

Company Registration No. 02369239 (England and Wales)

**THE BRIT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

The
BRIT
SCHOOL



THE BRIT SCHOOL

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REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

J Berger (Chair of Trustees)
K Ambrosi
C Ancliff
P Burger
J Charrington (Resigned 17 October 2022)
M Cooper
M Crowe OBE
A Ferreira
A Lloyd-Webber
M Locket
D Mahoney
J Morrish
T Rose
L Soden
J Wilson
C Jumbo
M Clancy (Appointed 24 September 2022)
J Ward (Parent Trustee)
J Hillier (Parent Trustee)
L Rajah (Staff Trustee)
T Stuck (Staff Trustee)
A Havard (Resigned 01 June 2022)

Members

BPI (British Recorded Music Industry) Limited
John Craig OBE (on behalf of the BRIT Trust)
John Deacon CBE
Maggie Semple OBE

Senior Leadership Team

Principal
Senior Assistant Principal
Assistant Principal
Vice Principal
Vice Principal
Vice Principal
Director of Communication
Director of Finance

Stuart Worden
Kirsty Mehta
Della Gibbins
Adrianne Chapman
Claire Mullord
Ray Oudkerk
Alexa Cruickshank
Yong Liu

Company Secretary

Yong Liu

Company registration number

02369239 (England and Wales)

Registered office

The BRIT School
60 The Crescent
Croydon
Surrey CR0 2HN

Independent auditor

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent BR6 8QE

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REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

National Westminster Bank,
PLC Commercial Banking
South London City Link
3rd Floor
4 Addiscombe Road Croydon
CR0 5TT

Solicitors

DMH Stallard LLP
Griffin House
135 High Street
Crawley
West Sussex
RH10 1D

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FOR THE YEAR ENDED 31 AUGUST 2022



The BRIT School's mission is to prepare young people for careers in the creative and performing arts. The ethos is for all young people, regardless of background to be original, responsible, inclusive, ambitious and kind.

The BRIT School's mission is also to offer a vocational education. It seeks to select applicants who demonstrate the intention and aptitude to make a career in the performing, creative or digital arts.

In order to equip its students for a life in the creative professions, the School seeks to:

- choose qualifications which will develop both practical and academic skills including those relating to wider knowledge of the creative industries;
- ensure that students are aware of the range of careers available within the arts;
- maintain a high level of personal experience of working in the creative industries within the staff;
- maintain technical facilities at a level which will enable industry-relevant skills to be taught;
- maintain links with the creative industries, both through its sponsor, The BRIT Trust, and beyond, in order to keep abreast of developments.

Review of the Year's Activity September 2021 - August 2022 Highlights

The BRIT School in its 30th year is a good news story for our students, our country, the education world and the arts world. This was the year we celebrated the lives and careers of over 10,000 alumni, the majority of which- 99% said it nurtured their artistic interests and they felt welcome regardless of their financial or ethnic background or sexual orientation. Our values and pillars are that The BRIT School is original, responsible, ambitious, inclusive and kind.

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In order to prepare students for a profession in the performing, creative and digital arts, it requires us to ensure we have state-of-the-art facilities and equipment to prepare them for professional life. This includes studios for music, dance and theatre as well as radio, film and TV studios, professional recording equipment, stage lighting, stage sound, computers with up-to-date software, workshops to build full sets and props, wardrobe departments with materials and equipment. Also, to enhance careers, the School fosters a number of industry partnerships which in turn support students offering abundant opportunities in order to gain experience and skills and to prepare them for the future world of work.

September-December 2021

- An outdoor stage was built at The BRIT School generously donated by The BRIT Trust named The BRIT Trust Stage and is a much utilised additional space to host shows and events including the Shakespeare Theatre Season in June.
- The School welcomed award-winning actress, writer and alumna Cush Jumbo OBE to join the School's Board of Trustees and the Curriculum and Student Welfare committee. Cush has helped us strengthen our alumni relationships to encourage giving back financially and with their time, expertise and mentorship. At the Mercury Prize 2022, we met with alumni Gemma Cairney, Loyle Carner and Jamz Supernova- all of whom have engaged with BRIT projects.
- Fashion Styling & Textiles: a brand-new route of Visual Arts & Design at Post 16 was launched and we have since received support from The Dr Martens Foundation who will be funding an outreach project to local secondary schools (bringing students in for fashion workshops) next year.
- We held two Virtual Open Evenings using all the tech and creativity available to us to ensure prospective applicants were immersed in the BRIT ethos and fully understood the Key Stage 4 and Post 16 offer through a dynamic, student-centric online event. We actively engaged with the public through live Q&As via YouTube and students were involved as ambassadors interviewed on camera and working backstage as camera, sound and lighting operators.
- We had the first of the 30th Anniversary branded events with *BRIT is Born*, a musical tribute to the Knebworth gig celebrating 30 years since the famous concert which helped build the School.
- BBC Radio London interviewed Stuart Worden and BBC London news published a front page online feature: *Three decades of BRIT: How the school was born*
<https://www.bbc.co.uk/news/uk-england-london-59699274>

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January 2022

- The Evening Standard covered Mo Gilligan on his BRIT School visit ahead of The BRIT Awards. <https://www.standard.co.uk/news/london/mo-gilligan-brit-awards-2022-brit-school-visit-london-croydon-b978898.html?amp>
- Thank you to MITs Committee and Accenture for awarding two talented young musicians Fin & Lucy the Accenture Prize for Live Performance. The Accenture bursary helps to fund the next step of their careers.

February

- **Shout Out (to the next generation) at The BRIT Awards 2022**

Fronted by BRIT School alumna, Gemma Cairney, students were briefed to reimagine Mastercard's sonic brand through their diverse range of creative talents, everything from fine art, to dance, to game design to film. The students' creative interpretations were featured as part of the BRIT Awards campaign media, showcasing The BRIT School's magic to millions during advert breaks, on all the out of home (OOH) ad boards around and in the O2 and on all the socials. This project led to a doubling of applications for our pioneering Interactive Digital Design course.

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The BRIT Awards and Shout Out in partnership with Mastercard and McCann (Feb 2022)

- 600 students attended this year's BRITs and 40 current students danced on stage with Little Simz, with a 20-strong choir performing at the Diamond pre-show dining.
- The BRIT School partnership with PRG and Britannia Row saw five Production Arts students gaining work placements backstage on the BRIT Awards to give them direct industry experience on the live show.

March

- We were delighted to announce to the press that the widely respected media and entertainment industry leader, Josh Berger CBE, joined as Chair of the Board of Trustees.
- To mark our 30th anniversary year, we launched our #BRIT Transforms campaign, with the ambition to raise £10m by September 2025 to #keepBRITspecial for future generations of young artists, regardless of their background, beliefs or who they are. We celebrated our 30th anniversary with the launch of the BRIT Transforms Revue and the Campaign at The Garden, Drury Lane courtesy of Andrew Lloyd Webber. The event was sponsored by Mastercard, Live Nation UK, PRS for Music, The Other Songs & McCann.
- Prior to the launch, Flow Associates were commissioned to review data collected through The BRIT School's 30th anniversary survey, which was sent to all alumni who graduated between 1993 and 2022. **The BRIT Transforms Revue is published online:** <https://joom.ag/3pQd>

April

- The Community Arts Practice course partnered with DePaul - a charity working alongside young people facing homelessness to provide emergency & long-term accommodation, practical help and wellbeing support and produced some short films called Choices featuring BRIT students: <https://youtu.be/d-ugYsCrQFw>
- The Musical Theatre Season realised three full productions in the Obie Theatre: A Chorus Line, Les Miserables, Pippin.
- BRIT Now 'Everyone's an Artist' edition launched sponsored by RBC: www.brit.croydon.sch.uk/britnow

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May

- Royal Bank of Canada (RBC) Partnership: the Visual Arts & Design *Final Art Show* was in partnership with RBC and celebrated the creativity of this year's graduating artists
- The Common Ground Theatre 2022 Season of plays was also generously sponsored by RBC. For the 30th anniversary, BRIT alumni from theatre, TV, film and production performed a once in a lifetime performance of *Machinal* by Sophie Treadwell in the BRIT Theatre in a special gala performance. Cush Jumbo OBE was joined by high profile actors including Jordan Peters (*Pirates* (2022), *Gangs of London* (2020) Laura Dockrill (author and performance poet), Rob Emms (*Chernobyl*), Archie Madekwe (*Midsommar* 2019) and Ruby Stokes (*Bridgerton* 2020).



