

Company Registration Number: 00759327
Charity Registration Number: 312855

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

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THE PURCELL SCHOOL
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

Trustees

Charles Beer, Chair of the Finance and General Purpose Committee (to 31 August 2020)^{1,3}
Jonathan Eley³
James Fowler, Chair of Music and Education Committee²
Janice Graham^{2,3}
Sir Roger Jackling, Chair of Full Governing Body^{1,2,3}
Professor Colin Lawson^{2,3}
William McDonnell, Chair of Finance and General Purposes Committee (from 1 September 2020)¹
Dr Rebecca Mooney, Safeguarding Governor²
Ian Odgers^{1,3}
Professor Mark Racz (resigned 31 August 2020)²
Joanna Van Heyningen^{1,2}
Kirsty Von Malaisé²
Michele Burton (appointed 1 September 2019)¹
Jeffrey Hewitt (appointed 16 September 2020)
Professor Timothy Blinko (resigned 24 August 2020)
Lydia Connolly (appointed 1 September 2019, resigned 31 August 2020)
Timothy Jones (appointed 5 February 2021)
Bernard Trafford (appointed 5 February 2021)

¹ Finance and General Purposes Committee

² Music and Education Committee

³ Nominations Committee

Company registered number 00759327

Charity registered number 312855

Registered office Aldenham Road
Bushey
Watford
Hertfordshire
WD23 2TS

Company secretary Adam Wroblewski

Independent auditors MHA MacIntyre Hudson
Chartered Accountants
6th Floor
2 London Wall Place
London
EC2Y 5AU

Bankers Coutts and Co.
London
WC2R 0QS

THE PURCELL SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Solicitors	Harrison Clark Rickerbys Ltd Ellenborough House Wellington Street Cheltenham GL50 1YD
	Farrer and Co. 66 Lincoln Inn Fields London WC2A 3LH
Senior Leadership Team	Paul Bambrough - Principal Adam Wroblewski - Bursar Christine Rayfield - Deputy Principal Elizabeth Searle - Head of Pastoral and Safeguarding (appointed 1 September 2019, resigned 31 August 2020) Paul Hoskins - Director of Music Jane Malan - Head of Boarding

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Members of the Purcell School Governing Body present their Annual Report for the year ended 31 August 2020 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Purcell School ("the School") was incorporated on 30 April 1963, changing its name to the present name on 6 June 1984. It was incorporated as a company limited by guarantee not having a share capital, with the registration number 759327. It is also a registered charity under the Charities Act 2011 with the charity number 312855. In 1980, the Purcell School was designated by the Secretary of State for Education as one of five specialist schools in Britain under what is now the Music and Dance Scheme (MDS). Currently, the Purcell School is one of the 8 schools in the UK supported by the MDS.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

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

Governing Body

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

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

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

Recruitment and training of Trustess

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

All Trustees have access to the papers for all Trustees' Committees to allow them to stay informed of current issues within the School. Staff make regular presentations to the Governing Body or its Committees on a wide range of topics. A programme of gubernatorial visits is arranged to allow Trustees to gain first-hand experience of the School at work; their observations are shared with the Principal and reported on at a full Governors' meeting. Dr Rebecca Mooney serves as Safeguarding Governor with particular responsibility for Child Protection.

Organisational management

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

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

- The Finance and General Purposes Committee scrutinises revenue, the budget and capital expenditure. This Committee also supervises and finalises the audited financial statements and annual report for approval by the Governing Body. In addition, it monitors operational matters, risk management, capital building projects and maintenance and leads on the development and review of the School's strategic plan. The Committee was chaired by Charles Beer during 2019/20. A new Chair (William McDonnell) was appointed from 1 September 2020.
- The Music and Education Committee considers educational and pastoral policy and leads on monitoring and reviewing Safeguarding arrangements within the School. The Committee is chaired by James Fowler.
- The Nominations Committee takes responsibility for reviewing the composition, skill and renewal of the Governing Body and the appointment of the Principal and Bursar. The Committee is chaired by Sir Roger Jackling.

The day-to-day running of the school is delegated to the Principal and Bursar. The Senior Leadership Team comprises of the Principal, Bursar, Deputy Principal, Head of Pastoral and Safeguarding, Head of Boarding and Director of Music. The Principal and Bursar attend all Governing Body (excluding the Nominations Committee) meetings and the Deputy Principals and Director of Music attend the Music and Education Committee meetings.

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

Charity Governance Code

The Trustees are aware of the Charity Governance Code and have received the 'new' AGBIS guidance (June 2019 meeting) which explains in detail the Governors' Code of Practice and good governance. The Charity will be reviewing its current governance arrangements against the updated code in 2020 and will address any issues raised where required in 2021.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Group structure

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

Employment policy

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

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

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

Relationships between the School and related parties

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

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

2020 LEAVERS

MUSIC COLLEGES & CONSERVATOIRES (Numbers in brackets represent numbers of scholarships offered)

Royal College of Music, London: 10 (5)
Royal Academy of Music, London: 6 (5)
Guildhall School of Music and Drama, London: 2 (2)
Birmingham Conservatoire, Birmingham: 1 (1)
Leeds College of Music: 1
Royal Conservatoire of Scotland, Glasgow: 1 (1)
Royal Conservatoire in The Hague: 1
Conservatorium van Amsterdam: 1 (1)
The University of Music Franz Liszt Weimar: 1
Music and Arts University of the City of Vienna: 1
UNIVERSITIES & COLLEGES
University of Edinburgh: 2
King's College, London: 2
Oxford University: 2
Aberdeen University: 1
Imperial College, London: 1
University of Glasgow: 1
University of Missouri, Kansas City: 1 (1)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable objects

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

Mission statement

The School offers a rounded education, with music at its heart, and provides young musicians of exceptional talent and promise with the best possible teaching and environment in which to fulfil their potential, regardless of their background.

