

Company Number: 2932622
Registered Charity Number: 1040286

ELMHURST BALLET SCHOOL TRUST
(A CHARITABLE COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2021

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ELMHURST BALLET SCHOOL TRUST

REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 August 2021

The Governors present their annual report and the financial statements of Elmhurst Ballet School Trust for the year ended 31 August 2021 and confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association and the Charities SORP (FRS102).

REFERENCE AND ADMINISTRATIVE DETAILS

The School is a charitable company incorporated in 1994, with the liability of its members limited to £1 each by guarantee.

Charity number: 1040286

Company number: 2932622

Principal and
Registered Office: 249 Bristol Road, Edgbaston, Birmingham, B5 7UH

Directors

The Governors are appointed by the Board and are the Directors of the Company and the Trustees of the Charity. Those serving in the year and since are as follows:

J A Harris (Chairman)

T J Abbotts (Resigned 16 November 2021)

M P Baldwin (Appointed 4 June 2020)

J Bryson

S Butler

K Cartwright (Appointed 21 February 2022)

P Chesterman

S Evans

J Hardy (Appointed 21 February 2022)

D Howard (Resigned 19 September 2021)

B Lawrence (Appointed 17 November 2020)

A L Matthews

M Piper (Resigned 15 November 2020)

D L Wallis (Resigned 7 August 2021)

M Wyon

Key Executives and Professional Advisers

Principal: J A Ward

Director of Finance and Operations: L J Caddick

Bankers: Lloyds Bank plc, Queens Square, Wolverhampton, PO Box 1000, BX1 1LT

Auditors: RSM UK Audit LLP, Rivermead House, 7 Lewis Court, Grove Park, Leicester, LE19 1SD

Investment Managers: EFG Harris Allday, 33 Great Charles Street, Birmingham, B3 3JN

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company is governed by its Memorandum and Articles of Association, last amended on 8 March 2005.

Governing Body

The Directors, who are also required under the Articles to serve as members of the Company, are elected at a full Directors' Meeting on the basis of nominations received from existing Directors concerning eligibility, personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity and the School, including Board policy and procedures, at an induction meeting which takes place prior to the first full Board Meeting. All Governors are also encouraged to attend appropriate training and to serve on at least one of the School's sub-committees.

ELMHURST BALLET SCHOOL TRUST

REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 August 2021

Group Structure and Relationships

The charity is incorporated as a company limited by guarantee and its operations are governed by its Memorandum and Articles of Association. The Memorandum and Articles of Association impose restrictions over the income and property of the company which are to be applied solely towards the promotion of the company's objects and not distributed by way of dividend, bonus or otherwise to the members. The member's liability on winding up is limited to £1.

Elmhurst Enterprises Limited, a wholly owned subsidiary, was formed in 2002 and commenced trading on 1 September 2004. Its results, assets and liabilities are consolidated into these accounts on a line by line basis.

Risk Management

The Board of Governors of Elmhurst is responsible for the management of the risks faced by the School in line with the School's Risk Management Policy. Detailed considerations of risk are delegated to the Finance, Facilities and General Purposes sub-committee of the main Board, who are assisted by the Senior Leadership Team. Risks are identified, assessed and controls established for monitoring during the year. A formal review of the charity's risk management processes is undertaken on an annual basis and all sub-committees are required to report annually on the management of the risk associated with their particular area of governance.

The key controls used by the charity include:-

- Formal agendas for all Board and sub-committee activity;
- Explicit Terms of Reference for all sub-committees;
- Comprehensive planning, budgeting and management accounting;
- Established organisational structures and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels;
- Clear staff recruitment policies, according to best practice, for the protection of our students.

Clearly, checks and systems can only provide reasonable but not absolute assurance. Through the risk management processes initiated by Elmhurst, however, the Governors are satisfied that the major risks have been identified and measures taken to appropriately mitigate the risk as necessary.

The Governors consider the major risk to be the impact of the global financial market and the uncertainties around Brexit could result in changes to Government funding policy and considerably greater difficulty in accessing private funding. The follow-on effect of this may be insufficient numbers of students attending the School.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The Charity's Objects, as set out in its Memorandum and Articles of Association, are the advancement of education, particularly but not exclusively, with an emphasis on instruction in the performing arts, including the provision of boarding and/or day schooling for children of both sexes. Within these objects, the Charity also has to equip, furnish, fit up and maintain the buildings and to award prizes, bursaries and scholarships to students as relevant.

The School is supported by the Government's Music and Dance Scheme and the Dance and Drama Award, both of which enable gifted young dancers from families of limited financial means to benefit from a world-class vocational dance education through the provision of funded places. The only way for students to enter the School is by audition - this ensures that talent alone gives access to the School. The government-funded places are supplemented by scholarships and bursaries from commerce and private donations. Additionally, places are offered at full fees, provided that the applicant is judged to have the potential to succeed as a classical ballet dancer.

The Governors confirm that, to the best of their knowledge and belief, they have complied with Section 17 of the Charities Act 2011 in respect of having due regard to Public Benefit Guidance published by the Charity Commission.

AIMS AND INTENDED IMPACT

Elmhurst Ballet School, in Association with Birmingham Royal Ballet, is committed to the innovative, world-leading education of talented, passionate and committed young ballet dancers, regardless of their financial circumstances.

The vision of Elmhurst Ballet School is to shape the education and training of young dancers. We work internally to improve practice and with other organisations nationally and internationally across the dance sector to improve the outcomes for young people engaged in dance training at this level.

The school aims to support students in preparing for professional life as a dancer and secure employment on graduation.

It makes this provision in close association with Birmingham Royal Ballet. The links with the Company develop year on year and there are opportunities for all students to engage with the company in some way. Governors and Staff have worked hard to achieve recognition of the benefit the School brings to Birmingham and the West Midlands' artistic profile.

ELMHURST BALLET SCHOOL TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2021

OBJECTIVES FOR THE YEAR

These objectives are set out in the School Development Plan 2017 – 2022.

Student Outcomes

- Improve and sustain high level of student outcomes which demonstrate progress.

Dance

- 100% of Graduates enter dance related employment or further dance related training/education within 6 months of graduation.
- 80% of Graduates enter dance related employment within 6 months of graduating (Rolling 3 year average)
- 100% Trinity Course Pass rate – Level 5 and Level 6 Diploma
- Increase the number of students achieving good or better in their ballet appraisal outcome.

Academic

- Academic: 85% 5 4-9 at GCSE including Maths & English (Rolling 3 year average)
- 35% 7-9 at GCSE
- 100% A-E at A Level
- 65% A*-C at A Level

Quality of Teaching & Learning

- 100% of lessons delivered at Elmhurst are good or outstanding.
- Teaching is innovative, differentiated, demands high expectations of students and is consistent in its delivery.
- Students are encouraged to take ownership of their own learning.

Quality of Students' Personal Development, Boarding, Health and Wellbeing

- Ensure the highest standards of health, boarding and wellbeing for students including a reduction in injury rates.
- Further strengthen and develop links with parents.
- Continue to develop a coordinated approach to ensure students' personal and professional development.

Quality of Leadership, Management and Governance

- Develop the Elmhurst brand and raise the School's profile locally, nationally and internationally.
- Develop the Association with Birmingham Royal Ballet to improve the offer to all students.
- Recruit, retain and develop the highest quality staff.
- Develop Leadership Capacity at all Levels.
- Recruit and retain the highest quality students to target student numbers of 190 (main school) and 150 (Elmhurst Young Dancers Programme).
- Increase the proportion of students retained at the end of each key stage.
- Ensure the highest quality of Governance.
- To ensure the continued financial security of the School.
- Maximise and develop the School's outstanding facilities.