'Machinal' Common Ground Gala Performance in partnership with Royal Bank of Canada (May 2022)

June

- On Tuesday 28 June we hosted a visit and Q&A with Global Head of Music, Google & YouTube, Lyor Cohen and Director of YouTube Music in Europe, Middle East & Africa, Dan Chalmers. They had a tour to show the impact of the YouTube Music studio and watched a dance rehearsal with the company Hofesh Schechter and music students led the Q&A.
- The Royal Bank of Canada continued its second year of support of our students' careers with an Emerging Artists prize. The prize was launched last year as part of a partnership programme with RBC that supports a number of projects created by BRIT School's final year students as they prepare for the next stage of their creative journey. The winner of the Creative Arts prize was Year 13 Interactive Digital Design student, Elizabeth Dada. The winner of the Performing Arts prize was Year 13 Applied Theatre student, Shae-love Jackson.
- Isaac Densu (SBTV) and Tanisha Edwards visited on behalf of the late Jamal Edwards who will be honoured with a MITS award later this year.
- BRIT School stories in partnership with Mastercard have launched three episodes on the BRITs YouTube channel so far covering: The Beginning, the Opportunities, the Present and the Future of BRIT.

<https://www.youtube.com/playlist?list=PL0Kro0grO1E2xpzjwD17bdnn5Ssx-7Pis>

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July

- Ten years after the Community Arts Practice course launched in 2012 to recognise the value of training performers and facilitators for working across all society and community- it has been rebranded to Applied Theatre so it mirrors Higher Education courses widely popular across many top universities and vocational schools.
- Equality, Diversity and Inclusion (EDI): In the summer term, the students marched at Pride, produced and performed the annual drag show- *Heaven in Heels* and celebrated the lives and works of those from the Global Majority in the annual celebration show.
- Netflix sponsored the Film & Media Production showcase at the BFI - showreel here: <https://www.youtube.com/watch?v=NFXtllLdSgU>
- McCann sponsored the annual Interactive Digital design show in The Obie showreel here: <https://youtu.be/QMwnDlv2-TE>



The BRIT School march at Pride (July 2022)

- We were thrilled to announce our partnership with Hofesh Shechter Company which shares our commitment to increasing diversity & equal opportunities in dance and the wider arts sector. Our first collaboration project - *Political Mother: Made in Croydon* premiered in The Obie Theatre on July 14. <https://hofesh.co.uk/news/brit-school-hofesh-shechter-company-announce-new-partnership/>
- Other highlights also included Community Arts students performing and delivering workshops for hundreds of children at Hyde Park Festival with Chickenshed and The Bridge Company performing and staging newly devised plays at New Diorama, Music and Music Tech performing at local partnering venue Stanley Arts.
- Little People's Day hosted 150 3–6-year-olds rotating across seven art strand events across the school delivering 30 projects to mark the 30th anniversary.

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- Jessie J (Musical Theatre alumna) performed an acoustic show at London's KOKO in aid of The BRIT School - with the lighting for this show by Production Arts alumni Morgan Evan.



PRS Heritage Plaque awarded to The BRIT School for contribution to Music and the Arts (July 2022)

- In recognition of three decades of contribution to music and the arts, we received a PRS for Music Heritage Award, highlighting us as a significant institution in the British music landscape, and by extension in the cultural history of the country. At the ceremony, the plaque was permanently installed at the school's Obie Theatre, named after legendary music executive, Maurice Oberstein. PRS for Music honours The BRIT School with Heritage Award. The event was featured on ITV news.
- Finally, we ended the 30th year with the *Homecoming: Back to BRIT* welcoming back hundreds of alumni. The School's anniversary gained media coverage in national press:
- **CITY AM AUGUST 31**
<https://www.cityam.com/the-school-that-made-adele-the-brit-school-turns-30/>
- **DAILY EXPRESS SEPTEMBER 1**
<https://www.express.co.uk/celebrity-news/1662779/brit-school-stars-adele-amy-winehouse-tome-holland-stuart-worden>
- **THE GUARDIAN SEPTEMBER 3**
<https://www.theguardian.com/music/2022/sep/02/brit-school-artistic-legacy>

Student Experience

BRIT Fit is a school-wide initiative that promotes wellbeing, sport, and fitness through workshops, activities, and sports events including football, netball, and badminton. These sports bring cross-strand collaborations and provide an excellent opportunity for our students to promote good mental health and teamwork.

BRIT Fit encourages all staff and students to maintain a healthy lifestyle by being aware of water intake, good nutrition, and listening to podcasts on a walk. Fitness sessions include workouts, boot camps, running clubs, female and female-identifying exercise classes, and stretch classes. BRIT Fit aims to eliminate the pressures or insecurities that the fitness world can encourage and support our school community in building self-esteem and confidence.

Other wellbeing activities include Book Club, BRIT BAKES, Yoga, and Meditation.

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To amplify the student voice, The Afro Asian Caribbean Society (AACs) was formed by students and is now central to our impactful Equality Diversity and Inclusion agenda. The Venus Association was also founded to give those who identify as female a platform.

BRIT Kids launched BRIT Kids+ app; online classes launched for anyone aged 8-18. Customers can subscribe at low cost to a range of classes in digital design, film making, singing, acting, art, song writing or creative writing.



Common Ground Theatre Season: 'Wuthering Heights' (April 2022)

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

Presenting the Annual Report

The Trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2021/2022 issued by the ESFA.

The BRIT School (The School) operates a City College for the Technology of the Arts (CCTA) for pupils aged 14 to 19 serving a catchment area made up of most of Greater London and some parts of suburban Surrey and Kent.

Structure, Governance and Management

Constitution

The School is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the School.

The Trustees of The BRIT School are also the Directors of the charitable company for the purpose of company law. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before or within one year of when they ceased to be a member.

Trustees' Indemnities

No indemnities or guarantees have been provided to third parties by the charitable company in respect of any of its Trustees.

Method of recruitment and appointment or election of Trustees

The Articles of Association provide that the number of Trustees shall be not less than two and that no more than 25 may be appointed by the Trustees, although Co-opted Trustees may also be appointed by the Board of Trustees. The Articles provide that two of the Trustees shall be elected by Parents, and the Board of Trustees has determined that two will be elected by Staff.

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Trustees are subject to retirement by rotation every three years but are eligible for re-election at the meeting at which they retire. Staff Trustees may serve for one term of three years and may not stand for re-election. Parent Trustees may serve for one term of three years, except that they are required to resign by the 31 October after their child leaves the School.

The Governance Committee assesses the skills to be sought in recruiting new Trustees; a skills audit has been undertaken and is updated as Trustees join and leave the Board of Trustees. Vacancies in the Board of Trustees are filled to address any skills gap disclosed by the skills audit.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. New Trustees are introduced to the School and to their role as a Trustee by visiting the School to meet the Principal and the Company Secretary. They are offered suitable external training.

In addition, they are given the following documents to read: the Prospectus, the School's Articles of Association, the Funding Agreement with the DfE, the School Improvement Plan, the budget for the current year, the latest Annual Report and Financial Statements, the latest management accounts and a Charity Commission/SGOSS publication for school governors. As new Trustees join the governing body irregularly, induction is undertaken informally and is tailored specifically to the individual.

Organisational structure

The Senior Leadership Team (SLT) consisted throughout the year of: the Principal, the Senior Assistant Principal, one Assistant Principal, three Vice Principals, the Director of Finance and the Director of Communications. All areas of the School are directly overseen by a member of the SLT. The wider management team is involved in decision making through regular meetings with their line manager, Learning Leadership Group meetings for curriculum leaders, Support Management Group meetings for support leaders and tutor meetings.