The Purcell School seeks to enhance continuously the quality of its music education, so that it commands an unassailable reputation, beyond the musical world, as a world-class institution.

Intended impact

Within its charitable objects the School's intention is to provide a co-educational musical education for young musicians of exceptional talent between the ages of ten and eighteen.

Aims

The School's aims for public benefit are:

- To provide training for the soloists, musicians, composers and teachers of the future, and also to provide an excellent general education. The academic courses followed are similar to those studied in non-specialist schools.
- To offer bursaries through the Department for Education Music and Dance Scheme and for students who do not qualify for the Music and Dance Scheme to offer support from the School's own Bursary fund and from unrestricted funds.

Key financial performance indicators

- A balanced budget is maintained throughout the year
- An accounting surplus is achieved after depreciation
- Fundraising income to exceed £500,000

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Primary objectives

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

- provide a safe, happy and healthy environment in which young students can flourish and fulfil their potential
- deliver a world-class musical education
- consistently stage polished and high-profile musical events
- provide means-tested financial support to students so that the key criteria for admission to the School is musical excellence and not ability to pay.
- build and sustain close, reciprocally beneficial links with other providers of music education both nationally and internationally
- develop fundraising partnerships with Patrons and corporate and individual donors

Strategies to Achieve the Primary Objectives.

The key strategies are as follows:

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

Principal activity

The principal objective of the Charity as set out in its Memorandum and Articles of Association is to establish and conduct a school for the purpose of providing general and specialist music education.

The School is predominantly a boarding school with 138 boarders (many of whom are weekly boarders) and 39 day students. A special quality of the School is its warmth and friendliness and its strong sense of community and purpose, which has developed from a common love of music.

In 2003 the School was awarded the Mozart Gold Medal by UNESCO in recognition of its outstanding contribution to arts education.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Public benefit

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

The School offers bursaries through the Department for Education Music and Dance Scheme. For students who do not qualify for the Music and Dance Scheme, support is offered by the School from the School's own bursary fund. As a result, every student accepted by the School is entitled to means tested financial assistance and the key criterion for admission to the School is musical excellence and not ability to pay. Parental contributions are currently less than 20% of gross fees, and any non-Music and Dance Scheme bursaries are funded from the school's reserves.

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

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

- Concerts in and for the local community
- Free access to the local community to attend all concerts held at the School
- Making premises and specialist facilities available in holiday periods to the music "community" for a wide range of courses, workshops, audition days and study days
- The Outreach Programme, which enriches the lives of many outside the School and brings students into contact with the wider world beyond the School. It takes many forms, from student-led activities to taster events and partnership programmes. Particular highlights this year have included:
 - Outreach tour to Norfolk where students ran community projects and gave concerts
 - Hosting local schools at lunch-time concerts
 - Supporting local fundraising events.
 - Taster Days for local group musicians
 - IMPULSE Training in local schools (The Purcell School's IMPULSE Outreach Group ran community projects in primary schools and concerts in local churches. IMPULSE is The Purcell School's unique, pupil-led outreach training programme. Those involved in this project, all from Year 12, who helped to compose songs and djembe pieces for large group performances.)
 - Children's Concert run by Year 11 for 3 local primary schools
 - Purcell/Commonwealth trip to Antigua and Barbuda

Equal opportunities

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Safeguarding

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

Governors monitor that safeguarding arrangements are effective by:

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

Fundraising performance

The bursary fund received £250,597 during the year.

It is a long term aim of Trustees to raise sufficient monies to fund all non-Music and Dance Scheme remissions. This amounts to just over £560,000 per year and there is a significant variance between money needed and raised.

The School has a fundraising policy in place which reflects the standards laid down by the Fundraising Regulatory Board established following the 2016 Charities Act to promote ethical practice in fundraising and gain public trust and confidence. The policy also includes a complaints procedure and there were no complaints received in the year.

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The School continued to monitor the quality and range of its musical and academic performances to ensure that it achieved results commensurate with its strategy of becoming, for an ever growing number of young musicians and their parents, the specialist music school of first choice.

Paul Bambrough joined The Purcell School as Principal in September 2018. Previously he was the Vice-Principal at the Royal Birmingham Conservatoire. Described by a former Secretary of State for Education as 'one of the most inspiring teachers', Paul Bambrough has gained a national reputation for his work in state music education.

Paul Hoskins joined the school as Director of Music in September 2018. Paul was previously Music Director of Rambert, a dance company that under his influence has played an increasingly important role in the music world. As a guest conductor, Paul has worked with many major ballet companies and symphony orchestras in Europe and America.

Adam Wroblewski joined as Bursar in January 2019 and was previously Executive Finance Lead at a Multi-Academy Trust after a successful career in IT software development. He secured and managed capital funding for a number of projects and established a robust financial systems in newly formed academy schools.

