. The success of last year's 2020 graduate original film *The Phoenix* continues this year with a BFI nomination for Best Original Short Film Script 2022. There is further success with our 2022 original films *Little Voices* has been shortlisted for best short film at the LA and New York Short Film festivals highlighting the exceptional training and opportunities offered to our BA Acting students.

Employability

ArtsEd facilitate a robust practical creative environment to facilitate students to progress into professional work in all genres. We bring stage and screen casting directors to audition Acting students whilst still in training which has started to bear fruit in students being cast for stage and screen. This addition, like our Musical Theatre course provides another indicator of the quality of standards on the programme. Despite the Arts still recovering from Covid we are proud our students continue to gain professional recognition and obtain high quality professional work.

We are pleased to see 30% of **2022 Graduates** undertaking work since graduating in September 2022 at and for the National Theatre; Amazon Prime; Apple TV+; BBC Radio 4; Nexus Studios; Theatre Peckham; Crowded Room Theatre Company; Camden Theatre.

Below is an example of some of the work our **2021 Graduates** have undertaken during 2021/22:

Screen: Apple TV+ series regular in *Criminal Record*; ITV *Hijack*; ITV *The Walk In*; ITV *You and Me*; SYFY series lead *The Ark*; BBC TV series *Father Brown*; the feature film *Same but Different*.

Short Films: *Halfway Between Land and Sea*; *Cub*; *In Reality*; *Romeo*; *Hangers in July*; *In Reality*.

Radio: BBC Radio 4 series regular *Torchwood*; Radio 4 *We see no Colour*; BBC Audio Drama *Maydays*.

Theatre: Royal Shakespeare Co; Soho Theatre; Theatre Clwyd; Nottingham Playhouse; Changeling Theatre Co; Young Shakespeare Co; Petersfield Shakespeare Co; Taking Flight Theatre Co; Tin House Theatre Co; Horizons Theatre.

2020 Graduates continue to undertake high profile work at the Globe Theatre; Bridge Theatre; National Theatre; Bush Theatre; Royal Shakespeare Theatre; Netflix; ITV; BBC; Amazon Prime.

FINANCIAL RESULTS

The Trust produced a surplus for the year of £108,791 (2021: £379,955). The total accumulated unrestricted general fund surplus at the end of the year was £7,259,064 (2021: £6,802,269). There were designated funds at the year end of £188,110 (2021: £188,110).

Capital expenditure in the year totalled £1,081,403 (2021: £2,212,414). Year-end cash balances were £4,044,269 (2021: £4,731,428) and there were long term loans with Lloyds Bank plc of £6,377,206 (2021: £6,766,895).

From a financial perspective 2021/22 was a year of recovery and consolidation. It was the year that we emerged from the Covid-19 pandemic, with all classes across all cohorts in the institution returning to the school for teaching. Our total fee income for the year was £10,491,781 (2021: £9,850,677), reflective of the return to normal, and the return to school for some who deferred during the height of the pandemic. Studio hire income recovered in the period, generating income of £164,179 (2021: £63,981) and our Theatres Tax Credit generated income of £170,000 (2021: £nil) following a full year of shows presented to the public, combined with extra relief from the government. The financial results for the year ended 31 August 2022 were adversely affected by the on-going costs of the investigation, including the work required to implement the recommendations arising from it.

We are mindful that students and families have felt a significant financial strain during and after the Covid-19 pandemic. We have continued to support families with bursaries from our unrestricted funds of £425,377 (2021: £386,977).

Total expenditure in the year was £10,810,657 (2021: £10,128,832). The reason for the increase in costs is twofold: firstly we returned to full capacity from a teaching and operational perspective following the closures due to the Covid-19 pandemic in 2020/21; and we continue to ensure that we are implementing the recommendations following our 2021 investigation through a review of our operations and governance.

The Trustees remain confident that our financial position remains robust in an extremely challenging external environment that includes the on-going fallout from the Covid-19 pandemic, rising inflation and uncertainty that has put a financial strain on parents and students, and the energy crisis, which will almost quadruple our energy bill in 2022/23. Accordingly, a prudent budget has been prepared for 2022/23. This will be a transitional year where senior staff have been tasked with ensuring that we prioritise spending to continue to operate our core activities to deliver an outstanding education to our students, whilst meeting the requirements of our regulators.

Charitable Support

The Trust is immensely grateful for the support from the following individuals and trusts and foundations in 2021/22. Their generosity ensures that we can continue in our mission to enrol students with the greatest potential, regardless of their financial circumstances and that our facilities continue to be of a quality that matches their talent.

Special thanks to:

Andrew Lloyd Webber Foundation
The Leverhulme Trust

ArtsEd TAP and ArtsEd Parents & Families

We would like to thank the TAP committee for their continued hard work, commitment and enthusiasm, and the Day School & Sixth Form parent and carer community for their ongoing support of TAP events and ArtsEd's wider fundraising initiatives. The result in 2021/22 being the completion of the wonderful Green Roof Terrace.

Green Roof Supporters

The CMF Charitable Trust, Arts and Sports Trust, Tatiana & Sergey Ogorodnov, Cherie Lunghi, Mott Foundation, Rob and Cherry Wood, Shannon Lawder, Rachel Dachtler, Ellen Epstein, Jane McCallum, Sue Moffat, Clare Tunningley, Konstantinos Vanos, Louise Cooper, Richard & Ingrid Jack, Michael Jolly, Liz and John Miles, Helen Power, Rie Motoki Seguin, Sabine Stanford, Diana Appiah, Amanda Bernstein, Sarah & Will Chitty, Mauve Durand Ms Fleming, Lisa Gibbs, Jen Lihn, Liz and John Miles, Felix Pelegrino, Adele Preston, Joyce Rae, Michela Rignanese, John Spencer, Walter Veirs, Mrs Wignall

ArtsEd Champions

Anon, Kate & Pat Butler, Ann Cottis, Clare Ferguson, Michael Harrison, Alastair Kerr, Dennis & Valerie Lavin, Shannon Lawder, Jamie Lonsdale, William Newsom, Richard Parkinson & Hamilton McBrien

ArtsEd Enthusiasts

Sue Adie, Jacque Brunjes, Genevieve Winter, Andrew D Hine Esq

ArtsEd Admirers

Anon, John Brant, Sandy Cahill, Tony & Christine Gamble, Diana Maine, Richard Millar, Helen Vickers, John & Wendy Williams, Paul Wooller, Murray Lindo, Scott Jacobson, Manina Weldon, The Bedford Park Society

Tim English and all the generous supporters of the Chris Hornby Bursary Fund

Justin & Sarah Savage and all the generous supporters of the Graham Martin Bursary Fund

Corporate

Acre Properties in memory of Ben Turner, Smith & Brant Theatricals

Trusts and Foundations

The D'Oyly Carte Charitable Trust, Help Musicians UK, The Honourable Society of Knights of the Round Table, Society of London Theatres (Laurence Olivier Bursary), The Lionel Bart Foundation, Lynne & Land Foundation, Pamela Brady Todd Fund, The Royal Victoria Hall Foundation (Lilian Baylis Award) The Sir John Gielgud Charitable Trust, Sophie's Silver Lining Fund, The Stanley Picker Charitable Trust

Legacy Pledges

Anon, Vanessa Cameron, David J Yeoward

Legators

Eve Pettinger MBE

The Principal has requested that a special mention should be made of the outstanding contribution of the Trustees who not only give generously of their time but also make significant financial donations that are very much appreciated.