The Principal is the School's Accounting Officer; as such he is responsible for satisfying himself that the School has appropriate policies and procedures in place to ensure that the School's resources are properly controlled and applied. The Board of Trustees has delegated day to day responsibility for financial matters to the Director of Finance, subject to the operation of a formal scheme of delegation and oversight by the Principal and the Finance and Audit Committee. The annual budget is reviewed by the Finance and Audit committee, which recommends its approval to the Board of Trustees.

The Board of Trustees has delegated authority over the engagement and dismissal of staff (except for the Director of Finance) to the Principal, except that the Principal must consult with the Chair of Trustees before dismissing a member of staff. The SLT as a body is responsible for the identification of staffing needs and the appointment of staff, with a member of SLT sitting on the appointment board for all permanent staff. Responsibility for personnel rests with the Principal. Appointment boards for management posts include a Trustee.

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The School owns 100% of the issued ordinary share capital of BRIT School Productions Limited, a company incorporated in England and Wales (Company No. 2846847). The principal activity of the company continues to be that of generating funds from commercial activities for the benefit of The BRIT School.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel comprises of the SLT of the School. As disclosed in Note 11, no Trustee other than Staff Trustees received any remuneration from the School in the course of the year except the reclaim of reasonable expenses. The Trustees confirm that Staff Trustees' salaries are calculated in the usual way, based on their position on the relevant pay scale plus (in the case of teaching staff) any Teaching and Learning Responsibility payment relevant to any responsibility they might hold.

The Principal's salary was set on appointment by the Board of Trustees on the advice of the Personnel Committee. Although the School is a standalone institution, its position as one of the most high-profile schools in the country, linked to one of the most high-profile and image-aware industries, puts particular pressures on the School's Principal: they need not only to be an accomplished educator, but also highly knowledgeable across the arts, politically aware and adept at communicating to a wide range of audiences. Consequently, the starting salary was benchmarked against the Principals and CEOs of other complex educational institutions. A pay scale was established on appointment, with progress dependent upon the achievement of appraisal objectives, as identified by the Principal's Performance Management Committee; this annual review is overseen by the Personnel Committee and approved by the full Board of Trustees.

The salaries of the other members of SLT are set on the Leadership Scale, based on a reasonable differential from the Principal, bearing in mind that the particular pressures of the School apply to all of SLT to some extent. The Director of Finance may be removed from the Leadership Scale and have a special scale if the Board of Trustees believes that this will produce a fairer result for both the employee and the School. Progress up the scale is governed by the same rules as the rest of SLT. On appointment these salaries were benchmarked against similar roles then being advertised; progress up the Leadership Scale is dependent upon the achievement of appraisal objectives, as identified by the Principal; this annual review is overseen by the Personnel Committee and approved by the full Board of Trustees.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	3

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Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	
1% - 50%	3
51% - 99%	
100%	

Percentage of pay bill spent on facility time

Total Cost of facility time	£2,986
Total Pay bill	£9,261k
Percentage of the total pay bill spent on facility time	0.03%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0.05%
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Related Parties and other Connected Charities and Organisations

The School receives annual donations from its sponsor, the British Record Industry Trust (The BRIT Trust). One of The BRIT Trust's Trustees was also Trustee of the School at some point in the year. In accepting this donation, the School has not breached any of the requirements of the ESFA's Academies Financial Handbook, which apply to the School despite its status as a CCTA. The sponsor and the wider industry also offer substantial support in kind, for which the School is very grateful.

Engagement with employees (including disabled persons)

The following statement summarises action taken during the period to introduce, maintain or develop arrangements aimed at:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the School's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the School.
- The School's policy in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons.

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The School places immense value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the School. This is achieved through formal and informal meetings, team briefings and internal bulletins and updates. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

In respect of disabled persons, the policy of the School is to support recruitment and retention of students, staff and Trustees with disabilities. Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the school. The School does this by adapting the physical environment, making support resources available and through relevant training. Our policy is to promote the career development and promotion of disabled persons, irrespective of the nature of their disability and we will provide whatever assistance we reasonably can do in order to support the individual in meeting their career goals, ensuring that there is a 'level playing field' for all.

Engagement with suppliers, customers and others in a business relationship with the School

The School recognises the importance of maintaining good business relationships with its suppliers. We have a clear procurement policy to ensure that suppliers are treated in an even-handed manner. The performance of and relationship with key suppliers is constantly monitored to ensure that we treat suppliers fairly, ensuring that payment terms are adhered to and that we comply with contractual obligations placed upon the School. We encourage an open and ongoing dialogue with suppliers to ensure that we conduct our business with them in a professional commercial manner.

Objectives and Activities

Our objects and aims, described below, put students at the heart of all that we do. We have described our main achievements within the *Review of the Year's Activity* and also how we have performed against our objectives. We are committed to ensuring that we maintain strong and effective relationships with students, parents and wider stakeholders in the community.

Objects and aims

The principal object of the charitable company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of The BRIT School, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of the students of the School.

Creativity is crucial to the future of our economy and society. For thirty years, The BRIT School has successfully nurtured creative skills in students from every type of background alongside a robust and full academic curriculum. And it does so for free.

The BRIT School revolutionises the lives of its students; just under 100% of all students who have graduated find work in a huge range of creative industries or enrol for higher education. We are proud to be a Croydon school and equally proud to have national and international friends who support the school with professional and unique opportunities.

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As the Good School Guide states, "You'll find BRIT graduates' words, music, performance, directorial and backstage talents just about everywhere you look, from fashion shows to musicals, national theatre to community arts, in the UK and internationally." This is a hardworking, fun, passionate school packed with dedicated individuals who love the creative and performing arts and recognise the importance of a thorough and robust education in all subjects. We believe in developing well rounded, articulate, kind and dynamic young people.

Objectives, strategies and activities

The predominant activity of the charitable company is the operation of The BRIT School to provide vocational education for pupils across the spectrum of academic abilities between the ages of 14 and 19 with an emphasis on the performing, creative and digital arts and related technology. The main objectives of the School are summarised below:

- to raise the standard of educational achievement of all pupils;
- to ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care;
- to improve the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to further artistic and creative education for children and young people, both in Selhurst and further afield, by way of regular community classes (including the School's BRIT Kids Saturday Classes) and bespoke programmes for partners;
- to use the School's creative expertise in wider training for young people and adults;
- to conduct School business in accordance with the highest standards of integrity, probity and openness.

The School's funding agreement with the Secretary of State for Education specifies, amongst other things, the basis for admitting students to the School, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on the performing arts and their technologies. The catchment area is most of Greater London and parts of Surrey and Kent. Special consideration may be given to admitting students of particular merit from outside the catchment area, but these must total no more than 10% of the total intake.

Public benefit

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.

In addition to the commitment to achieving the primary objectives of the School, the Trustees have agreed for the following public benefit support to be provided by the School:

- To continue to develop the excellent pastoral care we provide for our pupils.
- Students are selected based upon their aptitude and commitment to the performing, creative or digital arts, taking no account of academic ability.

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Key Financial Performance Indicators

The School is committed to achieving its finance performance indicators, to ensure that it continues to strive for both educational and financial excellence. The senior leadership team have robust annual improvement plans which act as KPI and are reported against at board meetings.

Here are our key Financial Performance Indicators:

KPI	Target	Performance in 2020-2022
Total Staff Costs as Proportion of Total Expense (%)	70-80%	78%
Spend per pupil for non-pay expenditure (£)	£1,500-2,000	£1,783
Total Staff Costs to ESFA Revenue Income(%)	100%	102%

Key Performance Indicators

Students at The BRIT School achieved incredible vocational and academic results at both KS4 and Post 16. Despite the disruption of Covid-19, this past year has seen our students gain their best ever results.

Post 16

Students at The BRIT School celebrate incredible vocational and academic achievement at Post 16 above national benchmarks for the number of Distinctions achieved for the UAL Level 3 Extended Diploma and an uplift in A Level results from 2019, the last time examinations took place.

At Post 16, students commit to a rigorous curriculum specialising in a performing or creative arts UAL Level 3 Extended Diploma, which is equivalent to 3 A Levels and some students also undertake additional A Levels.

