

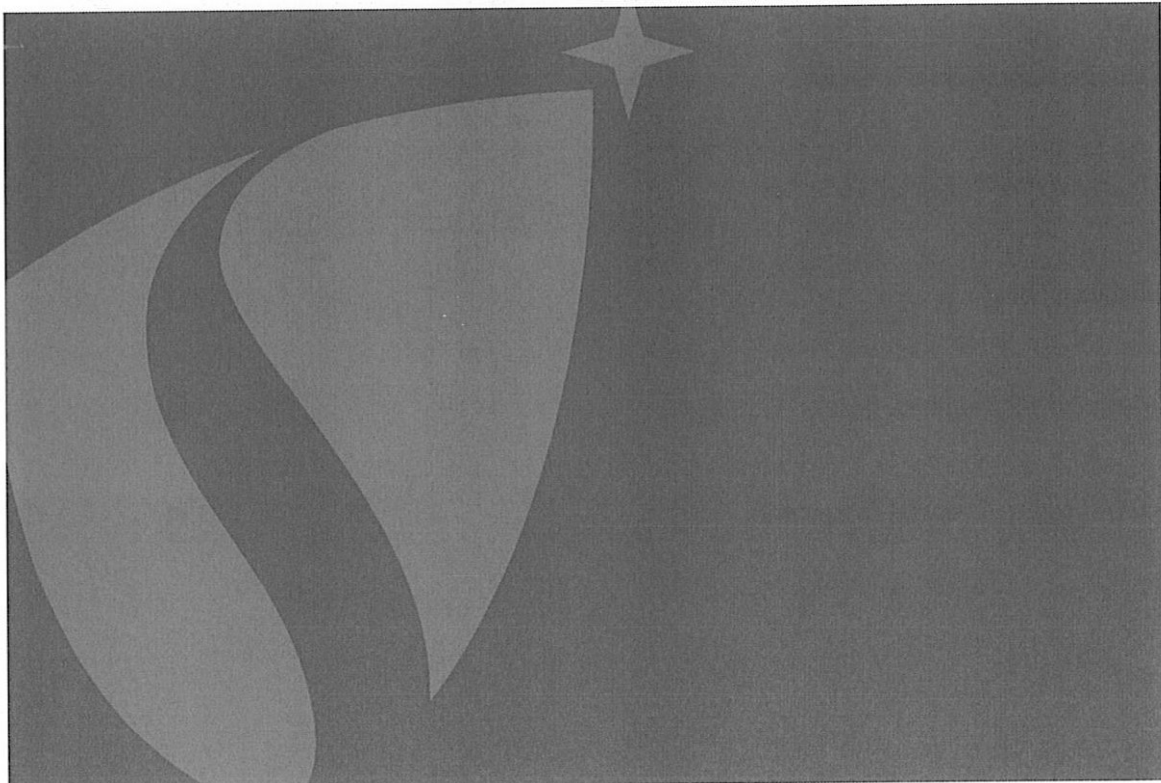


**NEWCASTLE  
SCHOOL  
FOR BOYS**

Company No. 1196898  
Registered in England  
Charity No. 503975

**NEWCASTLE SCHOOL FOR BOYS**  
A company limited by guarantee

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



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**GOVERNORS, DIRECTORS AND CHARITY TRUSTEES**

The Governors of Newcastle School for Boys (“the School”) are the School’s charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below.

Mr T Care (Chairman)	Finance Sub-Committee Strategy Sub-Committee Property Sub-Committee
Mr M R Gill *	Finance Sub-Committee Strategy Sub-Committee
Mrs L Graham * (resigned 3 October 2024)	Pupil Wellbeing
Mrs C King	Finance Sub-Committee
Dr N Lloyd-Jones	Finance Sub-Committee Health and Safety Sub-Committee
Mrs S Melbourne	Education Sub-Committee
Mr P Parkinson	Marketing Sub-Committee
Mr J Sykes	Property Sub-Committee

\* Parent of pupil at the School

**OFFICERS**

Mr D J Tickner

Executive Head

Mr D Todd

*Bursar and Clerk to the Governors*

**Website**

[www.newcastleschool.co.uk](http://www.newcastleschool.co.uk)

**Principal address and Registered Office**

30 West Avenue, Gosforth, Newcastle upon Tyne, NE3 4ES

**Auditors**

Joanne Regan FCA - Senior Statutory Auditor, for and on behalf of Azets Audit Services, Bulman House, Regent Centre, Gosforth, Newcastle upon Tyne NE3 3LS

**Bankers**

Barclays Bank plc, Newcastle Corporate Service, 7<sup>th</sup> Floor, Bank House, East Pilgrim St, Newcastle-upon-Tyne NE1 6QE

**Solicitors**

Muckle LLP, Time Central, 32 Gallowgate, Newcastle upon Tyne, NE1 4BF

Ward Hadaway LLP, Sandgate House, 102 Quayside, Newcastle upon Tyne NE1 3DX

**Insurance Broker**

Marsh Limited, Capital House, 1-5 Perrymount Road, Haywards Heath, West Sussex RH16 3SY

The members of the Newcastle School for Boys Governing Body present their Annual Report for the year ended 31 August 2024 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

#### REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity was founded in 1975 as Newlands Educational Trust and is registered with the Charity Commission under Charity No. 503975. Newlands Educational Trust merged with Ascham House School Trust Limited on 1 September 2005 and changed its name to Newcastle School for Boys ("the School") on 6 September 2005. The School is constituted as a company limited by guarantee registered in England, No. 1196898.