It is important to emphasize that this year's excellent results were achieved during widespread global pandemic caused by the COVID-19 virus, and UK national lockdown. The school has prepared a detailed scenarios planning analysis examining impacts of the pandemic on school finances. A combination of measures was implemented such as staff furlough, and catering provision changes to mitigate negative effects on school finances. Additionally, the MDS funding remained unchanged during this time, which has allowed for the majority of the school income to remain the same.

Academic Accomplishments

Key Statistics:

1:4 Student to Teacher ratio

100% of Year 10 Students achieved grade A* or A in IGCSE Music

100% of Year 13 Students achieved Grades A* - B in Pre-U Music (A Level Equivalent)

87% Year 11 Student achieve grade A*-A In IGCSE English Literature

64% of Leavers were awarded significant scholarships at International Conservatoires

Narrative on Academic Achievements

Our 2019/2020 leavers achieved a characteristically strong profile of entry to top conservatoires. Of the 37 students in the year group, 21 went to conservatoires in the United Kingdom, 16 of whom were in receipt of scholarships, and 18 of the 21 went to one of the four London conservatoires – 6 to the Royal Academy of Music, 10 to the Royal College of Music and 2 to Guildhall School of Music. Destinations

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

beyond London included the Royal Birmingham Conservatoire, the Royal Conservatoire of Scotland (Glasgow) and Leeds College of Music.

2019/20 also saw leavers travel further afield to the Royal Conservatoire in The Hague, the Conservatorium van Amsterdam, The University of Music Franz Liszt Weimar and the Music and Arts University of the City of Vienna.

Of those students who went on to university, places were taken up at the University of Edinburgh (Structural Engineering, English Language), King's College (Music, Philosophy), Oxford University (Fine Art, Biomedical Science), Aberdeen University (Law), the University of Glasgow (Psychology/Theology), Imperial College (Engineering) and the University of Missouri, Kansas City.

We recognize that intellectual curiosity and social empathy are vital components of being a great musician, but that it is imperative to develop the whole person for them to be truly happy and healthy. The variety and strength of our leavers' destinations goes some way to demonstrate this.

For the majority of our students that next stage is a musical one but we also support, enable and empower those who decide to pursue an educational path on leaving The Purcell School. There were some exceptional examination results from Purcell students in Summer 2020 both at GCSE and A-Level representing achievements well above national average benchmarks for non-academically selective schools. Overall, 96% of all GCSE's (including iGCSE's) were awarded B – A* (5-9) and 79% of all A-Levels (including Pre-U) were awarded B – A*. For iGCSE Music (which our students take early in Year 10), every student received between A – A* (7-9), and every student received between B – A* for Pre-U Music. Further strong results at GCSE included 87% of students receiving A – A* (7-9) in English Literature, 77% achieving A – A* (7-9) in Double Science, and 94% of students attaining A – A* (7-9) in Modern Languages (French and German). Across A-Levels, we also saw particularly strong results in English Literature with 80% of students receiving B – A* and 83% receiving B – A* in French.

Musical Achievements

Key Statistics:

197 Public Performances between September 1st 2019 and March 17th 2020 (Lockdown)

5080 people attended our live concerts.

Development of new, online "Concert Hall"

Narrative on Musical Achievements

2019/20 was a strange year. It started with a formidable number of concerts and masterclasses, with nearly two terms of sustained musical activity of exceptional quality; it ended with lockdown, and the School rising creatively to the challenge of remote working, and planning for the safe reopening in September 2020. The first two terms sought to combine an improvement on many good Purcell traditions, with some innovations introduced by Paul Bambrough and Paul Hoskins, the Principal and Director of Music now in their second year. High-quality musical experiences for the students were the guiding principle, and in the first term alone we counted 95 concerts and events.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

In School, the daily lunchtime concerts were programmed in year groups, with audience attendance registered; together with regular performance classes and evening performance platforms, these provide the vital experience of informal recital playing for all students. We introduced a Rush Hour recital and lecture series that gave students an opportunity to hear staff perform, including Jianing Kong (who is also an alumnus) playing a series of the complete Beethoven piano sonatas. Alumni continued to feature with Noah Max bringing members of his Echo Ensemble to perform with Purcell students in memory of Alex Ross. Live at lunchtime was another new series of student concerts that streamed live, with a good response from the many families who live too far away to attend in person.

The students' instrumental studies were supported with a revamped schedule of targeted musicianship classes, which aim to give them an appropriate range of aural, theory, harmony, keyboard skills and chamber music classes within the academic timetable. Some year groups can also elect to have taster classes in music technology, advanced aural, 'jazz for classical', soul band, choral conducting and others.

The orchestral playing enjoyed a renewed focus, with a chamber orchestra, a middle school orchestra, a symphony orchestra, a baroque ensemble and some other student-led groups. Two unashamedly ambitious symphonic programmes at the Watford Colosseum and the Queen Elizabeth Hall included thrilling performances of works by Knussen, Stravinsky, Steven Stucky and Lutoslawski as well as more familiar repertoire.

1st March 2020 at the Southbank Centre was a highlight in the school calendar, with most of the School involved in four concerts in one day in memory of Oliver Knussen. The concerts, programmed to feature new music, chamber music, the piano department and the orchestra were all professionally filmed.