STRATEGIES TO ACHIEVE THE YEAR'S OBJECTIVES

- Continue to develop and embed the Live, Dance, Learn strategy ensuring that individuality is nurtured in all Elmhurst students.
- Continue to focus on the quality of teaching, learning and assessment across the curriculum to ensure the highest of standards are met.
- Use evidence based practice and research to inform our review of the curriculum and health and wellbeing offer.
- Develop the use of assessment data to help students progress in all aspects of School life.
- Embed the Progress Leader roles to retain and support the students at each key stage.
- Develop the mentoring programs on offer to ensure students are well supported at each transition point in their School life and to ensure the Graduates have one to one support in their bid to secure employment.
- Ensure that a good range of dance professionals work with students on a range of subjects both in and out of the studio and classroom to support students understanding of the profession and their place within it.
- Continue to embed self-health management strategies to support the 'Live' strategy supporting young dancers in being as healthy as they can be.
- Further the recruitment strategy to increase student numbers.
- Foster student independence and involvement with the strategic direction of the School via the student leaders, and School councils.
- Reflect on and monitor the high quality boarding offer to ensure that the School goes beyond compliance.

ELMHURST BALLET SCHOOL TRUST

REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIES TO ACHIEVE THE YEAR'S OBJECTIVES (continued)

- Embed the new Development team to support all recruitment and fundraising activity to build a sustainable fund for student bursaries and to fund the margin of excellence.
- Ensure there is a comprehensive site development plan to ensure that the site is developed and maintained to high standards.

Royal Patron

The School is fortunate to receive the patronage of HRH The Duchess of Cornwall, who, with HRH The Prince of Wales, first visited the School in September 2006. Her Royal Highness has subsequently taken a great interest in the School and is a keen supporter of its activities, visiting us again in December 2009, November 2014 and most recently in January 2020. The Principal has thoroughly enjoyed the Royal engagements that she has attended and is delighted by the genuine enthusiasm and commitment to Elmhurst students demonstrated by Her Royal Highness.

Patrons from the World of Classical Ballet

The School benefits greatly from the support of Maina Gielgud; AO, Dame Merle Park; DBE, Sir Peter Wright, CBE, Carlos Acosta and Wayne MacGregor CBE who act as Vice-Presidents of Elmhurst. This very public support from such eminent ballet experts has consolidated Elmhurst's place as one of the foremost vocational ballet schools in the country.

STRATEGIC REPORT

Impact of the Covid-19 Global Pandemic

While Elmhurst reopened to all students and staff in September 2020, following the Spring/Summer lockdown, the Pandemic continued to significantly affect School life, with local restrictions in force in the Autumn Term, followed by another National Lockdown in January 2021. We were able to efficiently switch to providing online teaching and learning with very little notice and taught the vast majority of our normal timetable to students at home. Fees for the affected period were discounted to support parents and this was funded by savings made on our cost base while the School was closed.

Unfortunately, the majority of 2020/21 events had to be cancelled due to the ongoing impact of the Pandemic, including fundraising events, outreach activities, school trips, lettings and student performances. We had hoped to put on our eagerly-anticipated Summer Shows in July 2021 but unfortunately these also fell victim to Covid-19 which was hugely disappointing to Elmhurst students, parents, staff and supporters.

Despite the challenges faced by the school due to Covid-19, in the academic year 2020-21 there was notable success for the School and its students.

Employment Success

Despite the Pandemic, 18 out of the Graduating 20 students (90%) succeeded in gaining employment or further dance related training. Employment contracts included Birmingham Royal Ballet, Estonian National Ballet, Ballet Vanemuine- Estonia, Budapest Dance Theatre, Cairo Opera Ballet and others. One student was offered a full contract with BRB prior to graduating, whilst in Year 13. One student chose to explore a career in acting and one student chose to go to University. We were extremely proud of all of our graduating students after 2 challenging academic years.

Recruitment and Retention

Due to the difficulties relating to the Covid Pandemic, the 2020/21 academic year consisted of a hybrid approach to auditions. Entry for UK based students were able to take place in person, while International applicants were conducted over Zoom or by video audition. Our Recruitment and Retention Strategy includes open days and experience days to help prospective students understand the requirements at audition and these have proved extremely popular. These were also held over Zoom during the year.

International Engagements

During 2020/21, Robert Parker continued to adjudicate international competitions virtually. This included the Youth American Grand Prix finals, the Global Dance International competition in Portugal, the Asian Elite Grand Prix and the International Grand Prix of Singapore. Virtual Japan auditions and master-classes took place from the Elmhurst studio theatre, resulting in the successful recruitment of five students for the 6th form.

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REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 AUGUST 2021

Artistic Performances

The year 2020-21 was unfortunately interrupted by the national lockdown resulting in the necessity of remote learning and the cancellation of many performance opportunities, including the annual Summer Shows. However, the students did manage to perform the technical and dress rehearsals. All students were given the opportunity to work creatively with an external choreographer, providing valuable experience and preparation for the industry:

BRB Performances

Graduate and post-Graduate students were selected to perform the entire Snow Scene section of Sir Peter Wright's production of Nutcracker alongside BRB at the Birmingham REP Theatre. The Performance was streamed nationally over the Christmas period. The performance also included year 7 male students in the role of Fritz.

Year 13 female students were also selected to perform the Stars section of Sir David Bintley's production of Cinderella at the Birmingham Rep Theatre.

Competition Success

In the year 2020/21, 1 male and 1 female Upper School student represented the school at the finals of the prestigious Prix de Lausanne International Ballet Competition. 2 female Upper School students appeared as semi-finalists of the Youth American Grand Prix virtual competition. A female student was awarded the bronze medal in the Margot Fonteyn International Competition and another female student awarded the Judge's Choice Choreographic Award.

Industry Inspiration

Due to the Pandemic, students were unable to attend live performances but were able to view live relay performances in the Elmhurst Theatre. Live relay showings included the Lazuli Sky Triple Bill and Nutcracker by Birmingham Royal Ballet, and the Royal Ballet Back on Stage Gala and Sir Matthew Bourne's production of Romeo and Juliet. Graduate students were given the opportunity to attend a live performance of the Curated by Carlos triple bill.

Other, virtual guest speakers in conversation with Principal Jessica Ward included Sir Matthew Bourne (Director of New Adventures), Christopher Hampson (Director of Scottish Ballet), Wayne McGregor CBE (Co. Wayne McGregor), Etta Murfitt (Associate Director of New Adventures), Carlos Acosta CBE (Director of BRB), and Theresa Ruth Howard (Diversity strategist and consultant). Other guest speakers included Birmingham Royal Ballet dancers Kit Holder and Laura Day as well as former Elmhurst graduates Emma Price, Joshua Barwick, Ryan Felix and Rosanna Ely.

Transitions Dance Company delivered workshops to the 6th form students and performed for the whole school in the Elmhurst Theatre.

Outstanding Academic Results

Elmhurst admits students solely on the basis of ability and potential in classical ballet – and is therefore not academically selective. Nevertheless, the School continues to achieve excellent academic results. Elmhurst continues to offer a full, enriching and relevant academic curriculum in both Lower School and Upper School, being committed to the notion that thinking dancers make better dancers. The School is also aware that students need to have a good academic grounding in preparation for life beyond dancing, whatever that involves them doing. A wide variety of option subjects are available at GCSE level and all students take part in Enrichment activities weekly such as, financial awareness, study skills, crafts & sewing, gardening as well as many other options.

Examinations were cancelled in Summer 2020 & 2021 as directed by the UK Government and were replaced with teacher calculated grades.

ELMHURST BALLET SCHOOL TRUST

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FOR THE YEAR ENDED 31 AUGUST 2021

Lower School Academic Results 2021

In 2021, 22 Year 11 students were awarded results in 165 GCSE examinations (an average of over 7.5 per student). 55% of all GCSE entries were awarded grades 7-9 and 95% of students gained five or more GCSEs (including English and Maths) at grades 4-9.

| GCSE/iGCSE Data | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|------|------|------|------|------|
| % Entries awarded 9 – 7 (A*-A) grades | 75 | 55 | 32 | 51 | 35 |
| % Entries awarded 9 – 4 (A*-C) grades | 100 | 95 | 95 | 98 | 90 |
| % Students obtaining 5+ 9 – 4 (A*-C) grades | 100 | 95 | 91 | 90 | 87 |
| % Students obtaining 5+ 9 – 4 (A*-C) grades including Maths and English | 100 | 95 | 88 | 86 | 87 |
| Cohort Size | 22 | 22 | 24 | 21 | 23 |
| Average number of GCSE entries per student | 8.1 | 7.5 | 8.2 | 8.04 | 8.34 |

Upper School Academic Results 2021

Sixth Form students at Elmhurst study for A Levels alongside their demanding dance training schedule. At A Level last year, there was a pass rate of 100%, consistent with the previous two years.

| A Level Data | 2021 | 2020 | 2019 | 2018 | 2017 |
|-------------------------------|------|------|------|------|------|
| % Entries awarded A*-C grades | 89 | 89 | 62 | 85 | 76 |
| % Entries awarded A*-E grades | 100 | 100 | 100 | 100 | 97 |
| Cohort size | 17 | 20 | 8 | 19 | 19 |
| 3 year rolling average | 80 | 79 | 74 | 74 | 72 |
| % Entries awarded A*-C grades | | | | | |

EPQ continues to grow and perform very well. In 20/21 there were seven entries, all achieving very high grades including one A*, five grade A and one B.