Details of the members of the Governing Body, together with the School's officers and principal advisers, are given on page 1.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing documents

The School is governed by its Memorandum of Association and Articles of Association last amended January 2014.

##### Governing Body

The Governing Body is self-appointing, with members completing three years of service required to retire at each AGM. Members retiring can be re-elected.

New members of the Governing Body are elected on the basis of nominations from the Governors and the executive officers based on the candidates' professional qualities, experience, personal competence and local availability.

##### Recruitment and training of Governors

New Governors are introduced into the workings of the School, including Governing Body policy and procedures, at an induction workshop specially organised for them by the Head and Bursar. The new Governors also attend specialist external courses on the role and responsibilities of charity trustees.

Members of the Governing Body attend external trustee training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements.

##### Organisational management

The members of the Governing Body, as the charity trustees, are legally responsible for the overall management and control of the School and its senior and preparatory schools. They meet five times in the year ended 31 August 2024. The work of implementing their policies is carried out by members of the Sub-Committees:

- The Finance Committee scrutinises revenue, the budget and capital expenditure. This Committee also supervise and finalise the audited financial statements and annual report for approval by the Governing Body. The Finance Committee is chaired by Tim Care.

- The Property Committee, chaired by Jonathan Sykes, works to develop and implement a strategy making best use of facilities and identify alternative solutions.
- The Marketing Committee works closely with the Director of Marketing and Admissions, developing the brand, assessing advertising effectiveness and developing social network activity.
- The Nominations Committee identifies potential new Governors when the need arises, considering specific skills that would strengthen the relevant the Governing Body.
- The Education Committee considers educational and pastoral policy. The Committee is chaired by Sue Melbourne.
- The Strategy Committee investigates and evaluates possible solutions or actions that address longer term risks and opportunities.
- Dr Neil Lloyd-Jones is a member of the School's Health and Safety Committee
- Mrs Sue Melbourne is the responsible governor for Safeguarding.

The day-to-day running of the School is currently delegated to the Executive Head, supported by the Bursar, Head of Senior School, Senior School Deputy Head, Head of Junior School and the Director of Marketing and Admissions, who work together as the Senior Leadership Team. The Executive Head and Bursar attend all meetings of the Governors.

#### **Group structure and relationships**

Newcastle School for Boys has no trading subsidiary company. The School co-operates with a number of local charities in its ongoing endeavours to widen public access to the schooling that it can provide, to optimise the educational use of sporting and cultural facilities and to awaken in its pupils the awareness of the wider social context of the education that they receive at the School.

#### **Employment policy**

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School. The School's pay policy is in line with national pay scales. Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to apprise staff of current issues.

### **OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

#### **Charitable Objects**

The School's Objects, as set out in the Memorandum of Association, are the advancement of education for boys. In furtherance of these Objects for the public benefit the School has established and administers bursaries, awards and other benefactions, and acts as the trustee and manager of property, bequests and gifts given or established in pursuance of these Objects. The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011, and with due consideration to the Charities Act 2022.

In this connection the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

#### **Public Benefit and Intended impact**

In meeting these Charitable Objects, Newcastle School for Boys' public benefit aims are:

- to make excellent, accessible education available to as many boys as possible,
- to serve and support the local and wider community, and
- to develop boys and young men of excellent character, who recognise and fulfil their obligation to the local community and wider society.

Excellent teaching is combined with an ethos that believes in knowing each boy as an individual to create an environment where the highest possible academic standards are achieved.

#### **School Ethos and Aims**

The School provides an excellent all-round learning experience, in an environment that is supportive and actively promotes wellbeing.

We aim to challenge and support each pupil to achieve the highest levels of:

- Individual academic progress
- Character development.

As one of the newest schools in the independent sector, Newcastle School for Boys incorporates traditional values whilst preparing all boys for the changing expectations and demands of modern life.

The School is notable for its small size, with comparatively small class sizes and as an overall school. Each pupil who joins is well known to his teachers and taught as an individual. Each pupil's individual talents and aspirations are recognised and supported.

Outside of the classroom, pupils are given the opportunity to bring their learning to life on a number of exciting educational and sporting trips such as science trips to CERN and international sports tours.

Our pupils are also encouraged to play their part within the community, whether through voluntary and charitable work or valuable work experience in some of the region's most highly regarded organisations.

Pastoral care is second to none. Pupils are offered support around matters both in and outside of school to ensure they are prepared for the many challenges they may face.

From their very first years until the day they leave the School, pupils participate in a character education programme, developing values of community, integrity, resilience, courage, leadership and empathy with the aim of developing as young men of excellent character, equipped with the tools needed to go on to lead successful and fulfilled lives beyond school.