Little did we know that three weeks later the music world would close down for a long time; subsequently these films launched a new YouTube channel platform Purcell Online that would become the home of all our public work in the summer term and beyond.

The chamber orchestras performed at St John's Smith Square (with Purcell alumna and teacher Nafis Umerkulova playing the Beethoven 4th Piano Concerto), Hatfield House (4 concerts to primary school children including Carnival of the Animals both with student pianists and with Charles Owen and Katya Apekisheva), and the Purcell Room (middle school students, uncondacted).

We aimed to expand our profile in the real world by touring to venues near and far. Students love to perform away from School. New venues included South Hill Park, Bracknell, St Mary's, Standon, Leicester International Music Festival (at the invitation of Nicholas Daniel), Moscow International Festival (at the invitation of the Spivakov Foundation), a Piano Department exchange with the Dresden Landes gymnasium, including masterclasses with Martin Helmchen and Mirjana Rajic, and our senior string quartet was invited to perform in a Beethoven series at the Royal Conservatoire of Scotland. Existing relationships continued with concerts in local churches and music societies, the Wigmore Hall, Milton Court and St Martin-in-the-Fields, Leeds International Concert Series, and the Piano Festival at the RCS in Glasgow. Lockdown meant that this packed programme stopped in its tracks, and it is currently difficult to wrestle with how to replace just how much we have lost.

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The summer term happened entirely online, and we managed to deliver over 400 hours of one-to-one lessons every week on zoom. Students and teachers were extraordinarily creative in responding to the new situation, and a small selection of all the work that was done is preserved online. The composition and jazz departments excelled throughout the year, with each of the senior composition students leading their own project, and curating a concert. These skills became essential in isolation, and many students developed technical abilities in recording, filming, editing and publishing. Academic music was taught through a mixture of Google Classroom, Zoom, online lectures and email, and all our exam students did well, securing their places at university (in a wide range of subjects) and top conservatoires in the UK and abroad. We must pay tribute to the extraordinary commitment and skill of our teachers in making both halves of 2020-21 such a success.

Purcell Online: A Space for Student Sounds

On 7th May 2020, in the midst of the United Kingdom's first lockdown, we launched a brand new area on our YouTube channel called Purcell Online – space for student sounds. The area provided a platform to showcase the work of our incredible students in isolation, and has proved to be a great success. With a host of exciting student performances, inventive collaborations and debuts of original works and arrangements, Purcell Online received in excess of 50,000 views and more than doubled the School's number of YouTube subscribers.

The first student submission was from Zara Williams (Sixth Form) in collaboration with 17 other Purcell students. Zara's arrangement of Billie Eilish's When the Party's Over/Lovely garnered views of over 10,000 across the School's social media accounts, and each subsequent submission was met with similar praise. The platform continued to grow throughout 2020, with content expanding to include a variety of lectures, masterclasses, interviews and performances. Purcell Online also provided an opportunity for students to compete in an audio ident competition. First-study composer Sasha Scott (Sixth Form) triumphed with a beautifully composed piece of music which now opens each Purcell Online video.

The full Purcell Online is available here: www.youtube.com/user/ThePurcellSchool.

FINANCIAL REVIEW

Results for the year

The School's total incoming resources for the year amounted to £6,133,536 (2019 - £6,001,600). The net deficit for the year was £81,530 (2019 - deficit of £75,856) as shown in the Statement of Financial Activities. The deficit for the year arose as a result of ensuring adequate level of staffing resources to ensure safe, happy and healthy environment for students, as detailed in Note 15.

Reserves level and policy and financial viability

The School's total reserves were £13,498,888 at the year, of which £532,934 are restricted funds, £12,016,371 are designated funds and £949,583 are general funds.

Unrestricted funds in total stood at over £10 million at the year end, wholly deployed as part of the financing of the School's premises and equipment. There are limited free reserves because free reserves as defined by the Charity Commission are unrestricted funds less those funds represented by fixed assets. This amounted to £949,583 (2019 - £553,410).

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FOR THE YEAR ENDED 31 AUGUST 2020

The Purcell School has decided that net free cashflow should be no less than 10% of its total income.

The Trustees have reflected on this and wish to review this policy in the coming year. The level and policy for free reserves will also be reviewed and set on an annual basis as part of the budget setting plan and in line with the strategic plan.

Free reserves at the year-end were comfortable. However, the Purcell School is planning ahead to upgrade facilities and potentially to expand boarding places as part of its comprehensive new strategic plan (see below), it is likely that this level of reserves is appropriate. It will ensure the right balance between maintaining secure financial position, and meeting the School needs.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

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

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

FUTURE PLANS

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

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

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

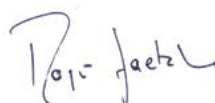
The COVID pandemic has significantly affected the School operation, especially following the introduction of another national lockdown. The School has responded promptly and implemented the similar measures as it did during the first lockdown, but in addition used the opportunity of an empty building to start refurbishment projects. Furthermore, it helped every student in all ways possible, such as providing necessary technology, pastoral support and fully timetabled live lessons. The recent parent survey on the school provision during this time was overwhelmingly positive with the responses of "Extremely Satisfied or Satisfied" in excess of 90% of the total.