Health & Wellbeing Strategy

Elmhurst's Health and Wellbeing Team aim to create an environment that promotes and enhances the health and wellbeing of all our students as performing artists, enabling them to achieve their full potential and build healthy and sustainable lives and careers.

Elmhurst has four key strands to its Health and Wellbeing strategy, these are: prevention; early identification; prompt appropriate intervention and ongoing support.

We aim to ensure wherever possible the prevention of injury and illness. When issues do arise we aim to identify these issues as early as possible and then work in a coordinated way to provide appropriate support and intervention. Interventions will be monitored and reviewed for as long as they are needed. Our vision is to provide outstanding physical and emotional care to all students in a timely, sensitive and supportive manner. We achieve this by providing our students access to a wide range of emotional and physical support services which include, physiotherapists, a rehabilitation expert, a strength and conditioning coach, a counsellor and mental health nurse. During the lockdown period in 2021, health and wellbeing services were delivered remotely with great success.

Our Young Performers Health Trust continues to ensure that our students can obtain outstanding health care support in a timely manner.

Outreach and Partnerships

Enjoyment of, and participation in ballet, is in danger of becoming the preserve of the wealthy, as arts education is increasingly eroded in state sector schools. We are passionate about our art. Every year, we work with a number of state sector schools, to inspire an interest in ballet amongst young audiences who may never have considered ballet as a leisure activity or as a career, and to bring them new and diverse experiences.

Due to the COVID-19 pandemic and associated restrictions, most of the school's outreach work had to be put on hold in 2020/2021, however this has resumed post year-end with workshops run by Elmhurst students being held in local state schools.

ELMHURST BALLET SCHOOL TRUST

REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 AUGUST 2021

FUTURE PLANS

It is important for Elmhurst to maintain a high quality ballet training offer outside of London as an important part of the UK's dance ecology. With continued government funding and support from key partner organisations Elmhurst will continue to thrive. As an organisation we are ambitious and hope to secure further improvement through focusing on three crucial strands:

Recruitment

- Identifying talented young people from diverse backgrounds through a targeted national and international auditions programme to join the school.

Retention

- Provision of world-class training, education and health & wellbeing, with our students at the centre of all that we do.

Revenue

- Maximising income into the school to ensure Elmhurst can continue to invest in its facilities and its people.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The statement of financial activities is set out on page 14 and shows total income of £4,855,125 (2020: £4,893,024) which is a decrease of 0.8% compared with the prior year. School fee income remained broadly consistent at £3,693,285 (2020: £3,635,992) with fees being discounted during lockdown periods in both years. Donations income decreased to £128,590 (2020: £144,187) due to the reduction in levels of fundraising activity which affected the whole year in 2020/21. Income from the Government's Coronavirus Job Retention Scheme decreased from £257,404 in 2020 to £137,834 in 2021 due to the school closure period in 2021 being shorter than the period in the prior year.

The School's net expenditure before gains on investments of £25,778 (2020: £101,646) was satisfactory in the current economic climate. Both Income and Expenditure decreased over the year, largely linked to the impact of the Pandemic on School operations. The School continues to strive to increase student numbers whilst maintaining control of costs.

Our trading subsidiary continues to hire out Elmhurst School facilities during vacations and weekends, although this was significantly impacted by the Pandemic in 2020/21. Along with its commercial activities, within the Group and externally, it has made a small loss of £2,809 (2020: profit of £3,864). Subsequent to the year end, activities have increased to pre-pandemic levels and is expected to return to profitability in 2021/22.

FUNDRAISING STATEMENT

Income generated through fundraising is important to the sustainability of Elmhurst Ballet School and we employ one full time Fundraising Officer who manages our fundraising strategy and targets. Funding and support comes from trusts and foundations, companies and individuals, working closely with potential supporters to match interests and motivations with the needs of students, as well as organising regular tours and events to keep supporters connected with the school. We use a number of different channels to communicate with our donors, including mail, email, face-to-face fundraising, online giving and social media.

We are registered with the Fundraising Regulator and the Fundraising Preference Service, affirming our compliance with the Fundraising Regulator Code of Fundraising Practice. We do not cold-call or cold-mail the public, nor do we put undue pressure on people to donate. Our Fundraising Officer also attends regular meetings with the Chartered Institute of Fundraising in order to stay up to date with best practice within fundraising. We continue to comply with all legislative and regulatory requirements and ensure that our policies, guidelines and processes are reviewed and updated regularly and that we comply fully with GDPR. We are pleased to report that we have not received any complaints regarding our fundraising practice during the year ended 31 August 2021.

ELMHURST BALLET SCHOOL TRUST

REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 AUGUST 2021

FUNDRAISING PERFORMANCE

Donations

Donations decreased in the year from £144,187 to £128,590. This was mainly due to the impact of Covid-19 restrictions on fundraising events.

500 Club

In 2020/21 we continued to promote and develop the Elmhurst Ballet School 500 Club, where businesses sign up to support Elmhurst at a cost of £500 per annum and in exchange are invited to attend a number of VIP networking events at the school. This has proved highly successful and although we were unable to hold any events due to national and local Government restrictions, we are looking forward to inviting members back into school as soon as we are able to do so.

Trusts and Foundations

We are very grateful for the funding received or pledged by grant-making trusts and foundations towards bursary support for the students who have been identified as struggling with the costs of their dance training. During 2020/21 we were successful in a number of funding applications to grant-making trusts and foundations to support a range of projects, including: student bursaries, choreography, Elmhurst Young Dancers Programme and outreach activities and performances. We continue to research and apply to grant-making organisations to increase our effectiveness in this area.

The Governors, Staff and Students would like to thank everyone who has supported the School during 2020/21.

LETTINGS

Lettings of the School's dance and conference facilities, largely during vacations provided an addition to mainstream revenue of £7,203 (2020: £23,572). The majority of our regular lettings were cancelled in 2020/21 due to restrictions and uncertainty relating to Covid-19. We are delighted that subsequent to the year end our lettings activity has returned to pre-pandemic levels and this will be reflected in 2021/22 income.

KEY MANAGEMENT PERSONNEL

The Governors consider the Board of Governors and the Senior Leadership Team comprise the key management personnel of the charity. All Governors give of their time freely and no Governor received remuneration in the year. The pay of the Senior Leaders is reviewed annually and normally increased at the same rate as pay increases given to other staff.

RESERVES

At 31 August 2021, the School had £1,098,402 (2020: £902,637) of free reserves plus £2.6m (2020: £2.6m) identified for longer term investment. Free reserves are the group unrestricted net current assets. It remains the Governors' policy to accumulate a general reserve equivalent to up to two term's running costs as an adequate level of working capital. Based on current levels of expenditure, this would equate to approximately £3,254,000 (2020: £3,330,000).

The School has two designated reserves. The designated capital reserve represents the net book value of the leasehold land and buildings. This will be released over the useful economic life of the land and buildings. The designated repairs reserve represents monies set aside for major repairs to the fabric of the building. This will be expended in accordance with the repairs and maintenance programme.

GOING CONCERN

During 2020/21 the school was able to reduce its cost base in order to offset the financial impact of the Covid-19 pandemic.

Our cash position remains strong (£2.035m at 1 August 2022).

Looking forward to the next 12 months, we are delighted that our Government funding from the MDS and DaDA schemes has been confirmed for the academic year 2022/23. In addition, our student recruitment process has been extremely successful and we look forward to welcoming healthy student numbers to Elmhurst for the new academic year.

On this basis the Governors are satisfied that it remains appropriate to draw up the accounts for the year ended 31 August 2021 on the going concern basis.