Future Plans

On 20 October 2021 the Board approved an action plan to address the recommendations of the external Investigation setting a timetable for implementation and undertook an external review of governance in summer 2022. The Board and senior management are committed to keeping informed the regulatory and validating institutions and other stakeholders on the progress in implementation of its action plan, which will continue to form a key part of our work in 2022/23. Further details of the work undertaken and to complete has been given on pages 7 and 8 of this report,

The ambitions and priorities set out in the Five Year strategic plan continue to guide our plans. This strategic plan will be revised over the coming year.

Reserves Policy

Total funds at the balance sheet date were £15,711,629 (2021: £15,602,838) of which £3,031,195 were restricted (2021: £3,245,304) and £11,467,174 were unrestricted (2021: £11,010,379). Details of restricted funds are provided in note 20. Of the unrestricted reserves, there is a designated fund of £188,110 (2021: £188,110) which has been set up for student bursaries. Also included in the unrestricted fund is the revaluation reserve of £4,020,000 (2021: £4,020,000) which arose on the last revaluation of the School's land and buildings. At the balance sheet date the permanent endowment fund had a balance of £1,213,260 (2021: £1,347,155).

As the school has historically invested in its building and, accordingly, there were no free reserves at the balance sheet date, (2021: £nil). It is likely that free reserves will remain minimal. The Trustees believe that it is important to continue to maintain operational surpluses in order to build up total reserves and in order to be able to invest in the facilities and staff of ArtsEd.

Investment Policy

An investment policy has been written and adopted that seeks to optimise cash flow whilst recognised return on investment in a safe and secure manner. The investments are held within the permanent endowment fund. During the year, the net loss on investments was £133,895 (2021: gain of £145,121). The fund continues to generate restricted income totalling £38,000 (2021: £28,150).

Fundraising practices and performance

Raising voluntary funds from trusts, foundations and individuals is a vital source of income for ArtsEd, enabling us to fulfil our charitable objectives as effectively as possible. We are very grateful for the support from all of our donors.

At ArtsEd, we believe that fundraising should be an open, honest and respectful process. We aim to build partnerships with our supporters and donors that are based on mutual understanding and shared values. In developing our approach to fundraising, we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator. We have a small internal fundraising team which carries out our principal fundraising activity and make occasional use of external professional fundraisers for standalone fundraising projects. We do not engage commercial participators to carry out fundraising activity. The fundraising team works closely with ArtsEd's executive and trustees to develop its fundraising strategy and identify potential prospects, the vast majority of whom have an existing connection to ArtsEd or to a member of one of these internal bodies. ArtsEd does not engage in unsolicited face-to-face or telephone fundraising.

As part of General Data Protection Regulation, ArtsEd reviewed and updated its Privacy Policy with regards to fundraising. This policy, published on our website, clearly states what personal data ArtsEd will hold in relation to supporters and how this data will be used. It sets out how individuals can raise concerns or complaints. ArtsEd has received no complaints about its fundraising activities either during the financial year or subsequently.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk Management

The main risks that the Trustees have identified and the plans to manage those risks are:

Compliance – Compliance with the requirements of our regulators is fundamental for ArtsEd to continue to offer an outstanding education to its students in a safe environment. On pages 7 and 8 of this report, we have outlined the significant amount of work that has been undertaken in response to the Trustees' announcement on 22 October 2021, following the completion of an investigation by Rebecca Tuck QC. A comprehensive review of our risk register was subsequently undertaken in 2022, with all on-going relevant regulatory and compliance matters, including those identified in the Rebecca Tuck QC report and the subsequent external governance review, to ensure that the risk register appropriately captured all relevant matters arising.

Reputation – The School's success is built on its reputation of the quality of its education/training and wellbeing of our students.

We manage this risk by:

- constantly reviewing the delivery and relevance of all our education and training
- recruiting, developing, and retaining outstanding academic and professional staff through our staff recruitment policies
- reviewing and applying our safeguarding policies
- providing pastoral support for both students and staff
- actively identifying and resolving health and safety related issues

Finance – Our ability to continue is reliant on student fees and effectively managing costs.

We manage this risk by:

- marketing activity to maintain student numbers
- having a reputation for academic and vocational excellence and excellent student destinations
- having effective credit control procedures
- comprehensive budgeting and regular financial reporting against the approved budget

Competition – Innovative or unexpected developments are made by competitor organisations.

We manage this risk by:

- benchmarking the Schools' performance against industry standards
- regular review of the curriculum and training to ensure that they achieve academic and vocational excellence and meet industry expectations
- monitoring our student destinations
- recruiting and retaining the best staff through our HR policies

Through the risk management processes established for the Charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

Trustees' responsibilities for the financial statements

The Trustees, who are also directors of ArtsEd for the purposes of company law, are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare Financial Statements for each financial year. Under that law the Trustees have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view

**THE ARTS EDUCATIONAL SCHOOLS
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2022**

of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

Provision of information to auditors

The Trustees at the time when this Trustees' Report is approved have confirmed that:

- so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all the steps that ought to have been taken as Trustees in order to be aware of any information needed by the charitable company's auditors in connection with preparing this report and to establish that the charitable company's auditors are aware of this information.

Trustees' Report, incorporating the Strategic Report, approved on behalf of the Trustees:



**Brian Brodie, Chair
24 November 2022**

**THE ARTS EDUCATIONAL SCHOOLS
STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL
FOR THE YEAR ENDED 31 AUGUST 2022**

Corporate Governance

The Statement which follows is provided to enable readers of the Annual Review and Financial Statements of the School to obtain a better understanding of its governance and legal structure and applies to the 2021/22 financial year and to the date of the approval of the audited financial statements.

The structure of Corporate Governance is set out on pages 3 and 4, being the first section of the Trustees' Report. The Governing Document which dates from 1962 and was last amended in 2022 underpins the Governing practices adopted by the Board.

The Trustees are legally responsible for the overall management and control of the Schools. The Board of Trustees meets at least three times a year. Day to day responsibilities are delegated to the Principal and the Board has six sub-committees that meet at least three times a year that cover specific areas of the business. For the year under review these were:

- The Finance Committee
- The Facilities Committee
- The Development Committee
- The Day School and Sixth Form Committee
- The Higher Education Committee
- The EDI Committee

The minutes of the Management Health and Safety Committee together with all reports from the external advisers are shared with members of the Facilities Committee.