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

On behalf of the Board



.....
William McDonnell
Trustee
Date: 27/04/2021



.....
Sir Roger Jackling
Chair of Trustees

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

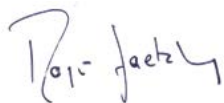
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject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

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

In so far as the Trustees are aware:

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

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



.....
Sir Roger Jackling
Chair of Full Governing Body
Date: 27/04/2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PURCELL SCHOOL

Opinion

We have audited the financial statements of The Purcell School (the 'School') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PURCELL SCHOOL (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PURCELL SCHOOL (CONTINUED)

Responsibilities of Trustees

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

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

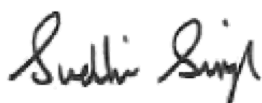
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Sudhir Singh FCA (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditor
6th Floor
2 London Wall Place
London
EC2Y 5AU

Date: 12 May 2021

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Expendable endowment funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Income from:						
Donations and grants	4	3,040	271,520	-	274,560	311,747
Charitable activities	5,6	5,794,129	-	-	5,794,129	5,478,525
Other trading activities	9	58,084	-	-	58,084	204,585
Investments	10	-	6,763	-	6,763	6,743
Total income		5,855,253	278,283	-	6,133,536	6,001,600
Expenditure on:						
Raising funds	11	91,856	-	-	91,856	98,869
Charitable activities	12,13	5,795,771	327,439	-	6,123,210	5,978,587
Total expenditure		5,887,627	327,439	-	6,215,066	6,077,456
Net expenditure		(32,374)	(49,156)	-	(81,530)	(75,856)
Transfers between funds	21	2,984,967	9,700	(2,994,667)	-	-
Net movement in funds		2,952,593	(39,456)	(2,994,667)	(81,530)	(75,856)
Reconciliation of funds:						
Total funds brought forward		10,013,361	572,390	2,994,667	13,580,418	13,656,274
Net movement in funds		2,952,593	(39,456)	(2,994,667)	(81,530)	(75,856)
Total funds carried forward		12,965,954	532,934	-	13,498,888	13,580,418

All income and expenditure derives from continuing activities.

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

The notes on pages 23 to 46 form part of these financial statements.

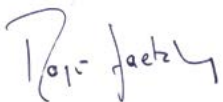
THE PURCELL SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00759327

BALANCE SHEET
AS AT 31 AUGUST 2020


	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	17		12,016,371		12,303,620
Investments	18		100		100
			12,016,471		12,303,720
Current assets					
Debtors	19	345,318		306,742	
Cash at bank and in hand	24	2,108,561		1,933,548	
			2,453,879	2,240,290	
Creditors: amounts falling due within one year	20	(971,462)		(963,592)	
Net current assets			1,482,417		1,276,698
Total net assets			13,498,888		13,580,418
School funds					
Expendable endowment funds	21		-		2,994,667
Restricted funds	21		532,934		572,390
Unrestricted funds	21		12,965,954		10,013,361
Total funds			13,498,888		13,580,418

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

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



Sir Roger Jackling
 Chair of Full Governing Body
 Date: 27/04/2021



William McDonnell
 Trustee

The notes on pages 23 to 46 form part of these financial statements.

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	<i>As restated</i> 2019 £
Cash flows from operating activities			
Net cash used in operating activities	23	319,248	474,234
		<hr/>	<hr/>
Cash flows from investing activities			
Investment income	10	6,763	6,743
Purchase of tangible fixed assets	17	(150,998)	(44,568)
		<hr/>	<hr/>
Net cash used in investing activities		(144,235)	(37,825)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		175,013	436,409
Cash and cash equivalents at the beginning of the year		1,933,548	1,497,139
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	24	2,108,561	1,933,548
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 23 to 46 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

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

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

The liability of the 13 Members at the year-end is limited to £1 each.

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

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

2.2 Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places, funding arrangements under the Department for Education Music and Dance Scheme and the School's future projected cash flows, the Trustees have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. In reaching this conclusion consideration has also been given to the likely financial impact of COVID-19 on the School's operations and cash-flow and the School's response to this.

The School examines its medium term position by preparing 3 year budgets, viability analyses and cash-flow forecasts, and therefore the Trustees have considered beyond the minimum period of 12 months required to be considered as the foreseeable future.

Accordingly, it continues to be appropriate to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.3 Income

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

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

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

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

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

2.4 Expenditure

Expenditure is accounted for on an accruals basis. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

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

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following bases:

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

Freehold land is not depreciated.

2.7 Investments

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

2.8 Debtors

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

2.9 Cash at bank and in hand

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.10 Liabilities and provisions

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

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

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

2.11 Financial instruments

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

Financial assets - trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 19. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 20. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2.12 Operating leases

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

2.13 Pensions

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

2.14 Termination payments

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.15 Fund accounting

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

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

Expendable endowment funds represent the grants received from the Department for Education to support capital project. Endowed funds are where the Trustees are required to hold capital, as represented by buildings, net of the related depreciation.

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

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

2.16 Prior year restatements

The School decided to reclassify the comparatives for some elements of debtors to more appropriate headers within Note 19. This reclassification has reduced prepayments by £63,844 and has increased other debtors by the same amount. This comparative restatement had no impact on the total debtor figure, the net movement in funds or the total funds as at 31 August 2019.

The School has also removed £7,901 of interest paid from their analysis of cash flows from operating and investing activities which was previously incorrectly included. This restatement has decreased net cash provided by operating activities and decreased net cash used in investing activities by £7,901. This comparative restatement had no impact on the net movement in cash during the year nor total cash held as at 31 August 2019.