337 students, 70.06% of the cohort, gained a Distinction at UAL which is the highest possible grade and is the equivalent of three As at A Level. This is a 21.78% increase on 2019 and a testament to how agile the school curriculum has been adapting to online and blended learning approaches.

The BRIT School also had exceptionally strong A Level results including:

74.0% A*-C grades

45.2% A*-B grades

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Figures are higher for acceptances than last year with 265 students being accepted by their chosen universities. Our students go on to study a diverse range of degrees from those that are directly related to their strands to subjects including Criminology, Psychology, Primary Education, Business Management and History and Politics.

We also have students accepted onto courses at RADA, Bristol Old Vic, Royal Central School of Speech and Drama, Urdang, Bird College, E15, ArtsEd, Guildhall. Mountview and many other Conservatoires and Vocational Schools. Students are also pursuing careers in a diverse range of areas; we have students starting apprenticeships and internships with organisations including BBC, Google and Channel 4 as well as 02 Virgin Media.

- Nadia Kwiecinska, who was a student for 4 years, studying VAD (UAL Extended Diploma Distinction and A Level Maths B) will be studying an MA in Architecture at UCL (Bartlett School of Architecture).
- Lola Stocking, who was a student for 4 years studying FMP (UAL Extended Diploma Distinction and A Level History A*) will be studying Art History at the prestigious Courtauld Institute (University of London).
- Charlotte Neild, studied Musical Theatre (UAL Extended Diploma, Distinction, A level English Literature A) will be going on to Study Musical Theatre at Guildford School of Acting.
- Shemiah Tharpe, studied Dance (UAL Extended Diploma, Distinction, A Level English C) will be studying for a degree in Dance Science at Trinity Laban
- Joel Black, 18, Shirley – Distinction in Film & Media Production – “Looking forward to a fresh start in Nottingham and pursuing my ambitions in video production”.
- Tom Dye, 18, Luton – Distinction in Production – At BRIT he “got the technical knowledge to go straight to work” - Has a lighting production job at Light Motif and lit the BRIT Awards at 17!
- Cara Joshi, 18, New Malden – Distinction in Music Performance & Production – Off to Trinity in Greenwich, playing bass at All Points East day after her results. – “I didn’t need grades for what I’m doing next, but I worked as hard as I could. It took some long days.”
- Danielle Arthur-Kennedy, 18, Barking – “There’s a diverse community in Croydon and schools like this bring it together. I’m feeling happy, nervous, and excited for the future” – Off to RADA where “Everyone is there for the same reason. There’s more to learn and gain and develop as a person in general”.

Key Stage 4

At Key Stage 4, 37.1% of our students have achieved grades 9-7 across all GCSE subjects which is above the national average. Of those, an astonishing 93.2% achieved a 4 or above in English, whilst 85.9% achieved grade 4 or above in Maths.

A noteworthy mention to Sam Wilkinson who gained a Distinction in RSL Level 2 Music, GCSEs all at grade 9-8 and a grade A at AS Mathematics and Mia Abell who gained a Distinction* in BTEC Level 2 Tech Award in Art and Design Practice and all GCSEs at grade 9-7.

THE BRIT SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

Principal Stuart Worden said:

"It has been both rewarding and inspiring being around so many successful young people this week. We've always believed that young people can achieve amazing things and these results in both GCSE and Post 16 have proved that. We are particularly delighted that our Maths grades in GCSE and A level have continued to improve. That nearly 40% of our grades are 9-7 across all GCSEs is a great sign of the academic strengths of the School. The School's aim to be inclusive and champion young people from all backgrounds can be highlighted by the fact we have completely closed the gap for pupil premium students in both English and Maths at grade 4 and above.

Our Post 16 results have once again seen nearly three quarters of our students gain Distinction grades and we are delighted that a record number have gone onto university or vocational training after BRIT. It is also exciting that students have gone straight into employment including apprenticeships at the BBC, Sky, and working in the music, fashion, production and theatre industries. They are joining a 30-year history of BRIT School students working across the creative and performing arts industries. We wish them all the best in their exciting futures."

In 2021, 95% OF STUDENTS HAVE EITHER GONE ON TO FULL TIME EMPLOYMENT AND/OR HIGHER EDUCATION.

The BRIT School in Croydon, founded in 1991 is the first and leading free performing and creative arts School in the country.

Attendance

During the 2021-2022 academic year, our 1,450 students' attendance was 92.5% whereas the national average was 80.8%.

Financial Review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with our General Annual Grant (GAG), based largely on our student numbers, to cover our staffing and other general running costs. The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grants or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds".

Other income is received from our sponsor, The BRIT Trust, our fundraising activities, BRIT Kids subscriptions, parents (for example as contributions to trips or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the Trustees.

THE BRIT SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending, such as fixed assets.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of Trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the Local Government Pension Scheme (LGPS) by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances were held at 31 August:

Fund	Category	2022	2021
		£'000	£'000
GAG	Restricted General Funds	-	-
Other DfE/ESFA Grants	Restricted General Funds	-	-
Other Government Grants	Restricted General Funds	-	-
Other restricted funds	Restricted General Funds	10	91
	Sub-total – General Restricted Funds	10	91
Unspent Capital Grants	Restricted Fixed Asset Fund	6	33
Other Income	Unrestricted General Fund	900	777
	Sub-Total – Spendable Funds	916	901
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	22,769	23,400
Finance lease	Restricted Fixed Asset Fund	(7,626)	(7,706)
Share of LGPS Deficit	Restricted Pension Reserve	1,016	(5,805)
	Total – All Funds	<u>17,075</u>	<u>10,790</u>

THE BRIT SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

During the year under review, general restricted funds decreased by £81k (2021: increased by £82k) and unrestricted general funds increased by £123k (2021: decreased by £30k). After LGPS valuation adjustments, depreciation and capital income and expenditure, overall funds increased by £6,285k (2021: decreased by £2,377k).

Due to tight budget management, close monitoring of cash flow and our fundraising efforts, no financial difficulties were suffered by the School. As at 31 August 2022, the School has net current assets of £836k (2021 net current assets of £821k) and a bank balance of £1,315k (2021:£1,356k). The School will continue to monitor its finances closely so that it will be able to meet its obligations as they fall due.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Reserves policy

The Board reviews the level of reserves annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. It is the School's finance policy to maintain a surplus of unrestricted reserves which can be used to assist in the funding of the School's development plan. Generally, reserves are to be maintained at 10% of the gross GAG income of the School as a whole, which will be reviewed in 2022-2023. The Trustees will ensure that the reserves policy continues to conform to the requirements laid down in the Academies Financial Handbook produced by the Education and Skills Funding Agency.

Investment policy

There are no investments held beyond cash and short-term money market deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the School is exposed, in particular those relating to academic performance / finances / child welfare / admissions/security. The Trustees have implemented a number of systems to assess risks that the School faces and have developed policies and procedures to mitigate those risks. The School has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

A risk register is maintained at the School level which is reviewed by the Finance and Audit Committee regularly. The Risk Register highlights the key risks, the likelihood of those risks occurring, their potential impact on the School and the actions being taken to reduce and mitigate those risks. Risks are prioritised using a consistent scoring system.

THE BRIT SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

Our Fundraising Practices

The School organises fundraising events and campaigns and co-ordinates the activities of supporters both in the school and in the wider community.

All fundraising is undertaken by the School in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, letters, our websites and via students.

The School complies with the Fundraising Regulator's Code of Fundraising Practice and UK law. There have been no complaints about fundraising activity this year.

Our thanks go to...

We would like to thank all of the supporters who contributed to the School's fundraising efforts this year. In particular, we would like to recognise the continued support from partners including The BRIT Trust, Royal Bank of Canada, Netflix, the Utley Foundation and Andrew Lloyd Webber Foundation, who formed the bedrock of our fundraising efforts, focusing their giving on programmes and projects that have huge impact on our young artists. We were also pleased to welcome new funding partners during the year: Mastercard (long-term backer of The BRIT Awards), Live Nation, McCann, PRS For Music and The Other Songs, all recognised for their support of BRIT Transforms 2021/22. And we were honoured to have Warner Music, the Leverhulme Trust, Endeavor Foundation and Dr. Marten's Foundation backing the work of the School for the first time.