In the prior year, on 5 June 2021 the Board agreed that the Chair, supported by the Deputy Chair and one other Trustee, would manage the Board's response to the external investigation. This response continued in the current year. On 20 October 2021 the Board approved the establishment of the Policies and Practices Working Group of three Trustees working with the Head of HR to take forward the review established in response to the recommendations of the external investigation together with the employment of an external governance adviser to review Board governance, as explained in detail on pages 7 and 8.

For the year under review the Project Board, a temporary committee to oversee capital projects, has met regularly and a report from the Chair of the Project Board is included in Board papers, when applicable. This report includes an operational and financial update informing the Board of the most current developments.

All the sub-committees are attended by the Principal and other senior staff as may be required. Minutes are taken from all such meetings which are included in the Board papers so that all Trustees have an appreciation of the issues dealt with by the sub-committees.

Every year the Board holds at least one Strategic Review day when issues of a longer term and more strategically orientated are considered.

The Principal and the Senior Leadership Board (SLB) meet weekly to discuss current issues and to agree actions for the short, medium and longer term as required. For the current year this has included significant discussions and actions arising from the investigation and the subsequent governance review.

The Finance Committee ensure the adequacy and effectiveness of arrangements for corporate governance, risk management and oversight of any statutory and other regulatory responsibilities including compliance

**THE ARTS EDUCATIONAL SCHOOLS
STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL
FOR THE YEAR ENDED 31 AUGUST 2022**

with the OfS's ongoing conditions of registration, any terms and conditions of funding as well as any other relevant regulatory responsibilities.

As part of the action plan in response to the external investigation the Trustees commissioned an external specialist adviser to complete a governance effectiveness review which was completed in March 2022. As detailed on pages 7 and 8, a 12-month action plan is in place to deal with the recommendations arising from this review.

Internal Controls

Identifying and managing risk is a key part of the work of the Board and the SLB. This is addressed by the maintenance of a detailed Risk Register that is discussed and updated as necessary at all the meetings of the Board and the SLB and is covered where appropriate by the other sub-committees.

The approach to internal controls is risk-based including an evaluation of the risks becoming a reality. The risk weighting is considered by assessing the likelihood of the risk and the potential damage it could do. This approach helps management and Trustees prioritise actions and enhance controls if the potential impact of a risk is considered to be increasing.

Whilst many risks do have a financial implication many others do not and could have compliance, operational, health and safety or reputational implications. The Risk Register covers all such issues and not the purely financial ones.

Members of the Board of Trustees understands that it is their responsibility to ensure that a sound system of internal controls is maintained and confirms that it has reviewed the effectiveness of these arrangements.

The Trustees, SLB and external auditors have not identified any significant internal control weaknesses or failures in the financial year under review or in the period since the year end up to the date that the financial statements were signed that need to be disclosed.



Brian Brodie, Chair

24 November 2022

THE ARTS EDUCATIONAL SCHOOLS
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ARTS EDUCATIONAL SCHOOLS
FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the financial statements of The Arts Educational Schools for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 August 2022 and of the group's and charitable company's net movement in funds, including the income and expenditure, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Office for Students Accounts Direction.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report (incorporating the strategic 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

THE ARTS EDUCATIONAL SCHOOLS
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ARTS EDUCATIONAL SCHOOLS
FOR THE YEAR ENDED 31 AUGUST 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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.

Matters on which we are required to report in respect of the Office for Students

In our opinion, in all material respects:

- funds administered by the charitable company for specific purposes during the year ended 31 August 2021 as disclosed in note 18, have been applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the OfS and Department for Education have been applied in accordance with the terms and conditions attached to them during the year ended 31 August 2021; and

We have nothing to report in respect of the following matters in relation to which the Office for Students requires us to report where:

- grant and fee income, as disclosed in the note 3 to the accounts, has been materially misstated
- expenditure on access and participation activities for the financial year has been materially misstated

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities statement set out on pages 18 and 19, 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 group's and 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 group or the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to independent schools, higher education and further education provision regulation including Independent Schools Inspectorate, Ofsted and the Office for Students, charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation

THE ARTS EDUCATIONAL SCHOOLS
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ARTS EDUCATIONAL SCHOOLS
FOR THE YEAR ENDED 31 AUGUST 2022

of the financial statements such as the Companies Act 2006, Charities Act 2011 and the Office for Students Accounts Direction.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to voluntary and other income and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions;
- Reviewing the income recognition around the year end to assess whether income had been recognised in the correct accounting period; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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. This description forms part of our auditor's report.

Use of our report

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



Tracey Young

Senior Statutory Auditor

For and on behalf of Haysmacintyre LLP, Statutory Auditors

16.12

..... 2022

10 Queen Street Place
London
EC4R 1AG

THE ARTS EDUCATIONAL SCHOOLS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted Funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
	Note					
INCOME FROM:						
Donations and legacies	2	90,000	223,473	-	313,473	482,284
Charitable activities						
Fee income	3	10,066,444	-	-	10,066,444	9,463,700
Other income	4	633,419	-	-	633,419	201,376
Other grants	4	-	-	-	-	66,557
Other trading activities	5	-	-	-	-	120,375
Investment income		1,917	38,000	-	39,917	29,374
TOTAL INCOME		<u>10,791,780</u>	<u>261,473</u>	<u>-</u>	<u>11,053,253</u>	<u>10,363,666</u>
EXPENDITURE ON:						
Raising funds		(85,942)	-	-	(85,942)	(294,243)
Charitable activities		(10,357,831)	(366,794)	-	(10,724,625)	(9,834,589)
TOTAL EXPENDITURE	6	<u>(10,443,773)</u>	<u>(366,794)</u>	<u>-</u>	<u>(10,810,567)</u>	<u>(10,128,832)</u>
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT (LOSSES) / GAINS		<u>348,007</u>	<u>(105,321)</u>	<u>-</u>	<u>242,686</u>	<u>234,834</u>
Net (losses)/gains on investments		-	-	(133,895)	(133,895)	145,121
NET INCOME/ (EXPENDITURE) BEFORE TRANSFERS		<u>348,007</u>	<u>(105,321)</u>	<u>(133,895)</u>	<u>108,791</u>	<u>379,955</u>
Transfers		108,788	(108,788)	-	-	-
NET MOVEMENT IN FUNDS		<u>456,795</u>	<u>(214,109)</u>	<u>(133,895)</u>	<u>108,791</u>	<u>379,955</u>
Funds brought forward at 1 September		11,010,379	3,245,304	1,347,155	15,602,838	15,222,883
TOTAL FUNDS AT 31 AUGUST		<u>11,467,174</u>	<u>3,031,195</u>	<u>1,213,260</u>	<u>15,711,629</u>	<u>15,602,838</u>

All amounts are derived from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 29 to 49 form part of these financial statements.