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

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

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Income from donations and grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Bursary income	-	250,597	250,597
Outreach income	-	3,770	3,770
Chamber Academy fund income	-	12,500	12,500
Friends income	-	3,998	3,998
Merchandise sales	-	155	155
Gifts and donations	-	500	500
Other grants	3,040	-	3,040
Total 2020	3,040	271,520	274,560

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Bursary income	-	183,767	183,767
Capital Development fund	-	938	938
Outreach income	-	25,239	25,239
LPC fund	9,700	-	9,700
Gala concert income	-	84,835	84,835
Friends income	-	4,953	4,953
Merchandise sales	-	242	242
Gifts and donations	-	24	24
Other grants	2,049	-	2,049
<i>Total 2019</i>	<i>11,749</i>	<i>299,998</i>	<i>311,747</i>

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from charitable activities - by fund

	Unrestricted funds 2020 £	Total funds 2020 £
Educational operations	5,794,129	5,794,129

	<i>Unrestricted funds 2019 £</i>	<i>As restated Total funds 2019 £</i>
Educational operations	5,478,525	5,478,525

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

		2020 £	2019 £
School fees	7	5,498,763	5,478,525
Other educational income	8	109,000	-
Exceptional government funding		186,366	-
		5,794,129	5,478,525

The School has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'Exceptional government funding'.

The School furloughed some of its staff under the government's Coronavirus Job Retention Scheme. The funding received of £186,366 relates to staff costs in respect of 32 staff.

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. School fees

	2020	<i>As restated</i>
	£	2019
		£
Gross school fees	5,758,782	5,683,454
Less: Total bursaries	(560,019)	(504,929)
Add: Bursaries paid from restricted funds	300,000	300,000
	5,498,763	5,478,525

Net fees received included £1,456,581 (2019 - £1,269,235) by parents and £3,742,182 (2019 - £3,909,290) paid by the Department for Education Music and Dance Scheme.

8. Other educational income

	2020	<i>2019</i>
	£	£
DfE / ESFA Teachers' Pension Grant	104,000	-
SEN funding	5,000	-
	109,000	-

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £
Application and audition fees	8,672	8,672
Insurance claims	4,213	4,213
House fund income	2,760	2,760
Concert income	12,815	12,815
Lettings income	16,751	16,751
Coffee shop income	11,767	11,767
Sundry income	906	906
Gain on disposal of fixed assets	200	200
Total 2020	<u>58,084</u>	<u>58,084</u>
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Application and audition fees	9,126	9,126
Insurance claims	7,024	7,024
House fund income	6,705	6,705
Concert income	19,684	19,684
Lettings income	136,258	136,258
Coffee shop income	16,589	16,589
Sundry income	9,199	9,199
<i>Total 2019</i>	<u>204,585</u>	<u>204,585</u>

THE PURCELL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. Income from investments

	Restricted funds 2020 £	Total funds 2020 £
Bank interest receivable	6,763	6,763

	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Bank interest receivable	6,743	6,743

11. Expenditure on raising funds

	Unrestricted funds 2020 £	Total funds 2020 £
Direct costs - Staff costs	79,031	79,031
Direct costs - Fundraising and development costs	4,924	4,924
Support costs - Financing costs	7,901	7,901
Total 2020	91,856	91,856

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Direct costs - Staff costs	81,556	81,556
Direct costs - Fundraising and development costs	9,412	9,412
Support costs - Financing costs	7,901	7,901
<i>Total 2019</i>	98,869	98,869

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Educational operations	5,795,771	327,439	6,123,210
	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Educational operations	5,607,608	370,979	5,978,587

13. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Educational operations	4,944,611	1,178,599	6,123,210
	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Educational operations	4,714,726	1,263,861	5,978,587

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

Analysis of direct costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	3,604,263	3,257,704
Premises costs	488,645	415,846
Teaching costs	223,975	278,010
Welfare and catering costs	309,728	423,720
School operating costs	318,000	339,446
	4,944,611	4,714,726

Analysis of support costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	354,703	293,981
Depreciation	438,247	418,327
Other staff costs	13,381	11,543
Premises costs	5,099	51,410
Technology costs	75,742	93,510
Insurance costs	56,997	58,240
Transportation costs	7,671	7,474
Hospitality costs	5,711	8,531
Capital Development Fund	-	44,855
Bank charges	7,088	5,198
Governance costs	58,499	49,148
Legal costs	68,775	145,507
Coffee shop costs	13,532	17,260
Other support costs	61,704	46,848
Publicity costs	11,450	12,029
	1,178,599	1,263,861

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. Governance costs

	2020	<i>2019</i>
	£	£
Auditor's remuneration - Audit of the financial statements	11,000	19,788
Auditor's remuneration - Other services	5,850	-
Auditor's remuneration - Under-accrual of prior year fees	1,915	-
Legal and professional fees	39,734	29,360
	58,499	49,148

15. Staff costs

	2020	<i>2019</i>
	£	£
Wages and salaries	3,236,737	2,973,285
Social security costs	279,609	251,334
Pension costs	521,651	408,622
	4,037,997	3,633,241

Wages and salaries for 2020 includes termination benefits totaling £22,055 (2019 - £NIL). This includes payments in lieu of notice and £15,000 of non-contractual payments made under the authority of the Trustees when considered to be in the Schools' best interest to avoid potential significant HR/legal costs. There were no associated liabilities at the year end.