ELMHURST BALLET SCHOOL TRUST

REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 AUGUST 2021

INVESTMENT POLICY

The School has previously placed all donations to the endowment fund on deposit with M & G Charifund with the aim of funding future scholarships.

The School's current Investment policy has been in place since 2014. The School seeks to produce the best financial return within an acceptable level of risk. £2.5m has been passed to a professional investment manager and is fully invested and has been treated as longer term investments. The mandate is for a balance between capital and income on a medium to high risk basis over a ten year time horizon. The significant gain on revaluation reflects the bounce back of the market following its reaction to the Coronavirus global pandemic and is broadly in line with the relevant private investor indices provided by the WMA but significantly ahead of the FTSE 100.

Any available cash held by the School which is unlikely to be required within a couple of months is on short term deposit with Lloyds bank.

AUDITORS

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of Elmhurst Ballet School Trust for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

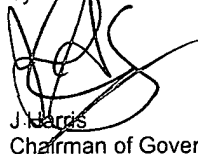
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping proper accounting records that 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The Governors who were in office on the date of approval of those financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Governors have confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Report of the Governors is approved by order of the Board of Governors and the Strategic Report (included therein) is approved by the Board of Governors in their capacity as the directors at a meeting on 24 August 2022 and signed on its behalf by:



J. Harris
Chairman of Governors

Elmhurst Ballet School Trust
249 Bristol Road
Edgbaston
Birmingham
B5 7UH

Date: 24 August 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ELMHURST BALLET SCHOOL TRUST

Opinion

We have audited the financial statements of Elmhurst Ballet School Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities (including income and expenditure account), the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statements 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ELMHURST BALLET SCHOOL TRUST (continued)

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

ELMHURST BALLET SCHOOL TRUST (continued)

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

RSM UK Audit LLP

GARETH JONES (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Rivermead House
Grove Park
7 Lewis Court
Leicester
LE19 1SD

Date 25/08/2022

ELMHURST BALLET SCHOOL TRUST

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

FOR THE YEAR ENDED 31 August 2021

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Endowment Fund £ | 2021 Total £ | 2020 Total £ |
|---|-------|----------------------------|--------------------------|------------------------|--------------------------|--------------------------|
| INCOME FROM: | | | | | | |
| Donations and legacies: | | | | | | |
| Donations | | 27,850 | 100,740 | - | 128,590 | 144,187 |
| Charitable activities: | | | | | | |
| School fees receivable | 1 | 3,693,285 | - | - | 3,693,285 | 3,635,992 |
| Syllabus classes income | | 94,789 | - | - | 94,789 | 94,005 |
| Summer School fees | | 93,448 | - | - | 93,448 | 17,308 |
| Grants receivable | | 354,480 | - | - | 354,480 | 367,583 |
| Coronavirus Job Retention Scheme | | 137,834 | - | - | 137,834 | 257,404 |
| Other trading activities: | | | | | | |
| School shows income | | - | - | - | - | 7,403 |
| Rents and lettings | | 7,203 | - | - | 7,203 | 23,572 |
| Other income | | 198,384 | - | - | 198,384 | 221,523 |
| Investments | 6 | 133,404 | - | 13,708 | 147,112 | 124,047 |
| Total income | | <u>4,740,677</u> | <u>100,740</u> | <u>13,708</u> | <u>4,855,125</u> | <u>4,893,024</u> |
| EXPENDITURE ON: | | | | | | |
| Raising funds | | 28,030 | - | - | 28,030 | 11,509 |
| Charitable activities | | | | | | |
| School operating costs | | 4,758,133 | 94,740 | - | 4,852,873 | 4,983,161 |
| Total expenditure | 2 | <u>4,786,163</u> | <u>94,740</u> | <u>-</u> | <u>4,880,903</u> | <u>4,994,670</u> |
| NET (EXPENDITURE)/INCOME BEFORE NET GAINS ON INVESTMENTS | | (45,486) | 6,000 | 13,708 | (25,778) | (101,646) |
| Net gains/(losses) on investments | 9 | 455,853 | - | 65,603 | 521,456 | (187,286) |
| NET INCOME/(EXPENDITURE) | 5 | <u>410,367</u> | <u>6,000</u> | <u>79,311</u> | <u>495,678</u> | <u>(288,932)</u> |
| TRANSFERS BETWEEN FUNDS | 14,15 | 3,000 | - | (3,000) | - | - |
| NET MOVEMENT IN FUNDS | | <u>413,367</u> | <u>6,000</u> | <u>76,311</u> | <u>495,678</u> | <u>(288,932)</u> |
| Reconciliation of funds: | | | | | | |
| Funds brought forward at 1 September 2020 | | 16,516,651 | 122,056 | 295,471 | 16,934,178 | 17,223,110 |
| Funds carried forward at 31 August 2021 | | <u><u>16,930,018</u></u> | <u><u>128,056</u></u> | <u><u>371,782</u></u> | <u><u>17,429,856</u></u> | <u><u>16,934,178</u></u> |

ELMHURST BALLET SCHOOL TRUST

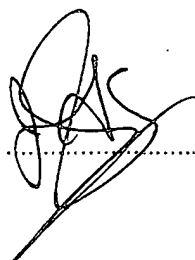
CONSOLIDATED BALANCE SHEET

AS AT 31 August 2021

Company Registration No. 2932622

| | Notes | £ | 2021 £ | £ | 2020 £ | £ |
|---|-------|------------|------------|---|------------|------------|
| FIXED ASSETS | | | | | | |
| Tangible assets | 8 | | 12,644,090 | | | 12,899,198 |
| Investments | 9 | | 3,509,169 | | | 2,956,471 |
| | | | | | | |
| | | | 16,153,259 | | | 15,855,669 |
| CURRENT ASSETS | | | | | | |
| Debtors | 10 | 276,133 | | | 333,041 | |
| Short term deposits | | 1,027,997 | | | 627,519 | |
| Cash at bank and in hand | | 853,810 | | | 1,030,740 | |
| | | | | | | |
| | | | 2,157,940 | | 1,991,300 | |
| CREDITORS: Amounts falling due within one year | 11 | (881,343) | | | (912,791) | |
| | | | | | | |
| NET CURRENT ASSETS | | | 1,276,597 | | | 1,078,509 |
| | | | | | | |
| TOTAL ASSETS LESS CURRENT LIABILITIES BEING NET ASSETS | | | 17,429,856 | | | 16,934,178 |
| | | | | | | |
| FUNDS | | | | | | |
| Endowment funds | 13 | | 371,782 | | | 295,471 |
| Restricted funds | 13 | | 128,056 | | | 122,056 |
| Unrestricted funds: | | | | | | |
| Designated reserves | 14 | 15,149,773 | | | 15,369,208 | |
| General reserve | 15 | 1,780,245 | | | 1,147,443 | |
| | | | | | | |
| | | | 16,930,018 | | | 16,516,651 |
| | | | | | | |
| TOTAL FUNDS | | | 17,429,856 | | | 16,934,178 |

The financial statements on pages 14 to 33 were approved and authorised for issue by the Board of Governors on 24 August 2022 and were signed below on its behalf by:



J Harris – Chair of Governors

ELMHURST BALLET SCHOOL TRUST

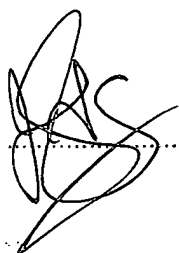
CHARITY BALANCE SHEET

AS AT 31 August 2021

| | Notes | £ | 2021 £ | £ | 2020 £ |
|---|-------|------------|-------------------|------------------|-------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | | 12,644,090 | | 12,899,198 |
| Investments | 9 | | 3,509,170 | | 2,956,472 |
| | | | <u>16,153,260</u> | | <u>15,855,670</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 308,109 | | 349,940 | |
| Short term deposits | | 1,027,997 | | 627,519 | |
| Cash at bank and in hand | | 817,857 | | 995,372 | |
| | | | <u>2,153,963</u> | <u>1,972,831</u> | |
| CREDITORS: Amounts falling due within one year | 11 | (874,556) | | (898,186) | |
| NET CURRENT ASSETS | | | <u>1,279,407</u> | | <u>1,074,645</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES BEING NET ASSETS | | | <u>17,432,667</u> | | <u>16,930,315</u> |
| FUNDS | | | | | |
| Endowment funds | 13 | | 371,782 | | 295,471 |
| Restricted funds | 13 | | 128,056 | | 122,056 |
| Unrestricted funds: | | | | | |
| Designated reserves | 14 | 15,149,773 | | 15,369,208 | |
| General reserve | 15 | 1,783,056 | | 1,143,580 | |
| | | | <u>16,932,829</u> | | <u>16,512,788</u> |
| TOTAL FUNDS | | | <u>17,432,667</u> | | <u>16,930,315</u> |

Income of £4,850,725 (2020: £4,907,439) relates to the parent undertaking. Expenditure of £4,869,830 (2020: £4,981,428) relates to the parent undertaking, leaving a deficit prior to investment gains for the financial year in the accounts of the parent undertaking of £19,105 (2020: deficit of £73,989).