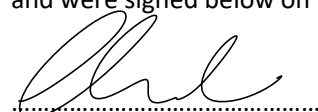
Full comparatives for 2021 are provided in note 26.

**THE ARTS EDUCATIONAL SCHOOLS
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022**

		2022		2021	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	13		19,513,605		19,414,681
INVESTMENTS					
Investments	14		1,275,546		1,409,441
CURRENT ASSETS					
Stock		-		2,231	
Debtors	15	2,624,306		2,554,440	
Cash at bank and in hand		4,044,269		4,731,428	
		6,668,575		7,288,099	
CREDITORS: amounts falling due within one year	16	(5,767,022)		(6,129,377)	
NET CURRENT ASSETS			901,553		1,158,722
TOTAL ASSETS LESS CURRENT LIABILITIES			21,690,704		21,982,844
CREDITORS: Amounts falling due after one year	17		(5,979,075)		(6,380,006)
NET ASSETS	19		15,711,629		15,602,838
RESERVES					
Unrestricted funds					
- general funds			7,259,064		6,802,269
- designated funds			188,110		188,110
- revaluation reserve			4,020,000		4,020,000
Restricted funds	20		3,031,195		3,245,304
Endowment funds	21		1,213,260		1,347,155
TOTAL FUNDS	18		15,711,629		15,602,838

The notes on pages 29 to 49 form part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees on 24 November 2022 and were signed below on its behalf by:



Brian Brodie
Chair

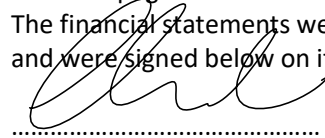


Ann Cottis
Chair of the Finance Committee

		2022		2021	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	13		19,513,605		19,414,681
INVESTMENTS					
Investments	14		1,275,546		1,409,441
CURRENT ASSETS					
Stock		-		2,231	
Debtors	15	2,624,306		2,591,758	
Cash at bank and in hand		4,044,269		4,686,747	
		6,668,575		7,280,736	
CREDITORS: amounts falling due within one year	16	(5,767,022)		(6,122,014)	
NET CURRENT ASSETS			901,553		1,158,722
TOTAL ASSETS LESS CURRENT LIABILITIES			21,690,704		21,982,844
CREDITORS: Amounts falling due after one year	17		(5,979,075)		(6,380,006)
NET ASSETS	19		15,711,629		15,602,838
RESERVES					
Unrestricted funds					
- general funds			7,259,064		6,802,269
- designated funds			188,110		188,110
- revaluation reserve			4,020,000		4,020,000
Restricted funds	20		3,031,195		3,245,304
Endowment funds	21		1,213,260		1,347,155
TOTAL FUNDS	18		15,711,629		15,602,838

The charity's income for the year was £11,053k (2021: £10,243k) with a surplus of £109k (2021: £402k). The notes on pages 29 to 49 form part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees on 24 November 2022 and were signed below on its behalf by:


.....
Brian Brodie
Chair


.....
Ann Cottis
Chair of the Finance Committee

THE ARTS EDUCATIONAL SCHOOLS
CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 AUGUST 2022

Registered Number: 0712444

		2022		2021	
	Note	£	£	£	£
Net cash provided by operating activities	23		931,448		1,150,231
Cash flows from investing activities					
Dividends		38,000		28,150	
Interest income		1,917		1,224	
Interest payable		(187,433)		(177,712)	
Purchase of fixed assets		(1,081,403)		(2,212,414)	
Proceeds of sale of fixed assets		-		809	
Net cash used in investing activities			(1,228,919)		(2,359,943)
Financing activities					
Cash inflows from new borrowings		-		2,185,670	
Cash outflows from repayments		(389,688)		(233,016)	
Net cash (outflow)/inflow from financing activities			(389,688)		1,952,654
Change in cash and cash equivalents in the year			(687,159)		742,942
Cash and cash equivalents at the beginning of the year			4,731,428		3,988,486
Cash and cash equivalents at the end of the year	24		4,044,269		4,731,428

The notes on pages 29 to 49 form part of these financial statements.

1. ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2019. The Financial Statements are drawn up under the historical cost convention, with the exception of investments which are included at valuation.

The Trust is a Public Benefit Entity registered as a charity in England and Wales, it was registered in 1962 (charity number: 311087).

Going concern

Having reviewed the funding facilities available to the Trust together with the expected ongoing demand for places and the Trust's future projected cash flows and in addition having reviewed the potential impact of the global energy crisis and uncertainty on the Trust's finances, the Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

A subsidiary called ArtsEd International Ltd (company number 11960873) was established on 24 April 2019. The Trust also controls ArtsEd International Performing Arts Education LLC (ArtsEd Dubai), which was established in Dubai in June 2019.

The financial statements consolidate on a line-by-line basis the results of the Charity, ArtsEd International and ArtsEd Dubai. A separate Statement of Financial Activities and income and expenditure for the Charity is not presented because the Charity has taken advantage of the exemptions afforded by the Companies Act 2006 and the SORP. During the year the activities of both entities ceased, and it is expected that both entities will be dormant in the year ending 31 August 2023, when consolidated accounts will no longer be required.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

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

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

Fees and Similar Income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Trust against those fees, but including contribution received from restricted funds, are accounted for in the period in which the service is provided.

Government grants are reported as fees or other grants as appropriate.

Donations, grants and legacies

Donations, grants and legacies are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Investment income

Investment income from the investments and bank balances are accounted for on an accruals basis.

The income from the invested endowment fund is wholly restricted.

Expenditure

Charitable expenditure and administration costs comprise direct expenditure including staff costs attributable to the activity and are accounted for on the accruals basis. Where costs cannot be directly attributed they have been allocated to the activities on a basis consistent with the use of resources. The Trust is unable to recover VAT incurred on expenditure accordingly expenditure is shown inclusive of any associated VAT payable.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Trust and include the audit fees and costs linked to the strategic management of the Trust.

Fund accounting

Unrestricted funds comprise resources available to the Trustees to be applied for any purpose within the objects of the Trust.

Restricted funds comprise donations for purposes restricted by the wishes of the donor.

Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent. These funds are sub-analysed between those where the Trustees have the discretion to spend the capital (expenditure endowment) and those where there is no discretion to expend the capital (permanent endowment). The Charity has one permanent endowment fund, and no expendable endowment. The fund is managed by the investment managers on a total return basis. This means that the funds are invested to maximise the return on investment without regard as to whether that return is in the form of income from dividends or interest or capital appreciation (where the market value of the investment increases). The investment managers each year release a set amount of that return for spending on bursaries for Musical Theatre students.