Wages and salaries also includes agency staff costs of £63,706 (2019 - £22,437).

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

	2020	<i>2019</i>
	No.	No.
Teaching	102	93
Boarding, Pastoral and Housekeeping	29	27
Administration, Property and Fundraising	20	19
	151	139

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Staff costs (continued)

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	2	1
In the band £100,001 - £110,000	1	1

The Key Management Personnel of the School comprise the Trustees and the Senior Leadership Team as listed on pages 1 and 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by Key Management Personnel for their services to the School was £584,358 (2019 - £474,808).

16. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

THE PURCELL SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Furniture, fixtures and fittings £	Computer equipment £	Musical instruments £	Total £
Cost or valuation						
At 1 September 2019	15,288,517	28,200	1,506,043	626,661	1,001,259	18,450,680
Additions	-	-	121,245	29,753	-	150,998
At 31 August 2020	<u>15,288,517</u>	<u>28,200</u>	<u>1,627,288</u>	<u>656,414</u>	<u>1,001,259</u>	<u>18,601,678</u>
Depreciation						
At 1 September 2019	3,701,377	7,050	1,211,794	563,556	663,283	6,147,060
Charge for the year	290,140	5,288	80,511	28,510	33,798	438,247
At 31 August 2020	<u>3,991,517</u>	<u>12,338</u>	<u>1,292,305</u>	<u>592,066</u>	<u>697,081</u>	<u>6,585,307</u>
Net book value						
At 31 August 2020	<u><u>11,297,000</u></u>	<u><u>15,862</u></u>	<u><u>334,983</u></u>	<u><u>64,348</u></u>	<u><u>304,178</u></u>	<u><u>12,016,371</u></u>
At 31 August 2019	<u><u>11,587,140</u></u>	<u><u>21,150</u></u>	<u><u>294,249</u></u>	<u><u>63,105</u></u>	<u><u>337,976</u></u>	<u><u>12,303,620</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Fixed asset investments

	Investment in subsidiary company £
Cost or valuation	
At 1 September 2019	100
At 31 August 2020	<u>100</u>
Net book value	
At 31 August 2020	<u>100</u>
<i>At 31 August 2019</i>	<u>100</u>

Principal subsidiaries

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

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

19. Debtors

	2020	<i>As restated</i>
	£	2019 £
Due within one year		
Fees and extras owed by parents	81,129	21,845
Other debtors	57,347	76,792
Prepayments	36,283	12,948
Music and Dance Scheme grant	170,559	195,157
	<u>345,318</u>	<u>306,742</u>

THE PURCELL SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. Creditors: Amounts falling due within one year

	2020	<i>2019</i>
	£	£
Other loans	395,105	<i>395,105</i>
Parental deposits	231,834	<i>229,353</i>
Other taxation and social security	166,305	<i>130,546</i>
Other creditors	84,924	<i>163,438</i>
Accruals	93,294	<i>45,150</i>
	<hr/> 971,462 <hr/>	<hr/> <i>963,592</i> <hr/>

THE PURCELL SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Unrestricted funds					
Designated funds					
Fixed asset fund	-	-	(438,247)	12,454,618	12,016,371
General funds					
General Fund	10,003,661	5,855,253	(5,449,380)	(9,459,951)	949,583
LPC fund	9,700	-	-	(9,700)	-
	<u>10,013,361</u>	<u>5,855,253</u>	<u>(5,449,380)</u>	<u>(9,469,651)</u>	<u>949,583</u>
Total Unrestricted funds	<u>10,013,361</u>	<u>5,855,253</u>	<u>(5,887,627)</u>	<u>2,984,967</u>	<u>12,965,954</u>
Expendable endowment funds					
Buildings Fund	928,000	-	-	(928,000)	-
Capital Development Fund	2,066,667	-	-	(2,066,667)	-
	<u>2,994,667</u>	<u>-</u>	<u>-</u>	<u>(2,994,667)</u>	<u>-</u>
Restricted funds					
Capital Development Fund	37,251	-	-	-	37,251
Bursary Fund	519,865	262,013	(318,000)	-	463,878
Instrument Fund	1,801	-	-	9,700	11,501
Composition and Outreach Fund	5,629	3,770	(2,269)	-	7,130
Chamber Music Academy	7,844	12,500	(7,170)	-	13,174
	<u>572,390</u>	<u>278,283</u>	<u>(327,439)</u>	<u>9,700</u>	<u>532,934</u>
Total of funds	<u>13,580,418</u>	<u>6,133,536</u>	<u>(6,215,066)</u>	<u>-</u>	<u>13,498,888</u>