Parents of BRIT School students are at the heart of our fundraising efforts, and collectively raised the most ever in 21/22, including through the support of the School's Parent Engagement Committee. Our 30th anniversary year also provided an opportunity to reflect on the impact of the organisation over the past three decades and saw us launch our alumni giving programme. With pledges of long-term support from former students - including Theatre alumna Cush Jumbo OBE - and Musical Theatre alumna, Jessie J, performing an acoustic set at KOKO to raise funds for the School, the love and loyalty shown by alumni to the BRIT School gives us confidence in former students becoming a core part of our longer-term fundraising programme.

To support the School's Five-Year Plan – and the longer-term sustainability of the organisation - we continued to invest in our Development Team during the year, building on the momentum and potential in Corporate, Institutional and Philanthropic fundraising. We also committed significant resource in applying to Arts Council England to become a National Portfolio Organisation (NPO), the outcome of which will be known in Autumn 2022.

THE BRIT SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

Plans for the Future

- The School will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure that its pupils are ready for the next stage of their education. The School knows its strengths and weaknesses based on continual self-assessment and the most recent Ofsted inspection in Jan 2018, when it was judged as 'Good'. External moderation and findings from the Ofsted inspection have been used to formulate future developments. We will be OFSTED prepared and completely focused on achieving Outstanding status with a plan in place for learners to reach 0.1% Progress 8 by improving all 5+ grades at GCSE through intervention strategies which are thorough, time related and assessed for impact.
- The School Improvement Plan is focussed on key, strategic developmental areas. Curriculum area leaders assess their outcomes and put in place appropriate measures for further improvement. These areas for development will be challenged and supported so improvements are made. Staff who require support to improve their practice will be supported appropriately through Continued Professional Development and INSET Training days.
- Equality diversity and Inclusion (EDI): we will continue to build on our EDI strategy and our inclusive practice to support all young people irrespective of gender, ethnicity, social background and disability with a particular focus on closing the gap for Black Caribbean students and improving their results.
- Croydon is our home and we will continue to build on the links we have with the borough to support our funding, community engagement programmes and collaborations, marketing and accommodation.
- We will remain sensitive to employers and companies about the skills required in their future workforce and reflect this in our curriculum. Having launched a Fashion Styling and Textiles course this year, we will explore creative marketing, radio drama, performance for screen as well as a Level 4 offer.
- We will aim to build a strategic partnership with the Arts Council with the aim to be recognised and funded as an NPO.
- We will review our 30-year history by documenting the impact and outcomes of our graduates and position ourselves as sector leaders in arts education.
- We will look to improve the School site through looking into opportunities in the government's Condition Improvement Fund. We will carry out a feasibility study for an extension of our Musical Theatre space.

THE BRIT SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

Funds held as custodian trustee

The School does not hold funds as custodian trustee on behalf of others.

Auditor

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.

This Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on ^{6th December 2022} and signed on the Board's behalf by:



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Josh Berger

Chair of Trustees

THE BRIT SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that The BRIT School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Principal as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The BRIT School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met three times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
J Berger (Chair)	3	3
K Ambrosi	2	3
C Ancliff	3	3
P Burger	3	3
J Charrington	1	3
M Cooper	3	3
M Crowe	3	3
A Ferreira	2	3
A Lloyd-Webber	2	3
M Locket	3	3
L Rajah	0	3
D Mahoney	3	3
J Morrish	2	3
L Soden	2	3
C Jumbo	1	3
J Wilson	3	3

THE BRIT SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

T Rose	2	3
J Ward	3	3
J Hillier	3	3
T Stuck	2	3

J Charrington resigned as a Trustee in Oct 2022. M Clancy was appointed as a Trustee in Sep 2022.

The information on governance included here supplements that described in the Trustee's Report and in the Statement of Trustees' responsibilities. In addition, there have been regular meetings between the Chair of the Board and the Principal to discuss various governance matters and the Chair has updated the Trustees accordingly.

The Finance and Audit Committee is a committee to which the main Board of Trustees has delegated responsibility. Its purpose is:

- Regular monitoring of actual income and expenditure
- Review and recommendation of the annual budget
- Review the reports of the auditors on the effectiveness of the financial procedures and controls
- Fulfil the role of an Audit Committee

Attendance during the year at meetings of the Finance and Audit Committee was as follows:

Trustees	Meetings attended	Out of possible
M Locket (Chair)	4	4
C Ancliff	3	4
P Burger	3	4
K Ambrosi	0	1
J Ward	3	4

The organizational structure of subsidiaries

The BRIT School has a 100% subsidiary company, BRIT School Productions (Company number 02846847). Currently, it is operating under the trading name of BRIT For Business. BRIT For Business is managed by a managing director. The director is supported by two staff who are working predominantly in sales and marketing. The three directors of BRIT For Business are BRIT School Trustees and members.

The primary function of this subsidiary is to provide educational services, such as people management courses, arts related consultancy services. This links with the wider industry connections with the BRIT School.

THE BRIT SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Conflict of interests

The BRIT School maintains an up-to-date conflict of interest register which is updated every September and published on our website. Trustees and SLT are required to declare any interests before any trustee meetings, should any conflicts of interest occur.

We check our supplier list on a regular basis to see if there are any companies/suppliers related to our Trustees and SLT. If any conflict of interest is anticipated, the relevant purchasing decisions should not involve or be influenced by related Trustees or SLT.

Governance Review

In 21-22, the Board conducted two reviews.

The first review was a self-assessment of the skillset of each trustee. In this review, the skillset of each Trustee has been mapped across each area within the School. The gaps and results in this self-assessment have been presented and discussed in the Governance Committee. An action plan has been drafted and is currently being worked through.

The second review was conducted by Octavo Croydon in May 2022. This review looked at the effectiveness of the Board overall. An action plan has been drafted.

The Board intend to review the action plans from both reviews in May 2023.

Review of Value for Money

As Accounting Officer the Principal has responsibility for ensuring that the School delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the School's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the School has delivered improved value for money during the year by:

- Always comparing prices for contracts, suppliers and get the best value for money
- Reviewing contracts on a regular basis
- Ensuring the contractors deliver the service level agreement

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the School's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The BRIT School for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

THE BRIT SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the School's significant risks that has been in place for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The School's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability.

In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Buzzacott as internal auditor to perform additional checks.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on The School's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- risk management
- testing of purchasing systems
- checks on income collection processes
- testing of control account/ bank reconciliations

At least once a year, the auditor reports to the Board of Trustees, through the Finance and Audit committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The School confirms the internal auditor has delivered their schedule of work as planned; for example, The School has updated its risk register to a traffic light system and streamlined the number of risks in the register.

THE BRIT SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Review of effectiveness

As Accounting Officer the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process
- the work of the executive managers within the School who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Director and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6th December 2022 and signed on its behalf by:



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Josh Berger

Chair of Trustees



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Stuart Worden

Accounting Officer

THE BRIT SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of The BRIT School, I have considered my responsibility to notify the School board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the School, under the funding agreement in place between the School and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the School's board of trustees are able to identify any material irregular or improper use of funds by the School, or material non-compliance with the terms and conditions of funding under the School's funding agreement and the Academy Trust Handbook 2021.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.



S Worden
Accounting Officer

6th December 2022
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THE BRIT SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of The BRIT School for the purposes of company law) are responsible for preparing the trustees' report and the Financial Statements in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 charitable company 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 in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable 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.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 6th December 2022 and signed on its behalf by:



J Berger
Chair of Trustees

THE BRIT SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRIT SCHOOL FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the Financial Statements of The BRIT School for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

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 2022 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

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 School 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 School'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 other information comprises the information included in the annual report other than the Financial Statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 including the incorporated strategic report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

THE BRIT SCHOOL

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

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 School and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 School'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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

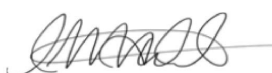
THE BRIT SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2022

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.



Louise Hallsworth FCA (Senior Statutory Auditor)
for and on behalf of
Baxter & Co
Chartered Certified Accountants
Statutory Auditor

14 December 2022

.....