Revaluation reserve comprises total revaluations in the deemed cost of the properties.

Designated funds are funds that the Trustees have earmarked for a particular purpose or use without restricting or committing the funds legally.

Pension

The Trust makes pension contributions to defined contribution pension schemes on behalf of certain employees. These contributions are held in a separately administered fund.

Operating leases

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

Fixed asset investments

Investments are a form of basic financial instrument. Fixed asset investments are initially recognized at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Financial instruments

Basic financial instruments are initially recognized at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid deposit accounts.

Debtors

Fee and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. A specific provision is made for debts for which recoverability is in doubt.

Stock

Stocks are valued at the lower of cost and net realizable value.

Creditors and provisions

Creditors and provisions are recognized where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognized at their settlement amount after allowing for any trade discounts due.

THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Depreciation

Tangible fixed assets are stated at cost or deemed cost, net of depreciation and any provision for impairment. Tangible fixed assets costing greater than or equal to £500 are capitalised and stated at cost, net of depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	2% per annum
Computer equipment	33.33% per annum
Furniture and fittings	10% - 50% per annum
Motor vehicles	25% per annum
Building & theatre refurbishment	2% - 10% per annum

The valuation of freehold land and buildings on transition to FRS 102 at 1 September 2014 has been taken as the deemed cost.

2 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total 2022 £
Donations	90,000	223,473	-	313,473
	<u>90,000</u>	<u>223,473</u>	<u>-</u>	<u>313,473</u>
	<u><u>90,000</u></u>	<u><u>223,473</u></u>	<u><u>-</u></u>	<u><u>313,473</u></u>
<i>Comparative analysis</i>				
	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total 2021 £
Donations	35,833	446,451	-	482,284
	<u>35,833</u>	<u>446,451</u>	<u>-</u>	<u>482,284</u>
	<u><u>35,833</u></u>	<u><u>446,451</u></u>	<u><u>-</u></u>	<u><u>482,284</u></u>

3 GRANT AND FEE INCOME

	2022 £	2021 £
Fee income from other bodies	934,795	937,056
Fee income for taught awards	3,298,057	3,360,914
Fee income from non-qualifying courses	5,833,592	5,165,730
	<u>10,066,444</u>	<u>9,463,700</u>
	<u><u>10,066,444</u></u>	<u><u>9,463,700</u></u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Fees income		
Fees receivable	10,491,781	9,850,677
Bursaries and discounts	(425,337)	(386,977)
	<u>10,066,444</u>	<u>9,463,700</u>
Other income		
Studio hire and classes	164,179	63,981
Audition and registration fees	58,875	49,825
School productions	83,301	14,893
Catering	76,474	(8,687)
Bar income	-	-
Theatre tax relief	170,000	-
Other income	80,590	81,364
	<u>633,419</u>	<u>201,376</u>
Other grants		
CJRS	-	19,759
Covid Testing grant	-	46,798
	<u>-</u>	<u>66,557</u>
	<u><u>10,699,863</u></u>	<u><u>9,731,633</u></u>

5. INCOME FROM TRADING ACTIVITIES

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Educational services	-	120,375
	<u>-</u>	<u>120,375</u>

THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff Costs 2022 £	Other Costs 2022 £	Depreciation/ Impairment 2022 £	Total 2022 £
Raising funds:				
Fundraising	73,113	12,829	-	85,942
Charitable activities				
Teaching costs	4,529,459	509,066	67,794	5,106,319
Welfare costs	-	342,733	-	342,733
Premises costs	442,608	778,054	911,163	2,131,825
Productions costs	509,647	119,813	-	629,460
Grants, awards and prizes	-	249,781	-	249,781
Support costs	1,066,287	1,058,910	3,522	2,128,719
Finance costs	-	135,788	-	135,788
	<u>6,548,001</u>	<u>3,194,145</u>	<u>982,479</u>	<u>10,724,625</u>
	<u>6,621,114</u>	<u>3,206,974</u>	<u>982,479</u>	<u>10,810,567</u>
Comparative analysis				
	Staff Costs 2021 £	Other Costs 2021 £	Depreciation 2021 £	Total 2021 £
Raising funds:				
Fundraising	77,326	8,286	-	85,612
Trading activities	-	208,631	-	208,631
Charitable activities				
Teaching costs	4,347,478	327,403	74,636	4,749,517
Welfare costs	201	245,777	-	245,978
Premises costs	407,938	873,951	557,585	1,839,474
Productions costs	535,834	105,451	-	641,285
Grants, awards and prizes	-	249,725	-	249,725
Support costs	799,824	1,030,030	-	1,829,854
Finance costs	-	278,756	-	278,756
	<u>6,091,275</u>	<u>3,111,093</u>	<u>632,221</u>	<u>9,834,589</u>
	<u>6,168,601</u>	<u>3,328,010</u>	<u>632,221</u>	<u>10,128,832</u>

7. ANALYSIS OF SUPPORT COSTS

All costs included in charitable activities are direct costs with the exception of support costs of schooling which comprise:

	General support 2022 £	Governance costs 2022 £	Total 2022 £	General support 2021 £	Governance costs 2021 £	Total 2021 £
Staff costs	1,032,241	34,046	1,066,287	773,436	26,387	799,823
Administrative costs	598,536	1,313	599,849	627,986	156	628,142
Professional costs	375,428	45,643	421,071	356,428	-	356,428
Audit remuneration	-	23,240	23,240	-	24,000	24,000
Bank charges	14,750	-	14,750	21,461	-	21,461
Depreciation	3,522	-	3,522	-	-	-
	<u>2,024,477</u>	<u>104,242</u>	<u>2,128,719</u>	<u>1,779,311</u>	<u>50,543</u>	<u>1,829,854</u>

8. NET MOVEMENT IN FUNDS

Net movement in funds is stated after charging:

	2022 £	2021 £
Operating leases – equipment	66,279	60,092
Depreciation of tangible fixed assets – owned by the charity	982,479	632,221
Interest costs	187,433	177,712
Auditors' remuneration – audit	23,050	24,000
Auditors' remuneration – other	-	4,080
	<u>1,259,241</u>	<u>908,105</u>

9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff Costs

	2022 £	2021 £
Wages and salaries	5,799,255	5,505,767
Redundancies	107,591	8,614
Social security costs	533,512	462,661
Pension costs	168,854	181,313
Apprenticeship levy	11,902	10,246
	<u>6,621,114</u>	<u>6,168,601</u>

Trustees' remuneration and expenses

The charity trustees were not paid and did not receive any benefits from employment with the Trust in the year (2021: £nil). Trustees were reimbursed expenses of £1,313 for travel to/from meetings and subsistence during the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Key Management Personnel

The key management personnel of the charity comprise the trustees and the Senior Leadership Board listed on page 5. The total employee benefits of the key management personnel were £814,983 (2021: £839,278).