The financial statements on pages 14 to 33 were approved and authorised for issue by the Board of Governors on 24 August 2022 and were signed below on its behalf by:



J Harris – Chair of Governors

ELMHURST BALLET SCHOOL TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 August 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|-----------|-----------|
| Cash flows from operating activities: | | | |
| Net cash provided by operating activities | 19 | 106,066 | 90,123 |
| Cash flows from investing activities: | | | |
| Dividends and interest from investments | | 143,830 | 120,160 |
| Purchase of property, plant and equipment | | (19,204) | (33,662) |
| Proceeds from sale of investments | | 625,312 | 616,004 |
| Purchase of investments | | (635,738) | (627,682) |
| Net cash provided by/(used in) investing activities | | 114,200 | 74,820 |
| Cash flows from financing activities: | | | |
| Cash flows attributable to endowment | | 3,282 | 3,886 |
| Net cash provided by financing activities | | 3,282 | 3,886 |
| Change in cash and cash equivalents in the year | | 223,548 | 168,829 |
| Cash and cash equivalents at the beginning of the year | | 1,658,259 | 1,489,430 |
| Cash and cash equivalents at the end of the year | 20 | 1,881,807 | 1,658,259 |

ELMHURST BALLET SCHOOL TRUST
 CHARITY STATEMENT OF CASHFLOWS
 FOR THE YEAR ENDED 31 August 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|-----------|-----------|
| Cash flows from operating activities: | | | |
| Net cash provided by operating activities | 19 | 105,481 | 102,321 |
| Cash flows from investing activities: | | | |
| Dividends and interest from investments | | 143,830 | 120,161 |
| Purchase of property, plant and equipment | | (19,204) | (33,662) |
| Proceeds from sale of investments | | 625,312 | 616,004 |
| Purchase of investments | | (635,738) | (627,683) |
| Net cash provided by/(used in) investing activities | | 114,200 | 74,820 |
| Cash flows from financing activities: | | | |
| Cash flows attributable to endowment | | 3,282 | 3,886 |
| Net cash provided by financing activities | | 3,282 | 3,886 |
| Change in cash and cash equivalents in the year | | 222,963 | 181,027 |
| Cash and cash equivalents at the beginning of the year | | 1,622,891 | 1,441,864 |
| Cash and cash equivalents at the end of the year | 20 | 1,845,854 | 1,622,891 |

ELMHURST BALLET SCHOOL TRUST

ACCOUNTING POLICIES

GENERAL INFORMATION

Elmhurst Ballet School Trust ("the charity") is a charitable company limited by guarantee and is incorporated in England and Wales (Company registration number 2932622 and charity number 1040286). The address of the Charity's registered office and principal place of business is 249 Bristol Road, Edgbaston, Birmingham, B5 7UH.

The group consists of the charity and its one subsidiary, Elmhurst Enterprises Limited.

The nature of the group's operations are set out in the Report of the Governors.

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

BASIS OF ACCOUNTING

The financial statements of the Group have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

They have been prepared under the historical cost convention, modified to include investments at fair value.

Monetary amounts in these financial statements are rounded to the nearest whole £1.

The financial statements are presented in sterling which is also the functional currency of the charity.

Elmhurst Ballet School Trust meets the definition of a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

BASIS OF CONSOLIDATION

These financial statements consolidate the financial statements of Elmhurst Ballet School Trust ("the Charity") and its subsidiary, Elmhurst Enterprises Limited ("the subsidiary") all financial statements are made up to 31 August.

The financial statements consolidate the results of the Charity and its wholly owned subsidiary on a line-by-line basis. A separate Statement of Financial Activities and Statement of Comprehensive Income for the Charity have not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

All intra-group transactions, balances and unrealised gains on transactions between Group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

GOING CONCERN

As a result of the Covid-19 pandemic the Trust embarked on a business continuity plan to respond to the changing environment. Post year end results are pleasing in the context of the post-pandemic landscape with the Trust having returned to normal levels of activity. Having carried out a detailed review of the Trust's position and its forecasts at the date of signing the accounts and with regard to the challenges presented by the current economic climate, the Trustees are satisfied that the Trust has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts. The Trustees consider that the company has adequate resources to enable it to continue in operational existence for the foreseeable future and the accounts are therefore prepared on a going concern basis.

INCOME

All income is included in the Statement of Financial Activities when the Group is legally entitled to the income, there is probability of receipt and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Fees receivable and charges for services are accounted for in the year in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the Group.
- Donations receivable for the general purposes of the Group are credited to unrestricted funds. Donations subject to specific wishes of the donors are carried to relevant restricted funds.
- Legacies are accounted for as soon as entitlement, probability and monetary value can be established.
- Investment income is recognised on an accruals basis.
- Grants receivable (including government grants) are recognised in the Statement of Financial Activities when the conditions for receipt have been complied with.
- Rent and lettings income is recognised on a receivable basis.

Other income is accounted for in the year in which the service is provided.

ELMHURST BALLET SCHOOL TRUST

ACCOUNTING POLICIES (continued)

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably. The following specific policies are applied to particular categories of expenditure:

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.
- Charitable activities include expenditure on providing education and include both direct costs and support costs relating to the activity.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. staff costs by the time spent and other costs by their usage.

All expenditure is inclusive of irrecoverable VAT.

TAXATION

The Charity 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 Charity is potentially exempt from tax in respect of income and capital gains received within categories covered by part 11, chapter 3 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.

FUND ACCOUNTING

General unrestricted funds comprise the accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Governors in furtherance of the general charitable objectives.

Designated funds comprise unrestricted funds which have been set aside by the Governors for particular purposes. The aim and use of such funds is set out in the financial statements.

Restricted funds are created when grants and donations are received either for a particular area or purpose, the use of which is restricted to that area or purpose. Expenditure is charged to the Statement of Financial Activities when incurred.

An endowment fund has been established to fund scholarships. The capital is invested in perpetuity and under the terms of the endowment, investment returns up to 2011 form part of the endowment capital.

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

| | |
|--|-----------------|
| Long leasehold buildings | 75 years |
| Short leasehold property | Length of lease |
| Fixtures, fittings and equipment (general) | 5 – 10 years |
| Fixtures and fittings (theatre) | 10 years |

Assets in the course of construction are not depreciated until brought into use.

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 impairment losses. Impairments are recognised in the Statement of Financial Activities.

INVESTMENTS

Initial investments are stated at their transaction value and subsequently measured at fair value. Movements in the valuation of initial investments are included within gains and losses in investment assets in the Statement of Financial Activities. Fair value is measured by reference to bid prices.

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any impairment. An assessment for impairment is made at each reporting date.

ELMHURST BALLET SCHOOL TRUST

ACCOUNTING POLICIES (continued)

RETIREMENT BENEFITS

Retirement benefits for the teaching staff of the Group are provided by the Teachers' Pension Scheme (TPS). The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the Group 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 on the basis of quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but sufficient information is not available to use defined benefit accounting and therefore it is accounted for as a defined contribution scheme, with the amount charged to the Statement of Financial Activities being the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The Group also operates a defined contribution scheme for the benefit of its non-teaching staff. The pension cost charged in the Statement of Financial Activities is the amount of the contributions payable for the year. Differences between contributions payable for the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

OPERATING LEASES

All leases are treated as operating leases on the basis that the leasing agreements do not transfer to the school substantially all of the risks and rewards incidental to ownership. The annual rentals arising are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

ENTRANCE FEES AND DEPOSITS

Entrance fees and deposits are charged to students upon arrival at the School. These are refundable to students when they leave the School unless there are unpaid fees in which case they are used to supplement these unpaid fees. They are therefore held as a creditor until the students leave the School.