THE PURCELL SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds					
General Fund	9,950,979	5,685,159	(5,706,477)	74,000	10,003,661
LPC fund	-	9,700	-	-	9,700
	<u>9,950,979</u>	<u>5,694,859</u>	<u>(5,706,477)</u>	<u>74,000</u>	<u>10,013,361</u>
Expendable endowment funds					
Buildings Fund	952,000	-	-	(24,000)	928,000
Capital Development Fund	2,116,667	-	-	(50,000)	2,066,667
	<u>3,068,667</u>	<u>-</u>	<u>-</u>	<u>(74,000)</u>	<u>2,994,667</u>
Restricted funds					
Capital Development Fund	36,313	938	-	-	37,251
Bursary Fund	578,748	280,564	(339,447)	-	519,865
Instrument Fund	1,801	-	-	-	1,801
Composition and Outreach Fund	-	25,239	(19,610)	-	5,629
Chamber Music Academy	19,766	-	(11,922)	-	7,844
	<u>636,628</u>	<u>306,741</u>	<u>(370,979)</u>	<u>-</u>	<u>572,390</u>
Total of funds	<u><u>13,656,274</u></u>	<u><u>6,001,600</u></u>	<u><u>(6,077,456)</u></u>	<u><u>-</u></u>	<u><u>13,580,418</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. Statement of funds (continued)

Expendable Endowment Funds

The Buildings Fund represents three tranches of a grant; two at £250,000 and one at £700,000 given by the Department for Education in 2006/2007 to support the construction of the Music Centre. A depreciation charge amounting to £24,000 (2019 - £24,000) in respect of the Music Centre was transferred from the unrestricted fund during the year.

The Capital Development Fund represents a grant of £2.5million received from the Department for Education in 2009 towards the cost of new boarding accommodation. £50,000 (2019 - £50,000) has been transferred to the unrestricted fund in respect of the depreciation charge for the new boarding accommodation.

All grants are repayable should the School sell its current site at Bushey within a ten year period from the date of the grant and as this period has elapsed, the amount in the endowment fund has been transferred to the designated Fixed asset fund.

Restricted Funds

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

The Bursary Fund comprises grants and donations made to the School for the purpose of funding needy students. Tuition fees in the Statement of Financial Activities include fees funded by scholarships of £300,000. In the year, a total of £560,019 of bursaries were made to students of which £300,000 was paid from the Bursary Fund. The remaining £260,019 was paid out from unrestricted funds.

The Instrument Fund comprises grants and donations made to the School for the purchase of specific musical instruments. A transfer of £9,700 has been made from the unrestricted LPC fund to the Instrument Fund as further clarification has been received regarding the nature of the fund and it has been considered more appropriate for the funds to be included within the Instrument Fund.

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

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

Unrestricted Fund

The general fund comprises accumulated revenue surpluses and, once any restrictions have been met, receipts from restricted and unrestricted capital funds. The Trustees have designated the Net Book Value of Fixed Assets to a designated Fixed asset fund in the year and accordingly, a transfer has been made out of the funds to the designated fund.

THE PURCELL SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	12,016,371	-	12,016,371
Fixed asset investments	100	-	100
Current assets	1,920,945	532,934	2,453,879
Creditors due within one year	(971,462)	-	(971,462)
Total	12,965,954	532,934	13,498,888

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Expendable endowment funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	9,308,953	-	2,994,667	12,303,620
Fixed asset investments	100	-	-	100
Current assets	1,667,900	572,390	-	2,240,290
Creditors due within one year	(963,592)	-	-	(963,592)
Total	10,013,361	572,390	2,994,667	13,580,418

THE PURCELL SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020	<i>As restated</i>
	£	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(81,530)	<i>(75,856)</i>
Adjustments for:		
Depreciation charges	17 438,247	418,326
Investment income	10 (6,763)	(6,743)
Decrease/(increase) in debtors	19 (38,576)	68,171
Increase in creditors	20 7,870	70,336
Net cash provided by operating activities	319,248	<i>474,234</i>

24. Analysis of cash and cash equivalents

	2020	<i>2019</i>
	£	£
Cash in hand	2,108,561	<i>1,933,548</i>
Total cash and cash equivalents	2,108,561	<i>1,933,548</i>

25. Analysis of changes in net debt

	At 1 September 2019	Cash flows	At 31 August 2020
	£	£	£
Cash at bank and in hand	1,933,548	175,013	2,108,561
Debt due within 1 year	(395,105)	-	(395,105)
	1,538,443	175,013	1,713,456

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. Pension commitments

The School participates in the Teachers' Pension Scheme ('TPS') for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £424,504 (2019 - £272,464). At the year end, there were contributions of £64,865 (2019 - £43,956) payable in respect of the scheme.

Introduction

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

The Teachers' Pension Budgeting and Valuation Account

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

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

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. Pension commitments (continued)

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The School operates a defined contribution pension scheme for non-teaching staff. Contributions paid during the year were £97,147 (2019 - £249,187). At the year end, there were contributions of £9,801 (2019 - £8,689) payable in respect of the schemes.

27. Operating lease commitments

At 31 August 2020 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	10,445	10,445
Later than 1 year and not later than 5 years	-	10,445
	<u>10,445</u>	<u>20,890</u>

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

	2020 £	2019 £
Operating lease rentals	<u>10,445</u>	<u>10,445</u>

28. Related party transactions

Jonathan Eley, a Trustee of the School is a partner at Farrer & Co LLP, a firm that has been used for legal advice for their expertise with Independent Schools and in particular with the IICSA. Total costs of £54,917 (2019 - £127,659) for legal services to Farrer & Co. LLP had been incurred in the year. Jonathan Eley is not involved in providing any of this advice to the School.

The Trustees confirm that all transactions have been carried out at an arm's length basis and none of the Trustees have received any benefit due to their position as a Trustee.