STAFF NUMBERS

The average headcount employed by the group during the year was as follows:

	2022 Number	2021 Number
Principal and management	11	10
Domestic	15	20
Facilities/IT/Library	11	11
Finance	4	4
Production	11	10
Administration	11	12
Teaching staff	147	143
	<u>210</u>	<u>210</u>

HIGHER PAID STAFF

The number of staff who's basic salary exceeded £60k per annum during the year was as follows:

	No. of Staff 2022	No. of Staff 2021
£60,000-£64,999	2	2
£65,000 - £69,999	1	1
£75,000 - £79,999	-	1
£80,000 - £84,999	-	1
£110,000 - £114,999	1	1
	<u>4</u>	<u>6</u>

Pension contributions totaling £8,720 (2021: £18,470) were made on behalf of 4 (2021: 5) of the above employees.

PRINCIPAL'S REMUNERATION

The total remuneration package for the Principal during the year was as follows:

	2022	2021
	£	£
Julie Spencer (Interim Principal 7 June 2021-24 April 2022; Principal from 25 April 2022)		
Basic Salary	110,000	25,949
Pension contributions	2,201	550
Other taxable benefits	151	25
	<u>112,352</u>	<u>26,524</u>
Chris Hocking (Principal until 7 June 2021)		
Basic Salary	29,632	110,000
Pension contributions	1,482	5,500
Other taxable benefits	17	452
Redundancy payment	30,000	-
	<u>61,131</u>	<u>115,952</u>

The Principal's remuneration package is set by reference to similar organisations and is approved by the Board following a recommendation from the Chair. There is an annual appraisal with the Chair and Deputy Chair when targets are set for the ensuing short, medium and long term together with a discussion and assessment of the achievements in the period under review.

The head of the provider's total remuneration is 3.22 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

SEVERANCE PAYMENTS

The total amount of severance payments for the year was £107,591 (2021: £8,614) to 5 individuals (2021: 2).

10. RELATED PARTY TRANSACTIONS

Trustees made donations of £3,974 to the School (2021: £205,684). There were no other related party transactions.

11. PENSIONS

The charity makes contributions to defined contribution pension schemes on behalf of certain employees. The charge for the year was £165,493 (2021: £181,313). At the year end, there was an amount payable of £26,126 (2021: £28,269).

12. SUBSIDIARIES

Included within the consolidated financial statements is the ArtsEd International Limited (registered in the England and Wales), Company number 11960873 and ArtsEd International Performing Arts Education LLC (known as ArtsEd Dubai) (registered in Dubai) which is based in Dubai. Both entities are now considered dormant.

ArtsEd International Limited

ArtsEd International Limited is limited by shares, of which The Arts Educational Schools is the sole Shareholder. It was incorporated on 24 April 2019. The company provides educational services internationally. During the year the Company did not trade. It is anticipated that it will be dormant in the year ending 31 August 2023.

The income and expenditure of Arts Ed International Limited for the year ended 31 August 2022 was:

	2022	2021
	£	£
Turnover	-	-
Cost of sales	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The assets and liabilities of Arts Ed international Limited at 31 August 2022 were:

	2022	2021
	£	
Fixed Assets	-	-
Debtors	109,974	109,974
Creditors	(109,974)	(109,974)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

ArtsEd International Performing Arts Education LLC

ArtsEd International Performing Arts Education LLC is limited by shares, of which The Arts Educational Schools owned 49%, until 1 September 2021, when the company was sold to the Dubai local management team for £1. Following the sale, the school no longer had control of the company and it has subsequently been excluded from the consolidation. Following the sale on 1 September the company has been dormant.

The income and expenditure of ArtsEd Dubai for the year ended 31 August 2022 were:

	2022	2021
	£	£
Turnover	-	120,375
Cost of sales	-	(84,588)
Admin costs	-	(124,043)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>(88,256)</u>

THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

The assets and liabilities of ArtsEd International Performing Arts Education LLC at 31 August 2022 were:

	2022	2021
	£	£
Cash	-	44,681
Debtors	-	6,630
Creditors	-	(117,337)
	<u>-</u>	<u>(66,026)</u>
	<u><u>-</u></u>	<u><u>(66,026)</u></u>

13. TANGIBLE FIXED ASSETS	Freehold land and buildings	Furniture	Computer	Motor vehicles	Building, studios & theatre	Assets under construction	Total
Group/Charity	£	£	£	£	£	£	£
Cost or deemed cost							
At 1 September 2021	6,600,000	1,977,498	618,356	14,860	14,593,243	414,822	24,218,779
Additions	-	60,180	45,942	15,368	-	959,913	1,081,403
Transfer	-	-	-	-	1,132,895	(1,132,895)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,132,895</u>	<u>(1,132,895)</u>	<u>-</u>
At 31 August 2022	6,600,000	2,037,678	664,298	30,228	15,726,138	241,840	25,300,182
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation							
At 1 September 2021	1,466,512	1,518,967	523,471	14,860	1,280,288	-	4,804,098
Depreciation charge for the year	97,000	126,425	67,794	3,522	445,898	-	740,639
Impairment	-	-	-	-	-	241,840	241,840
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>241,840</u>	<u>241,840</u>
At 31 August 2022	1,563,512	1,645,392	591,265	18,382	1,726,186	241,840	5,786,577
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value							
At 31 August 2022	5,036,488	392,286	73,033	11,846	13,999,952	-	19,513,605
	<u><u>5,036,488</u></u>	<u><u>392,286</u></u>	<u><u>73,033</u></u>	<u><u>11,846</u></u>	<u><u>13,999,952</u></u>	<u><u>-</u></u>	<u><u>19,513,605</u></u>
At 31 August 2021	5,133,488	458,531	94,885	-	13,312,955	414,822	19,414,681
	<u><u>5,133,488</u></u>	<u><u>458,531</u></u>	<u><u>94,885</u></u>	<u><u>-</u></u>	<u><u>13,312,955</u></u>	<u><u>414,822</u></u>	<u><u>19,414,681</u></u>

**THE ARTS EDUCATIONAL SCHOOLS
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14. INVESTMENTS

Group and Charity

	2022	2021
	£	£
Fair value brought forward at 1 September 2021	1,409,441	1,264,320
(Loss)/gain on revaluation of investments	(133,895)	145,121
	<u>1,275,546</u>	<u>1,409,441</u>
Fair value as at 31 August 2022	<u><u>1,275,546</u></u>	<u><u>1,409,441</u></u>

15. DEBTORS

Group

	2022	2021
	£	£
Trade debtors	2,201,437	2,260,387
Prepayments	232,956	235,027
Other debtors	189,913	59,026
	<u>2,624,306</u>	<u>2,554,440</u>
	<u><u>2,624,306</u></u>	<u><u>2,554,440</u></u>