CASH AT BANK AND IN HAND

Cash at bank and in hand include monies held on short term deposits with original maturity of three months or less with recognised banks and building societies.

STOCKS

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Provision is made for obsolete and slow moving items.

FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade debtors, group debtors and other debtors

Trade debtors, group debtors and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Trade creditors, other creditors and accruals

Trade creditors and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

ELMHURST BALLET SCHOOL TRUST

ACCOUNTING POLICIES (continued)

FINANCIAL INSTRUMENTS (continued)

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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. There are no critical accounting estimates and areas of judgement to note.

ELMHURST BALLET SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 August 2021

1. SCHOOL FEES RECEIVABLE

| | 2021 £ | 2020 £ |
|--|------------------|------------------|
| School fees | 4,446,242 | 4,418,005 |
| Less : Total grant funding, bursaries and allowances | (752,957) | (782,013) |
| | <u>3,693,285</u> | <u>3,635,992</u> |

2. ANALYSIS OF TOTAL EXPENDITURE

| | Staff costs £ | Other £ | Depreciation £ | 2021 £ | 2020 £ |
|---|------------------|------------------|-------------------|------------------|------------------|
| Raising funds: | | | | | |
| Other fundraising costs | <u>27,801</u> | <u>230</u> | <u>-</u> | <u>28,031</u> | <u>11,509</u> |
| Charitable activities: | | | | | |
| Direct costs: | | | | | |
| Dance costs | 1,235,181 | 308,085 | - | 1,543,266 | 1,580,861 |
| Academic | 702,418 | 87,895 | - | 790,313 | 813,879 |
| Boarding | 424,554 | 626,381 | - | 1,050,935 | 994,054 |
| Property and domestic | 212,704 | 414,783 | 274,312 | 901,799 | 976,422 |
| Support costs of Schooling: | | | | | |
| Printing, postage, stationery and telephone | - | 26,104 | - | 26,104 | 41,215 |
| Advertising and marketing | - | 50,019 | - | 50,019 | 73,036 |
| Insurance | - | 35,523 | - | 35,523 | 45,280 |
| Bad debt provision | - | (5,942) | - | (5,942) | 17,424 |
| Staff costs | 342,212 | - | - | 342,212 | 313,023 |
| Other support costs | - | 50,063 | - | 50,063 | 58,848 |
| Governance costs | <u>21,639</u> | <u>46,941</u> | <u>-</u> | <u>68,580</u> | <u>69,119</u> |
| | <u>2,938,708</u> | <u>1,639,852</u> | <u>274,312</u> | <u>4,852,872</u> | <u>4,983,161</u> |
| Total expenditure | <u>2,966,509</u> | <u>1,640,082</u> | <u>274,312</u> | <u>4,880,903</u> | <u>4,994,670</u> |

Support costs have been allocated to cost categories on a basis consistent with use of resources e.g. staff costs by the time spent and other costs by their usage.

ELMHURST BALLET SCHOOL TRUST
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FOR THE YEAR ENDED 31 August 2021

3. EMPLOYEES

The average monthly number of persons employed by the Group during the year was:

| | 2021 No. | 2020 No. |
|--|---------------------|---------------------|
| Total staff (actual/full time equivalent) | <u>104 / 75</u> | <u>104 / 76</u> |
| Split of full time equivalent by category: | | |
| Teaching | 38 | 41 |
| Support staff | 26 | 26 |
| Administration | 11 | 9 |
| | <u>75</u> | <u>76</u> |
| | 2021 £ | 2020 £ |
| Staff costs consist of: | | |
| Wages and salaries | 2,421,993 | 2,319,178 |
| Social security costs | 210,284 | 206,500 |
| Employer contributions to defined contribution schemes | 295,382 | 299,269 |
| Other staff costs | 38,850 | 20,592 |
| | <u>2,966,509</u> | <u>2,845,539</u> |

Included in other staff costs above are agency staff costs of £1,653 (2020: £8,437).

Details of staff receiving remuneration (excluding employer pension costs) in excess of £60,000 are shown below:

| | 2021 No. of staff | 2020 No. of staff |
|--------------------|------------------------------|------------------------------|
| £60,001-£70,000 | 1 | 1 |
| £70,001-£80,000 | 1 | 1 |
| £90,000 - £100,000 | 1 | 1 |
| | <u>3</u> | <u>3</u> |

Pension costs in respect of the above employees totalled £51,334 (2020: £49,418). Two (2020: two) higher paid employees are accruing benefits under the defined benefit pension scheme.

None of the Governors received any remuneration in the current year or prior year. No Governors were reimbursed for travel expenses in the current year (2020: one Governor £174 for travel expenses).

Key management personnel are those having authority and responsibility, delegated to them by the governors, for planning, directing and controlling the activities of the Group.

Remuneration for key management personnel, including employer's national insurance contributions and contributions to the pension scheme, amount to £597,533 (2020: £517,731).

FOR THE YEAR ENDED 31 August 2021

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| 6. INVESTMENT INCOME | 2021 £ | 2020 £ |
|--------------------------|----------------|----------------|
| Bank interest receivable | 491 | 4,997 |
| Investment income | 146,621 | 119,050 |
| | <u>147,112</u> | <u>124,047</u> |

7. TAXATION

As the Charity has attained charitable status, the trustees consider that there is no income subject to corporation tax for the year ended 31 August 2021. The subsidiary undertaking has a tax liability of £nil (2020: £nil) for the year.

8. TANGIBLE ASSETS

| | Long leasehold buildings £ | Short leasehold property £ | Fixtures, fittings and equipment £ | Total Charity £ | Elmhurst Enterprises Ltd £ | Total Group £ |
|-----------------------|-------------------------------------|-------------------------------------|---|-----------------------|-------------------------------------|---------------------|
| COST | | | | | | |
| At 1 September 2020 | 15,743,888 | 53,367 | 1,889,173 | 17,686,428 | 5,124 | 17,691,552 |
| Additions | - | - | 19,204 | 19,204 | - | 19,204 |
| Disposals | - | - | - | - | - | - |
| At 31 August 2021 | <u>15,743,888</u> | <u>53,367</u> | <u>1,908,377</u> | <u>17,705,632</u> | <u>5,124</u> | <u>17,710,756</u> |
| DEPRECIATION | | | | | | |
| At 1 September 2020 | 3,006,699 | 21,348 | 1,759,183 | 4,787,230 | 5,124 | 4,792,354 |
| Charge for the year | 215,877 | 3,558 | 54,877 | 274,312 | - | 274,312 |
| Disposals | - | - | - | - | - | - |
| At 31 August 2021 | <u>3,222,576</u> | <u>24,906</u> | <u>1,814,060</u> | <u>5,061,542</u> | <u>5,124</u> | <u>5,066,666</u> |
| NET BOOK VALUE | | | | | | |
| At 31 August 2021 | <u>12,521,312</u> | <u>28,461</u> | <u>94,317</u> | <u>12,644,090</u> | <u>-</u> | <u>12,644,090</u> |
| At 31 August 2020 | <u>12,737,189</u> | <u>32,019</u> | <u>129,990</u> | <u>12,899,198</u> | <u>-</u> | <u>12,899,198</u> |

9. INVESTMENTS

| | Group | | Charity | |
|----------------------------------|------------------|------------------|------------------|------------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Fair value at 1 September 2020 | 2,956,471 | 3,132,078 | 2,956,472 | 3,132,079 |
| Additions at cost | 635,738 | 627,683 | 635,738 | 627,683 |
| Disposals proceeds | (625,312) | (616,004) | (625,312) | (616,004) |
| Unrealised gain/(loss) | 521,456 | (185,361) | 521,456 | (185,361) |
| Realised gain/(loss) on disposal | 20,816 | (1,925) | 20,816 | (1,925) |
| Fair value at 31 August 2021 | <u>3,509,169</u> | <u>2,956,471</u> | <u>3,509,170</u> | <u>2,956,472</u> |
| Historic cost at 31 August 2021 | <u>2,803,842</u> | <u>2,822,404</u> | <u>2,803,841</u> | <u>2,822,403</u> |

The Charity holds an investment of £1 (2020: £1) representing the ordinary share capital of its subsidiary Elmhurst Enterprises Limited which is eliminated in the Group. The remaining investments relate to £321,643 (2020: £245,615) held in the M&G Charifund Equity Investment Fund for Charities and investments managed by Harris Allday of £3,187,526 (2020: £2,710,856).