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

THE BRIT SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BRIT SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 25 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The BRIT School during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The BRIT School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The BRIT School and ESFA those matters we are required to state in a 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 BRIT School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The BRIT School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The BRIT School's funding agreement with the Secretary of State for Education dated 1 November 2008 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the School's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academy Trust Handbook 2021, issued by the ESFA.

THE BRIT SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BRIT SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Baxter & Co.

Baxter & Co

Reporting Accountant

14 December 2022
Dated:

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

THE BRIT SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds	Restricted funds:		Total 2022	Total 2021 as restated
	Notes	£'000	General	Fixed asset	£'000	£'000
Income and endowments from:						
Donations and capital grants	3	1,350	275	33	1,658	1,201
Charitable activities:						
- Funding for educational operations	4	210	9,262	-	9,472	9,307
Other trading activities	5	542	117	-	659	506
Total		<u>2,102</u>	<u>9,654</u>	<u>33</u>	<u>11,789</u>	<u>11,014</u>
Expenditure on:						
Raising funds	6	-	217	-	217	187
Charitable activities:						
- Educational operations	7	1,979	10,280	972	13,231	12,003
Total	6	<u>1,979</u>	<u>10,497</u>	<u>972</u>	<u>13,448</u>	<u>12,190</u>
Net income/(expenditure)		123	(843)	(939)	(1,659)	(1,176)
Transfers between funds	20	-	(361)	361	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	22	-	7,944	-	7,944	(1,201)
Net movement in funds		123	6,740	(578)	6,285	(2,377)
Reconciliation of funds						
Total funds brought forward		<u>777</u>	<u>(5,714)</u>	<u>15,727</u>	<u>10,790</u>	<u>13,167</u>
Total funds carried forward		<u>900</u>	<u>1,026</u>	<u>15,149</u>	<u>17,075</u>	<u>10,790</u>

THE BRIT SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds	Restricted funds:		Total
		£'000	General	Fixed asset	2021 as restated £'000
Income and endowments from:					
Donations and capital grants	3	512	656	33	1,201
Charitable activities:					
- Funding for educational operations	4	-	9,307	-	9,307
Other trading activities	5	410	96	-	506
Total		922	10,059	33	11,014
Expenditure on:					
Raising funds	6	-	187	-	187
Charitable activities:					
- Educational operations	7	892	10,252	859	12,003
Total	6	892	10,439	859	12,190
Net income/(expenditure)		30	(380)	(826)	(1,176)
Transfers between funds	20	-	(302)	302	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	22	-	(1,201)	-	(1,201)
Net movement in funds		30	(1,883)	(524)	(2,377)
Reconciliation of funds					
Total funds brought forward		747	(3,831)	16,251	13,167
Total funds carried forward		777	(5,714)	15,727	10,790

THE BRIT SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2022

		2022		2021 as restated	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	11		12		-
Tangible assets	12		22,757		23,400
			<u>22,769</u>		<u>23,400</u>
Current assets					
Stocks	15	3		8	
Debtors	16	491		339	
Cash at bank and in hand		1,315		1,356	
		<u>1,809</u>		<u>1,703</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(973)		(882)	
Net current assets			<u>836</u>		<u>821</u>
Total assets less current liabilities			23,605		24,221
Creditors: amounts falling due after more than one year	19		(7,546)		(7,626)
Net assets before defined benefit pension scheme asset/(liability)			<u>16,059</u>		<u>16,595</u>
Defined benefit pension scheme asset/(liability)	22		1,016		(5,805)
Total net assets			<u>17,075</u>		<u>10,790</u>
Funds of the School:					
Restricted funds	20				
- Fixed asset funds			15,149		15,727
- Restricted income funds			10		91
- Pension reserve			1,016		(5,805)
Total restricted funds			<u>16,175</u>		<u>10,013</u>
Unrestricted income funds	20		<u>900</u>		<u>777</u>
Total funds			<u>17,075</u>		<u>10,790</u>

The Financial Statements on pages 37 to 62 were approved by the trustees and authorised for issue on 6th December 2022 and are signed on their behalf by:

.....
J Berger
Chair of Trustees

Company registration number 2369239

THE BRIT SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	23		649		797
Cash flows from investing activities					
Capital grants from DfE Group		33		33	
Purchase of intangible fixed assets		(14)		-	
Purchase of tangible fixed assets		(327)		(255)	
Net cash used in investing activities			(308)		(222)
Cash flows from financing activities					
Capital element of hire purchase and finance leases		(80)		(47)	
Finance costs		(302)		(278)	
Net cash used in financing activities			(382)		(325)
Net (decrease)/increase in cash and cash equivalents in the reporting period			(41)		250
Cash and cash equivalents at beginning of the year			1,356		1,106
Cash and cash equivalents at end of the year			1,315		1,356

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation

The Financial Statements of the School, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the Financial Statements and have concluded that the School has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the School's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.3 Income

All incoming resources are recognised when the School has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the School has provided the goods or services.

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the School's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This 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.

Charitable activities

These are costs incurred on the School's educational operations, including support costs and costs relating to the governance of the School apportioned to charitable activities.

1.5 Intangible fixed assets and amortisation

Intangible assets costing £10,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software 16.5%

1.6 Tangible fixed assets and depreciation

Assets costing £10,000 or more per item are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold Land and buildings	Land - 0.8%; Buildings - 2%-5%
Computer equipment	33.33% - 50%
Fixtures, fittings & equipment	20%

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.7 Liabilities

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.

1.8 Leased assets

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the statement of financial activities so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term.

1.9 Financial instruments

The School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the School and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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 are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.11 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.

1.12 Pensions benefits

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets and the liabilities are held separately from those of the School.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the School in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the School at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

2 Critical accounting estimates and areas of judgement

Accounting 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.

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

(Continued)

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.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In preparing these Financial Statements, the trustees have not needed to exercise any subjective judgements that would be critical to the School's Financial Statements.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Capital grants	-	33	33	33
Other donations	1,350	275	1,625	1,168
	<u>1,350</u>	<u>308</u>	<u>1,658</u>	<u>1,201</u>

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the School's charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	8,177	8,177	8,137
Other DfE/ESFA grants:				
- Pupil premium	-	57	57	58
- Others	-	693	693	754
	<u>-</u>	<u>8,927</u>	<u>8,927</u>	<u>8,949</u>
Other government grants				
Local authority grants	-	264	264	214
	<u>-</u>	<u>264</u>	<u>264</u>	<u>214</u>
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	31
Other DfE/ESFA COVID-19 funding	-	52	52	-
Non-DfE/ESFA				
Other COVID-19 funding	-	19	19	23
	<u>-</u>	<u>71</u>	<u>71</u>	<u>54</u>
Other funding				
Catering income	210	-	210	90
	<u>210</u>	<u>-</u>	<u>210</u>	<u>90</u>
Total funding	<u>210</u>	<u>9,262</u>	<u>9,472</u>	<u>9,307</u>

The School has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

- The funding received for coronavirus exceptional support covers £71k of staff costs. These costs are included in notes 6 and 7 below as appropriate.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Peripatetic lessons	-	117	117	86
Other income	536	-	536	420
RPA claim income	6	-	6	-
	<u>542</u>	<u>117</u>	<u>659</u>	<u>506</u>

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2022 £'000	Total 2021 £'000 as restated
Expenditure on raising funds					
- Direct costs	207	-	10	217	187
Academy's educational operations					
- Direct costs	6,677	776	793	8,246	7,799
- Allocated support costs	2,979	976	1,030	4,985	4,204
	<u>9,863</u>	<u>1,752</u>	<u>1,833</u>	<u>13,448</u>	<u>12,190</u>

Net income/(expenditure) for the year includes:

	2022 £'000	2021 £'000 as restated
Fees payable to auditor for:		
- Audit	9	15
- Other services	6	-
Operating lease rentals	13	1
Depreciation of tangible fixed assets	970	859
Amortisation of intangible fixed assets	2	-
Finance lease interest	302	278
Net interest on defined benefit pension liability	104	72

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000 as restated
Direct costs				
Educational operations	1,268	6,978	8,246	7,799
Support costs				
Educational operations	711	4,274	4,985	4,204
	<u>1,979</u>	<u>11,252</u>	<u>13,231</u>	<u>12,003</u>