Charity

	2022	2021
	£	£
Trade debtors	2,201,437	2,278,244
Prepayments	232,956	235,027
Amount due from subsidiary	-	19,461
Other debtors	189,913	59,026
	<u>2,624,306</u>	<u>2,591,758</u>
	<u><u>2,624,306</u></u>	<u><u>2,591,758</u></u>

THE ARTS EDUCATIONAL SCHOOLS
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16. CREDITORS: amounts falling due within one year
Group

	2022	2021
	£	£
Bank loan	398,131	386,888
Trade creditors	316,781	490,720
Other creditors	1,547,424	1,523,689
Accruals	233,883	398,780
Deferred income	3,270,803	3,329,300
	<u>5,767,022</u>	<u>6,129,377</u>

Charity	2022	2021
	£	£
Bank loan	398,131	386,888
Trade creditors	316,781	490,720
Other creditors	1,547,424	1,516,326
Accruals	233,883	398,780
Deferred income	3,270,803	3,329,300
	<u>5,767,022</u>	<u>6,122,014</u>

Included within other creditors for the Group and Charity is an amount of £133,474 (2021: £131,832) relating to taxes and social security.

ANALYSIS OF DEFERRED INCOME – Group and Charity

	2022	2020
	£	£
At 1 September 2021	3,329,300	3,159,012
Released to income in the year	(3,329,300)	(3,159,012)
Deferred in the year	3,270,803	3,329,300
At 31 August 2022	<u>3,270,803</u>	<u>3,329,300</u>

Deferred income consists of fees income received in advance.

THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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17. CREDITORS: amounts falling due in more than one year	2022	2021
Group and Charity		
	£	£
Bank loan	5,979,075	6,380,006
Wholly repayable within five years	2,109,508	2,050,849
Wholly repayable within more than five years	4,267,698	4,716,046
	6,377,206	6,766,895
Less: Included in current liabilities	(398,131)	(386,889)
Amounts included above	5,979,075	6,380,006

There are two 15 year loans with Lloyds Bank plc secured by a charge over the assets of the Charity. One loan for £6,000,000 is at a fixed rate of 2.97% the second for £1,000,000 is at a rate of the Bank of England base rate plus 2.2%. These loans were made available to provide funding for the new studio block that was completed in November 2020.

18. ACCUMULATED FUNDS

	Opening Fund 2021 £	Income 2022 £	Expenditure 2022 £	Transfers 2022 £	Gains & losses 2022 £	Closing Funds 2022 £
Unrestricted general funds	6,802,269	10,791,780	(10,443,773)	108,788	-	7,259,064
- revaluation reserve	4,020,000	-	-	-	-	4,020,000
Designated reserves						
- bursaries	188,110	-	-	-	-	188,110
Total unrestricted funds	11,010,379	10,791,780	(10,443,773)	108,788	-	11,467,174
Restricted funds	3,245,304	261,473	(366,794)	(108,788)	-	3,031,195
Endowment funds	1,347,155	-	-	-	(133,895)	1,213,260
Total funds	15,602,838	11,053,253	(10,810,567)	-	(133,895)	15,711,629

The general fund is the unrestricted reserves after allowing for all designated funds. The designated fund has been set up for the provision of bursaries.

THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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Comparative analysis

	Opening Fund 2020 £	Income 2021 £	Expenditure 2021 £	Transfers 2021 £	Gains & losses 2021 £	Closing Funds 2021 £
Unrestricted funds						
- general funds	6,576,731	9,768,690	(9,615,193)	72,041	-	6,802,269
- revaluation reserve	4,097,000	-	-	(77,000)	-	4,020,000
Designated reserves						
- bursaries	188,110	-	-	-	-	188,110
Total unrestricted funds	10,861,841	9,768,690	(9,615,193)	(4,959)	-	11,010,379
Restricted funds	3,136,778	474,601	(371,034)	4,959	-	3,245,304
Endowment funds	1,202,034	-	-	-	145,121	1,347,155
Charity funds	15,200,653	10,243,291	(9,986,227)	-	145,121	15,602,838
ArtsEd Dubai funds	22,230	120,375	(142,605)	-	-	-
	15,222,883	10,363,666	(10,128,832)	-	145,121	15,602,838

THE ARTS EDUCATIONAL SCHOOLS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group & Charity

	General Funds	Revaluation Reserve	Designated Reserves	Restricted Funds	Endowment Funds	2022 Total
	2022 £	2022 £	2022 £	2022 £	2022 £	£
Tangible fixed assets	13,040,592	4,020,000	-	2,453,013	-	19,513,605
Investments	-	-	-	62,286	1,213,260	1,275,546
Net current assets	197,547	-	188,110	515,896	-	901,553
Long Term Liability	(5,979,075)	-	-	-	-	(5,979,075)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2022	7,259,064	4,020,000	188,110	3,031,195	1,213,260	15,711,629
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Comparative

Analysis

Group & Charity

	General Funds	Revaluation Reserve	Designated Reserves	Restricted Funds	Endowment Funds	2021 Total
	2021 £	2021 £	2021 £	2021 £	2021 £	£
Tangible fixed assets	12,803,902	4,020,000	-	2,590,779	-	19,414,681
Investments	-	-	-	62,286	1,347,155	1,409,441
Net current assets	378,373	-	188,110	592,239	-	1,158,722
Long Term Liability	(6,380,006)	-	-	-	-	(6,380,006)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2021	6,802,269	4,020,000	188,110	3,245,304	1,347,155	15,602,838
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

**20. ANALYSIS OF MOVEMENTS IN RESTRICTED FUNDS:
Group and Charity**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfer £	Balance at 31 August 2022 £
ALW Foundation	2,590,779	-	(137,766)	-	2,453,013
The ArtsEd Student Fund	61,324	674	(5,823)	(20,000)	36,175
The ArtsEd Scholarship Fund	780	83,462	(100,435)	20,000	3,807
Bursary fund	20,546	20	-	-	20,566
Capital campaign	397,872	-	-	-	397,872
Chris Hornby Fund	4,771	2,911	(2,500)	-	5,182
The CMF Scholarship Fund	1,085	-	-	-	1,085
Guildford Academic Associates	1,327	-	-	-	1,327
Leverhulme Trust	1,088	80,916	(80,916)	-	1,088
Restoration levy	35,036	5,742	-	-	40,778
Spencer Will Trust	3,585	-	(1,247)	-	2,338
TAP	3,260	4,144	-	-	7,404
Graham Martin Memorial	5,808	4,003	(3,000)	-	6,811
Excellence Award	20,570	38,000	(35,107)	-	23,463
Friends Giving	-	22,569	-	-	22,569
The Green Roof Fund	97,473	19,032	-	(108,788)	7,717
	<u>3,245,304</u>	<u>261,473</u>	<u>(366,794)</u>	<u>(108,788)</u>	<u>3,031,195</u>