ELMHURST BALLET SCHOOL TRUST
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| 10. DEBTORS | Group | | Charity | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Outstanding fees | 15,737 | 1,196 | 15,737 | 1,196 |
| Amount due from trading subsidiary | - | - | 37,821 | 22,440 |
| Other debtors | 112,933 | 107,149 | 107,088 | 101,608 |
| Prepayments and accrued income | 147,463 | 224,696 | 147,463 | 224,696 |
| | <u>276,133</u> | <u>333,041</u> | <u>308,109</u> | <u>349,940</u> |

| 11. CREDITORS: Amounts falling due within one year | Group | | Charity | |
|--|----------------|----------------|----------------|----------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Trade creditors | 143,106 | 188,690 | 137,262 | 188,674 |
| Entrance fees refundable and deposits | 328,124 | 220,199 | 328,124 | 220,199 |
| Other taxation and social security | 58,824 | 54,695 | 59,681 | 54,906 |
| Other creditors | 53,970 | 43,519 | 53,970 | 43,519 |
| Accruals and deferred income | 297,319 | 405,688 | 295,519 | 390,888 |
| | <u>881,343</u> | <u>912,791</u> | <u>874,556</u> | <u>898,186</u> |

Deferred income comprises income received in advance for aided places under the DADA scheme of £260,010 (2020: £261,761) and fees and bursaries in advance of £nil (2020: £nil).

| | Charity and Group 2021 £ |
|-------------------------------------|--------------------------------|
| Movement on deferred income: | |
| Deferred income at 1 September 2020 | 261,761 |
| Released in year | (261,761) |
| Deferred in year | <u>260,010</u> |
| Deferred income at 31 August 2021 | <u>260,010</u> |

ELMHURST BALLET SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
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12 FINANCIAL INSTRUMENTS

| | Group | | Charity | |
|--|------------------|------------------|------------------|------------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| The carrying value of the Group's and Charity's financial instruments at 31 August were: | | | | |
| Financial assets: | | | | |
| Financial assets at fair value | | | | |
| - Fixed asset investments | 3,509,169 | 2,956,471 | 3,509,170 | 2,956,472 |
| Total | <u>3,509,169</u> | <u>2,956,471</u> | <u>3,509,170</u> | <u>2,956,472</u> |

13: ENDOWMENT AND RESTRICTED FUNDS

| Charity and Group | Brought forward | Income | Expenditure | Gains/ (losses) on investments | Transfers | Carried forward |
|------------------------|-----------------|---------------|-------------|--------------------------------|----------------|-----------------|
| | £ | £ | £ | £ | £ | £ |
| Endowment Funds | | | | | | |
| Scholarship endowment | <u>295,471</u> | <u>13,708</u> | <u>-</u> | <u>65,603</u> | <u>(3,000)</u> | <u>371,782</u> |
| Prior Year | | | | | | |
| Charity and Group | Brought forward | Income | Expenditure | Gains/ (losses) on investments | Transfers | Carried forward |
| | £ | £ | £ | £ | £ | £ |
| Endowment Funds | | | | | | |
| Scholarship endowment | <u>340,438</u> | <u>15,565</u> | <u>-</u> | <u>(57,532)</u> | <u>(3,000)</u> | <u>295,471</u> |

Under the terms of part of the endowment, investment return up until 2011 will form part of the endowment capital. Investment income received thereafter is to be used to fund scholarships. The transfer represents the income used to fund a scholarship during the year.

ELMHURST BALLET SCHOOL TRUST
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13. ENDOWMENT AND RESTRICTED FUNDS (continued)

| Restricted Funds | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|-------------------------|------------------------|----------------|--------------------|------------------|------------------------|
| DfE Grants | 29,263 | - | - | - | 29,263 |
| Donations | 92,793 | 100,740 | (94,740) | - | 98,793 |
| | <u>122,056</u> | <u>100,740</u> | <u>(94,740)</u> | <u>-</u> | <u>128,056</u> |
| Prior Year | Brought forward | Income | Expenditure | Transfers | Carried forward |
| Restricted Funds | £ | £ | £ | £ | £ |
| DfE Grants | 29,263 | - | - | - | 29,263 |
| Donations | 69,183 | 111,710 | (88,100) | - | 92,793 |
| | <u>98,446</u> | <u>111,710</u> | <u>(88,100)</u> | <u>-</u> | <u>122,056</u> |

DfE Grants

These grants provide towards the costs of our outreach programme and refurbishment/replacement of equipment. Transfers represent capitalised spending completed in line with the terms of the restriction.

Donations

This consists of several small donations which have been given to the Charity to be used in accordance with the wishes of the donors. Transfers represent capitalised spending completed in line with the terms of the restriction.

14. DESIGNATED FUNDS

| Charity and Group | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|--------------------------|------------------------|---------------|--------------------|------------------|------------------------|
| Capital reserve | 12,769,208 | - | - | (219,435) | 12,549,773 |
| Repairs reserve | 2,600,000 | - | - | - | 2,600,000 |
| | <u>15,369,208</u> | <u>-</u> | <u>-</u> | <u>(219,435)</u> | <u>15,149,773</u> |
| Prior Year | Brought forward | Income | Expenditure | Transfers | Carried forward |
| Charity and Group | £ | £ | £ | £ | £ |
| Capital reserve | 12,988,643 | - | - | (219,435) | 12,769,208 |
| Repairs reserve | 2,600,000 | - | - | - | 2,600,000 |
| | <u>15,588,643</u> | <u>-</u> | <u>-</u> | <u>(219,435)</u> | <u>15,369,208</u> |

The capital reserve represents the investment in leasehold land and buildings on the School site. The transfer represents the movement in the net book value of leasehold land and buildings during the year.

The repairs reserve represents monies set aside for major repairs to the fabric of the building. Transfers represent the monies set aside by the Governors during the year.

ELMHURST BALLET SCHOOL TRUST
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| 15. GENERAL RESERVE | Group | | Charity | |
|--|------------------|------------------|------------------|------------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| At 1 September 2020 | 1,147,443 | 1,195,583 | 1,143,580 | 1,164,063 |
| Net (expenditure)/ income for the year | 410,367 | (270,575) | 417,041 | (242,918) |
| Transfer from capital reserve | 219,435 | 219,435 | 219,435 | 219,435 |
| Transfer from endowment reserve | 3,000 | 3,000 | 3,000 | 3,000 |
| At 31 August 2021 | <u>1,780,245</u> | <u>1,147,443</u> | <u>1,783,056</u> | <u>1,143,580</u> |

| 16. COMMITMENTS UNDER OPERATING LEASES | 2021 £ | 2020 £ |
|---|------------------|------------------|
| At 31 August 2021, the Group and Charity had total future minimum lease payments under non-cancellable operating leases as follows: | | |
| Plant and machinery: | | |
| Amounts payable within 1 year | 9,504 | 9,504 |
| Amounts payable in 1 - 2 years | 2,376 | 9,504 |
| Amounts payable in 2 - 5 years | - | 2,376 |
| Amounts payable in more than 5 years | - | - |
| Land and buildings: | | |
| Amounts payable within 1 year | 179,885 | 179,885 |
| Amounts payable in 1 - 2 years | 179,885 | 179,885 |
| Amounts payable in 2 - 5 years | 518,313 | 529,448 |
| Amounts payable in more than 5 years | 506,250 | 675,000 |
| | <u>1,396,213</u> | <u>1,585,602</u> |

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total £ |
|---|----------------------------|--------------------------|-------------------------|-------------------|
| Fund balances at 31 August 2021 are represented by: | | | | |
| Tangible fixed assets | 12,644,090 | - | - | 12,644,090 |
| Fixed asset investments | 3,187,526 | - | 321,643 | 3,509,169 |
| Net current assets | 1,098,402 | 128,056 | 50,139 | 1,276,597 |
| Total net assets | <u>16,930,018</u> | <u>128,056</u> | <u>371,782</u> | <u>17,429,856</u> |