Analysis of costs	2022 £'000	2021 £'000 as restated
-------------------	---------------	------------------------------

Direct costs

Teaching and educational support staff costs	6,677	6,396
Staff development	17	14
Depreciation and amortisation	776	649
Technology costs	129	104
Educational supplies and services	358	396
Examination fees	201	178
Educational consultancy	23	9
Other direct costs	65	53
	<u>8,246</u>	<u>7,799</u>

Support costs

Support staff costs	1,960	1,702
Defined benefit pension scheme - staff costs (FRS102 adjustment)	1,019	692
Staff development	15	16
Depreciation and amortisation	196	210
Technology costs	51	59
Maintenance of premises and equipment	130	79
Cleaning	164	146
Energy costs	265	193
Rent, rates and other occupancy costs	171	187
Insurance	40	56
Security and transport	10	5
Catering	311	278
Finance costs	302	278
Defined benefit pension scheme - finance costs (FRS102 adjustment)	104	72
Legal costs	15	32
Other support costs	208	168
Governance costs	24	31
	<u>4,985</u>	<u>4,204</u>

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 Staff

Staff costs

Staff costs during the year were:

	2022 £'000	2021 £'000
Wages and salaries	6,471	6,299
Social security costs	708	631
Pension costs	1,063	992
Defined benefit pension scheme – staff costs (FRS102 adjustment)	1,019	692
	<hr/>	<hr/>
Staff costs - employees	9,261	8,614
Agency staff costs	519	306
Staff restructuring costs	83	-
	<hr/>	<hr/>
Total staff expenditure	9,863	8,920
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Redundancy payments	2	-
Severance payments	81	-
	<hr/>	<hr/>
	83	-
	<hr/> <hr/>	<hr/> <hr/>

Severance payments

The School paid 5 severance payments in the year, disclosed in the following bands:

0 - £25,000	5
-------------	---

Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £44,793 (2021: £nil). Individually the payments are £2,500, £5,000, £10,000, £13,000 and £14,293.

Staff numbers

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

	2022 Number	2021 Number
Teachers	77	77
Administration and support	82	80
Management	8	8
	<hr/>	<hr/>
	167	165
	<hr/> <hr/>	<hr/> <hr/>

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 Staff

(Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2022 Number	2021 Number
Teachers	68	65
Administration and support	73	68
Management	8	8
	<u>149</u>	<u>141</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,000 - £70,000	3	3
£80,001 - £90,000	2	2
£90,001 - £100,000	3	2
£100,001 - £110,000	1	1
£170,001 - £180,000	1	1
	<u>10</u>	<u>9</u>

Key management personnel

The key management personnel of the School comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the School was £1,232 (2021: £1,023k).

9 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the School. The principal and other Staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

A Havard (Staff Trustee - resigned 1 June 2022)

- Remuneration: £20,000 - £25,000 (2021: £25,000 - £30,000)
- Employer's pension contributions: £0 - £5,000 (2021: £0 - £5,000)

T Stuck (Staff Trustee)

- Remuneration: £40,000 - £45,000 (2021: £35,000 - £40,000)
- Employer's pension contributions: £10,000 - £15,000 (2021: £10,000 - £15,000)

L Rajah (Staff Trustee - appointed 1 October 2021)

- Remuneration: £45,000 - £50,000 (2021: not appointed)
- Employer's pension contributions: £10,000 - £15,000 (2021: not appointed)

During the year, expenditure payments totalling £974 (2021: £nil) were reimbursed to 3 Trustees (2021: 0 Trustees). Reimbursements were made for expenses incurred in the normal course of employment.

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

10 Trustees' and officers' insurance

The School has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on School business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

11 Intangible fixed assets

	Computer software £'000
Cost	
At 1 September 2021	-
Additions	14
	<hr/>
At 31 August 2022	14
	<hr/>
Amortisation	
At 1 September 2021	-
Charge for year	2
	<hr/>
At 31 August 2022	2
	<hr/>
Carrying amount	
At 31 August 2022	12
	<hr/> <hr/>
At 31 August 2021	-
	<hr/> <hr/>

12 Tangible fixed assets

	Leasehold Land and buildings £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost				
At 1 September 2021	34,312	5,891	955	41,158
Additions	46	281	-	327
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	34,358	6,172	955	41,485
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 September 2021	11,193	5,642	923	17,758
Charge for the year	629	330	11	970
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	11,822	5,972	934	18,728
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 August 2022	22,536	200	21	22,757
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2021	23,119	249	32	23,400
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

12 Tangible fixed assets

(Continued)

The leases for land and buildings run until 2117, with the option on either side to break the lease, with the approval of the Secretary of State for Education, on 29 September 2036 and every five years thereafter. Rent increases are every five years in line with the Retail Price Index.

13 Fixed asset investments

Historical cost:

At 31 August 2022	2
	<u>2</u>
At 31 August 2021	2
	<u>2</u>

14 Subsidiary

The School's wholly owned subsidiary company, BRIT School Productions Limited (company no. 2846847), was incorporated in England and Wales on 23 August 1993.

Consolidated financial statements have not been prepared as the Trustees are of the opinion that the results of the subsidiary are not material to an understanding of the School's financial statements.

A summary of the results for the year and the position at the year end of BRIT School Productions Limited is shown below.

	2022	2021
	£	£
Profit and loss account		
Turnover	94,719	148,323
Expenditure	88,736	105,056
Taxation	-	-
Profit/(loss) on ordinary activities before gift aid	5,983	43,267
Gift aid	-	-
Profit/(loss) on ordinary activities after gift aid	5,983	43,271
Retained profit brought forward at 1 September	21,751	22,117
Retained profit carried forward at 31 August	-	65,388
Balance Sheet		
Current assets	14,472	128,921
Current liabilities	(14,470)	(63,531)
Net current assets	2	65,390
Called up share capital	2	2
Profit and loss account	-	65,388
Net assets	2	65,390

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

15 Stocks

	2022 £'000	2021 £'000
Catering stock	3	8

16 Debtors

	2022 £'000	2021 £'000
Trade debtors	92	36
VAT recoverable	127	87
Other debtors	26	44
Prepayments and accrued income	246	172
	491	339

17 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Net obligations under finance lease and hire purchase contracts	80	80
Trade creditors	202	210
Other taxation and social security	169	163
Other creditors	217	225
Accruals and deferred income	305	204
	973	882

18 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	135	53
Deferred income at 1 September 2021	53	190
Released from previous years	(53)	(190)
Resources deferred in the year	135	53
Deferred income at 31 August 2022	135	53

Deferred income at 31 August 2022 is made up of £119k (2021: £53k) of revenue donations and £16k of Local Authority grant income (2021: £nil) .

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Net obligations under finance leases and hire purchase contracts	7,546	7,626
	<u> </u>	<u> </u>
	2022 £'000	2021 £'000
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	80	80
Repayable between one and five years	320	320
Repayable after five years	7,226	7,306
	<u> </u>	<u> </u>
	7,626	7,706
Less: finance charges and interest allocated to future accounting periods	-	-
	<u> </u>	<u> </u>
Net obligations	7,626	7,706
Less: included in liabilities falling due within one year	(80)	(80)
	<u> </u>	<u> </u>
Included above	7,546	7,626
	<u> </u>	<u> </u>

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	-	8,177	(7,816)	(361)	-
Pupil premium	-	57	(57)	-	-
Other DfE/ESFA COVID-19 funding	-	52	(52)	-	-
Other Coronavirus funding	-	19	(19)	-	-
Other DfE/ESFA grants	-	693	(693)	-	-
Other government grants	-	264	(264)	-	-
Other restricted funds	91	392	(473)	-	10
Pension reserve	(5,805)	-	(1,123)	7,944	1,016
	<u>(5,714)</u>	<u>9,654</u>	<u>(10,497)</u>	<u>7,583</u>	<u>1,026</u>
Restricted fixed asset funds					
Inherited on conversion	15,694	-	(962)	361	15,093
DfE group capital grants	33	33	(10)	-	56
	<u>15,727</u>	<u>33</u>	<u>(972)</u>	<u>361</u>	<u>15,149</u>
Total restricted funds	<u>10,013</u>	<u>9,687</u>	<u>(11,469)</u>	<u>7,944</u>	<u>16,175</u>
Unrestricted funds					
General funds	<u>777</u>	<u>2,102</u>	<u>(1,979)</u>	<u>-</u>	<u>900</u>
Total funds	<u>10,790</u>	<u>11,789</u>	<u>(13,448)</u>	<u>7,944</u>	<u>17,075</u>

The specific purposes for which the funds are to be applied are as follows:

The Restricted General Funds are used to fund the general operating costs of the School.