- The Andrew Lloyd Webber Foundation donated £3.5million to the Schools to fund a major refurbishment project. The funds were received in the three years ended 31 August 2012, 2013 and 2014. The money was spent to improve four key areas: the main theatre, costume storage, the film and television studios and disabled facilities. At the end of October 2013 when the work was virtually complete, the expenditure was transferred to fixed assets and from that date is being depreciated and included under expenditure.
 - The ArtsEd Student Fund- This was set up to accommodate student hardship.
 - The ArtsEd Scholarship Fund is used to provide scholarships
 - The Bursary Fund is used to provide bursaries.
 - The Capital Campaign is used to help fund the project build.
 - The Chris Hornby Fund was created to award an annual scholarship to a Musical Theatre student.
 - The CMF Charitable Trust donated towards a scholarship for a Musical Theatre student.
 - Leverhulme Trust made a donation for the provision of higher education bursaries.
 - The donation from Guildford Academic Associates is for a bursary fund for the Musical Theatre students.
 - The restoration levy is £1 charge on every box office ticket which goes towards maintenance of the building.
 - The Spencer Will Trust donated £5,000 towards equipment for the Film and TV department.
 - Excellence Award: a donation of £1,000,000 was made in 2015-16 which is to be used to provide awards for exceptionally talented Musical Theatre students.
 - The Graham Martin Memorial Fund is a bursary fund for HE students
 - The Friends Giving fund is a bursary fund for HE students
 - The Green Roof Fund has been set up to help finance the new green roof
- The transfer from the Student Fund to the ArtsEd Scholarship Fund is to provide funds for bursaries offered from that Fund due in part to the on-going impact of Covid-19 on the relevant students.

21. ANALYSIS OF MOVEMENTS IN ENDOWMENT FUNDS:

Group and Charity

	Balance at 1 September 2021	Income	Expenditure	Gains and losses	Balance at 31 August 2022
	£	£	£	£	£
Musical Theatre bursary fund	1,347,155	-	-	(133,895)	1,213,260
	<u>1,347,155</u>	<u>-</u>	<u>-</u>	<u>(133,895)</u>	<u>1,213,260</u>

Comparative Analysis

	Balance at 1 September 2020	Income	Expenditure	Gains and losses	Balance at 31 August 2021
	£	£	£	£	£
Musical Theatre bursary fund	1,202,034	-	-	145,121	1,347,155
	<u>1,202,034</u>	<u>-</u>	<u>-</u>	<u>145,121</u>	<u>1,347,155</u>

22. CAPITAL COMMITMENTS

At 31 August 2022, capital expenditure contracted for but not provided in these accounts amounted to nil (2021: £33,080).

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net movement in funds	108,792	379,955
Depreciation charges	982,479	632,221
Losses/(gains) on revaluation of investments	133,895	(145,121)
Interest receivable	(1,917)	(1,224)
Interest Payable	187,433	177,712
Dividends receivable	(38,000)	(28,150)
Investment management fee	-	-
Loan borrowings	-	(2,185,670)
Decrease in stock	2,231	8,389
(Increase)/decrease in debtors	(69,866)	151,471
(Decrease)/increase in creditors	(373,599)	2,160,648
Net cash provided by operating activities	931,448	1,150,231

24. ANALYSIS OF CHANGE IN NET DEBT

	At		At
	1 September		31 August
	2021	Cash flows	2022
	£	£	£
Cash	4,731,428	(687,159)	4,044,269
Debt due within one year	(386,888)	(11,243)	(398,131)
Debt due after one year	(6,380,006)	400,931	(5,979,075)
	<u>(2,035,466)</u>	<u>(297,471)</u>	<u>(2,332,937)</u>

25. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2022, the company had future minimum lease commitments under non-cancellable operating leases as set out below:

	2022	2021
	£	£
Assets other than land & buildings		
Within 1 year	66,279	60,092
Within 2 – 5 years	25,983	43,556
	<u>92,262</u>	<u>103,648</u>

THE ARTS EDUCATIONAL SCHOOLS
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26. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE 2021 FINANCIAL YEAR

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	2	35,833	446,451	-	482,284
Charitable activities					
Fee income	3	9,463,700	-	-	9,463,700
Other income	4	201,376	-	-	201,376
Other grants	4	66,557	-	-	66,557
Other trading activities	5	120,375	-	-	120,375
Investment income		1,224	28,150	-	29,374
TOTAL INCOME		9,889,065	474,601	-	10,363,666
EXPENDITURE ON:					
Raising funds		(294,243)	-	-	(294,243)
Charitable activities		(9,463,555)	(371,034)	-	(9,834,589)
TOTAL EXPENDITURE	6	(9,757,798)	(371,034)	-	(10,128,832)
NET INCOME BEFORE INVESTMENT GAINS		131,267	103,567	-	234,834
Net gains on investments		-	-	145,121	145,121
NET INCOME BEFORE TRANSFERS		131,267	103,567	145,121	379,955
Transfers		(4,959)	4,959	-	-
NET MOVEMENT IN FUNDS		126,308	108,526	145,121	379,955
Funds brought forward at 1 September		10,884,071	3,136,778	1,202,034	15,222,883
TOTAL FUNDS AT 31 AUGUST		11,010,379	3,245,304	1,347,155	15,602,838

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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**27. COMPARATIVE ANALYSIS OF MOVEMENTS IN RESTRICTED FUNDS FOR
THE 2021 FINANCIAL YEAR:**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
ALW Foundation	2,728,545	-	(137,766)	-	2,590,779
The ArtsEd Student Fund	87,757	2,831	(4,264)	(25,000)	61,324
The ArtsEd Scholarship Fund	3,333	65,531	(93,084)	25,000	780
Bursary fund	12,999	7,547	-	-	20,546
Capital campaign	149,425	250,072	(1,625)	-	397,872
Chris Hornby Fund	6,275	2,933	(4,437)	-	4,771
The CMF Scholarship Fund	1,085	4,500	(4,500)	-	1,085
Guildford Academic Associates	1,327	-	-	-	1,327
Leverhulme Trust	1,088	86,793	(86,793)	-	1,088
Restoration levy	34,254	782	-	-	35,036
Spencer Will Trust	5,000	-	(1,415)	-	3,585
TAP	3,160	100	-	-	3,260
Graham Martin Memorial	-	2,349	(1,500)	4,959	5,808
Excellence Award	28,070	28,150	(35,650)	-	20,570
The Green Roof Fund	74,460	23,013	-	-	97,473
	<u>3,136,778</u>	<u>474,601</u>	<u>(371,034)</u>	<u>4,959</u>	<u>3,245,304</u>

Please refer to note 20 for details of each of the restricted funds.