Prior Year

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total £ |
|---|----------------------------|--------------------------|-------------------------|-------------------|
| Fund balances at 31 August 2020 are represented by: | | | | |
| Tangible fixed assets | 12,899,198 | - | - | 12,899,198 |
| Fixed asset investments | 2,714,816 | - | 241,655 | 2,956,471 |
| Net current assets | 902,637 | 122,056 | 53,816 | 1,078,509 |
| Total net assets | <u>16,516,651</u> | <u>122,056</u> | <u>295,471</u> | <u>16,934,178</u> |

ELMHURST BALLET SCHOOL TRUST
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17. ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total £ |
|---|----------------------------|--------------------------|-------------------------|-------------------|
| Fund balances at 31 August 2021 are represented by: | | | | |
| Tangible fixed assets | 12,644,090 | - | - | 12,644,090 |
| Fixed asset investments | 3,187,527 | - | 321,643 | 3,509,170 |
| Net current assets | 1,101,212 | 128,056 | 50,139 | 1,279,407 |
| Total net assets | <u>16,932,829</u> | <u>128,056</u> | <u>371,782</u> | <u>17,432,667</u> |

Prior Year

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total £ |
|---|----------------------------|--------------------------|-------------------------|-------------------|
| Fund balances at 31 August 2020 are represented by: | | | | |
| Tangible fixed assets | 12,899,198 | - | - | 12,899,198 |
| Fixed asset investments | 2,714,817 | - | 241,655 | 2,956,472 |
| Net current assets | 898,773 | 122,056 | 53,816 | 1,074,645 |
| Total net assets | <u>16,512,788</u> | <u>122,056</u> | <u>295,471</u> | <u>16,930,315</u> |

18. CAPITAL COMMITMENTS

As at 31 August 2021, the Group and Charity had contracted capital commitments of £nil (2020: £nil).

19. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | Group | | Charity | |
|---|----------------|---------------|----------------|----------------|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Net income/(expenditure) for the reporting period | 495,678 | (288,932) | 502,352 | (261,275) |
| Adjustments for: | | | | |
| Depreciation charges | 274,312 | 278,586 | 274,312 | 278,586 |
| Losses/(gains) on investments | (542,272) | 187,286 | (542,272) | 187,286 |
| Dividends, interest and rents from investments | (147,112) | (124,047) | (147,112) | (124,047) |
| Decrease/(increase) in debtors | 56,908 | 95,045 | 41,831 | 73,259 |
| (Decrease)/increase in creditors | (31,448) | (57,815) | (23,630) | (51,488) |
| Net cash provided by operating activities | <u>106,066</u> | <u>90,123</u> | <u>105,481</u> | <u>102,321</u> |

20. ANALYSIS OF CHANGES IN NET FUNDS

| | At start of year £ | Cash flows £ | At end of year £ |
|--------------------------------------|--------------------------|-----------------|---------------------|
| GROUP | | | |
| Cash at bank and in hand | 1,030,740 | (176,930) | 853,810 |
| Notice deposits (less than 3 months) | 627,519 | 400,478 | 1,027,997 |
| Total cash and cash equivalents | <u>1,658,259</u> | <u>223,548</u> | <u>1,881,807</u> |

ELMHURST BALLET SCHOOL TRUST
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20. ANALYSIS OF CHANGES IN NET FUNDS (continued)

| | At start of year £ | Cash flows £ | At end of year £ |
|--|--------------------------|-----------------|---------------------|
| Charity | | | |
| Cash at bank and in hand | 995,372 | (177,515) | 817,857 |
| Notice deposits (less than 3 months) | 627,519 | 400,478 | 1,027,997 |
| Total cash and cash equivalents | 1,622,891 | 222,963 | 1,845,854 |

21. SUBSIDIARY COMPANY

The charitable company owns the entire issued share capital of Elmhurst Enterprises Limited, a company incorporated in England and Wales (registered number 04442439). The principal activity of Elmhurst Enterprises Limited is that of providing facilities. The results of Elmhurst Enterprises Limited are consolidated into these accounts.

For the year ended 31 August 2021, Elmhurst Enterprises Limited recorded turnover of £11,639 (2020: £26,626), cost of sales and expenses of £14,448 (2020: £22,762) less corporation tax of £nil (2020: £nil) giving rise to a retained loss of £2,809 (2020: £3,864 profit). During the year the subsidiary company has distributed £3,864 (2020: £31,520) to the parent company in respect of 2020 profits.

Net liabilities at 31 August 2021 were £2,808 (2020: net assets £3,865).

22. RELATED PARTY TRANSACTIONS

During the year, the Charity charged Elmhurst Enterprises Limited £3,375 (2020: £11,034) in respect of staff costs, catering costs and facilities costs. At the year end, the Charity was owed £37,821 (2020: £22,440) by Elmhurst Enterprises Limited.

J Harris, a governor of Elmhurst Ballet School Trust, is also a director of Healthcare Claims Bureau. During the year, Healthcare Claims Bureau provided management and advice services to Elmhurst Ballet School Trust amounting to £15,120 (2020: £15,120).

B Lawrence, a governor of Elmhurst Ballet School Trust, provided choreographic services to Elmhurst Ballet School Trust amounting to £1,202 during the year (2020: £nil).

M Baldwin, a governor of Elmhurst Ballet School Trust, provided choreographic services amounting to £1,500 during the year (2020: £nil).

During the prior year Howard Consultants Limited provided fundraising consultancy services to Elmhurst Ballet School Trust. D Howard, a director of Howard Consultants Limited, became a governor of Elmhurst Ballet School Trust on 7 June 2018. Howard Consultants Limited provided services to Elmhurst Ballet School Trust amounting to £nil during 2021 (2020: £22,338). At the year end, the Charity owed £nil (2020: £2,265) to Howard Consultants Limited.

ELMHURST BALLET SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
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23. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted Funds £ | Restricted Funds £ | Endowment Fund £ | 2020 Total £ |
|---|----------------------------|--------------------------|------------------------|--------------------|
| INCOME FROM: | | | | |
| Donations and legacies: | | | | |
| Donations | 32,477 | 111,710 | - | 144,187 |
| Charitable activities: | | | | |
| School fees receivable | 3,635,992 | - | - | 3,635,992 |
| Syllabus classes income | 94,005 | - | - | 94,005 |
| Summer School fees | 17,308 | - | - | 17,308 |
| Grants receivable | 367,583 | - | - | 367,583 |
| Coronavirus Job Retention Scheme | 257,404 | - | - | 257,404 |
| Other trading activities: | | | | |
| School shows income | 7,403 | - | - | 7,403 |
| Rents and lettings | 23,572 | - | - | 23,572 |
| Other income | 221,523 | - | - | 221,523 |
| Investments | 108,483 | - | 15,564 | 124,047 |
| Total income | 4,765,750 | 111,710 | 15,564 | 4,893,024 |
| EXPENDITURE ON: | | | | |
| Raising funds | 11,509 | - | - | 11,509 |
| Charitable activities | | | | |
| School operating costs | 4,895,061 | 88,100 | - | 4,983,161 |
| Total expenditure | 4,906,570 | 88,100 | - | 4,994,670 |
| NET (EXPENDITURE)/INCOME BEFORE NET GAINS ON INVESTMENTS | (140,820) | 23,610 | 15,564 | (101,646) |
| Net (losses)/gains on investments | (129,755) | - | (57,531) | (187,286) |
| NET (EXPENDITURE)/INCOME | (270,575) | 23,610 | (41,967) | (288,932) |
| TRANSFERS BETWEEN FUNDS | 3,000 | - | (3,000) | - |
| NET MOVEMENT IN FUNDS | (267,575) | 23,610 | (44,967) | (288,932) |
| Reconciliation of funds: | | | | |
| Funds brought forward at 1 September 2019 | 16,784,226 | 98,446 | 340,438 | 17,223,110 |
| Funds carried forward at 31 August 2020 | 16,516,651 | 122,056 | 295,471 | 16,934,178 |