Under the funding agreement with the Secretary of State, the School was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Other DfE / ESFA grants: This includes the Earmarked Annual Grant to meet the costs of the School's long leasehold of its East Wing, and Pupil Premium, Teachers Pay grant, Rates Relief, and Teachers Pension Grant.

The transfer of funds relate to the purchase of fixed assets during the period and to cover the excess of GAG expenditure over income.

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

20 Funds

(Continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000 as restated
Restricted general funds					
General Annual Grant (GAG)	-	8,137	(7,835)	(302)	-
Pupil premium	-	58	(58)	-	-
Catch-up premium	-	31	(31)	-	-
Other Coronavirus funding	-	23	(23)	-	-
Other DfE/ESFA grants	-	754	(754)	-	-
Other government grants	-	214	(214)	-	-
Other restricted funds	9	842	(760)	-	91
Pension reserve	(3,840)	-	(764)	(1,201)	(5,805)
	<u>(3,831)</u>	<u>10,059</u>	<u>(10,439)</u>	<u>(1,503)</u>	<u>(5,714)</u>
Restricted fixed asset funds					
Inherited on conversion	16,251	-	(859)	302	15,694
DfE group capital grants	-	33	-	-	33
	<u>16,251</u>	<u>33</u>	<u>(859)</u>	<u>302</u>	<u>15,727</u>
Total restricted funds	<u>12,420</u>	<u>10,092</u>	<u>(11,298)</u>	<u>(1,201)</u>	<u>10,013</u>
Unrestricted funds					
General funds	<u>747</u>	<u>922</u>	<u>(892)</u>	<u>-</u>	<u>777</u>
Total funds	<u>13,167</u>	<u>11,014</u>	<u>(12,190)</u>	<u>(1,201)</u>	<u>10,790</u>

21 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2022 are represented by:				
Intangible fixed assets	-	-	12	12
Tangible fixed assets	-	-	22,757	22,757
Current assets	900	903	6	1,809
Current liabilities	-	(893)	(80)	(973)
Non-current liabilities	-	-	(7,546)	(7,546)
Pension scheme asset	-	1,016	-	1,016
Total net assets	<u>900</u>	<u>1,026</u>	<u>15,149</u>	<u>17,075</u>

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

21 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000 as restated
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	23,400	23,400
Current assets	777	893	33	1,703
Current liabilities	-	(802)	(80)	(882)
Non-current liabilities	-	-	(7,626)	(7,626)
Pension scheme liability	-	(5,805)	-	(5,805)
Total net assets	777	(5,714)	15,727	10,790

22 Pension and similar obligations

The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Croydon. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £127k were payable to the schemes at 31 August 2022 (2021: £120k) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

22 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £809k (2021: £776k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme. The School has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 11.1% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy Trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Total contributions made	2022	2021
	£'000	£'000
Employer's contributions	246	216
Employees' contributions	166	142
	<hr/>	<hr/>
Total contributions	412	358
	<hr/>	<hr/>
Principal actuarial assumptions	2022	2021
	%	%
Rate of increase in salaries	3.05	2.90
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65
CPI inflation (%)	3.05	2.90
	<hr/>	<hr/>

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

22 Pension and similar obligations

(Continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2022 Years	2021 Years
Retiring today		
- Males	21.9	22.1
- Females	24.1	24.3
Retiring in 20 years		
- Males	22.7	23.0
- Females	25.8	26.0

Scheme liabilities would have been affected by changes in assumptions as follows:

	2022 £'000	2021 £'000
Discount rate + 0.1%	9,728	16,149
Discount rate - 0.1%	10,200	16,953
Life expectancy + 1 year	10,363	17,213
Life expectancy - 1 year	9,565	15,889
Salary rate + 0.1%	9,975	16,568
Salary rate - 0.1%	9,953	16,534
Pensions rate + 0.1%	10,191	16,930
Pensions rate - 0.1%	9,737	16,172

Defined benefit pension scheme net asset/(liability)

	2022 £'000	2021 £'000
Scheme assets	10,980	10,746
Scheme obligations	(9,964)	(16,551)
Net asset/(liability)	1,016	(5,805)

The School's share of the assets in the scheme

	2022 Fair value £'000	2021 Fair value £'000
Equities	7,686	7,200
Bonds	1,647	2,042
Cash	220	215
Property	1,427	1,289
Total market value of assets	10,980	10,746

The actual return on scheme assets was £(16,000) (2021: £1,618,000).

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

22 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2022 £'000	2021 £'000
Current service cost	1,265	908
Interest income	(179)	(153)
Interest cost	283	225
	<hr/>	<hr/>
Total operating charge	1,369	980
	<hr/>	<hr/>

Changes in the present value of defined benefit obligations	2022 £'000
At 1 September 2021	16,551
Current service cost	1,265
Interest cost	283
Employee contributions	166
Actuarial (gain)/loss	(8,139)
Benefits paid	(162)
	<hr/>
At 31 August 2022	9,964
	<hr/>

Changes in the fair value of the School's share of scheme assets	2022 £'000
At 1 September 2021	10,746
Interest income	179
Actuarial loss/(gain)	(195)
Employer contributions	246
Employee contributions	166
Benefits paid	(162)
	<hr/>
At 31 August 2022	10,980
	<hr/>

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

23 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2022 £'000	2021 £'000
Net expenditure for the reporting period (as per the statement of financial activities)		(1,659)	(1,176)
Adjusted for:			
Capital grants from DfE and other capital income		(33)	(33)
Finance costs payable		302	278
Defined benefit pension costs less contributions payable	22	1,019	692
Defined benefit pension scheme finance cost	22	104	72
Depreciation of tangible fixed assets		970	859
Amortisation of intangible fixed assets	11	2	-
Decrease in stocks		5	-
(Increase)/decrease in debtors		(152)	132
Increase/(decrease) in creditors		91	(27)
Net cash provided by operating activities		649	797

24 Analysis of changes in net debt

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	1,356	(41)	1,315
Finance lease obligations	(7,706)	80	(7,626)
	(6,350)	39	(6,311)

25 Long-term commitments

Operating leases

At 31 August 2022 the total of the School's future minimum lease payments under non-cancellable operating leases was:

	2022 £'000	2021 £'000 as restated
Amounts due within one year	13	13
Amounts due in two and five years	18	31
	31	44

THE BRIT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

26 Related party transactions

Owing to the nature of the School and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

The School's subsidiary company BRIT School Productions Limited has donated income from the subsidiary of £73k (2021: £nil).

The School received £466,750 (2021: £466,500) from its sponsor, the British Record Industry Trust (the BRIT Trust). Five of the BRIT Trust's Trustees were also Trustees of the School at some point of the year. In accepting this donation, the School has not breached any of the requirements of ESFA's Academy Trust Handbook 2021, which apply to the School despite its status as a school.

27 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

28 Agency arrangements

The School distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the School had a brought forward balance of £90k (2021: £42k), received £83k (2021: £94k) and disbursed £88k (2021: £46k) from the fund. An amount of £85k (2021: £90k) is included within creditors: amounts falling due in less than one year relating to undistributed funds that are repayable to the ESFA.

In addition, the School paid bursaries totalling £15k (2021: £15k) to students from funds received from the BRIT Trust for this purpose.

29 Prior period adjustment

During the year leases in respect of buildings were reclassified as finance leases. The allocation of expenditure, fixed assets and creditors in the prior year has been amended in order for the two years to be comparable. There was no impact on the reported surplus for the year or reserves at the year end.