#### **Strategies to achieve the primary objectives**

Emphasis is placed on the provision of outstanding teaching and learning throughout the School.

The Governors and Senior Leadership Team work hard to ensure the best financial position to secure the future development of the School. Additional funding is provided by the NSB Parents Association and is often targeted to provide finance for specific projects.

### **Principal activity**

The School's principal activity, as specified in the Memorandum of Association, is the advancement of education and, in this, the School has again had a successful year. The senior school averaged 264 pupils (2023: 264) and 124 in the Junior School (2023: 111).

The School participates in the Government's free early year funding, offering 15 hours of tuition to under 5's, and 30 free hours to eligible families, funded by the local government.

### **Public benefit and fee remissions**

Newcastle School for Boys remains committed to the aim of providing public benefit in accordance with its founding principles. Charity legislation includes a requirement to demonstrate that public benefit for any charitable purpose and therefore commensurate disclosure of the fulfilment of the School's public benefit aims.

In particular, the School's bursary programme seeks to make its education as accessible as possible for those who may otherwise be unable to meet the cost of school fees.

To ensure fairness, all bursary awards are established according to detailed criteria and careful means-testing in relation to their beneficiaries' financial and other circumstances.

The awarding of bursaries is a quantifiable means of demonstrating public benefit. The School's governors take the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the wider benefit that the School also provides within the community. Those pupils who attend the School and who receive financial support contribute to the school community in a variety of ways, and so the benefit is not purely to these pupils but to the whole School and the wider community.

During the 2023/24 academic year bursaries totalling £473,000 were awarded to 58 pupils, including 4 for full fees (2023: 61 bursaries totalling £478,000, 4 for full fees). The total cost of bursaries represented 7.8% of the School's gross fee income (2023: 8.7%).

The balance of bursary and other awards remain under careful review by governors particularly in the context of the additional financial challenges currently faced by all independent schools including the introduction of VAT on fees

The School supports actively the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. We cooperate with local charities and educational bodies in our ongoing endeavours to widen public access to the schooling we provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the School.

### STRATEGIC REPORT - Achievements and Performance

Governors continue to follow the principles set down in the Strategic Plan 2022-27. However, the political changes in the year and the resultant changes in taxation treatment and cost base have required Governors to adapt during the year.

#### Progressive and Relevant Curriculum

The School realised its plan to issue one-to-one devices to Senior School pupils and all staff last year and continues to develop teaching methods using these tools. Effective use of technology supports the delivery of a superior educational experience facilitating more individualised learning including through the ease of access and teacher feedback. It also helps pupils to develop digital literacy and other important skills highly valued by employers and society such as collaboration and creativity.

In academic performance, at A level, over 61% of grades were awarded A\* to B and over three quarters (78%) A\* to C. Within the School's unique offer of applied and vocational sixth form qualifications, students achieved a 100% pass rate with 19.0% achieving starred distinctions. For those students applying for immediate university entry, all achieved offers allowing them to progress including a number who were able to "trade up" due to the strength of their results.

At GCSE, pupils once again outperformed national standards. Over 90% of pupils achieved grades at 9 to 4 compared to the national figure of 67%.

Pupils in the Junior School also continued to achieve exceptionally well academically particularly in reading and maths. Assessments sat towards the end of the academic year showed that 91% of pupils from Years 2 to 6 achieved results that were at, or above the age-related expectations for reading. In Mathematics in Years 1 to 6, this figure rose to 80.0%.

The breadth and opportunity of the School's co-curricular programme is remarkable with close to 100 different activities per term engaging pupils across the whole school delivered in the main by the School's own staff supplemented by some specialist external providers.

Pupils and the wider school community enjoyed participating in Christmas and summer term concerts, the School's invitation concert in May along with harvest, Christmas and Easter services.

Further highlights were two highly entertaining drama performances at the Junior School and the Senior School's outstanding joint production of *The Addams Family* with a local independent girls' school at Northern Stage which saw three sell out performances.

The School continues to promote pupils' participation in the Duke of Edinburgh's Award Scheme with many taking part in volunteering in the local community as part of their programme. During the 2023/24 academic year, three pupils achieved their gold awards; five silver and eight bronze.

The School's Under 18 rugby team were county champions and the same age category cricket team, north of England T20 finalists. In the Junior School, the Under 11s were Newcastle and Northumberland small school champions in football and Newcastle City runners-up in athletics.

Year 9 pupils combined again this year with the girls at the local independent girls' school, Westfield, to form a mixed touch rugby team that had an excellent trip to Worcester's Sixways Stadium for the national finals. After a tough day of competition, they narrowly lost out on a

trip to Twickenham only on points difference. The squad can be very proud of how quickly they gelled and worked together after only a handful of training sessions.

Individually, several pupils have achieved national and international sporting success during this academic year including representing England in the 2024 Under 19 cricket world cup in South Africa alongside first class and T20 debuts for Durham CCC; representing the national Lambs representative invitational rugby team; and Scottish men's gymnastics Under 18 all-round champion and selection for the national senior squad.

A new partnership approved by the Premier League saw the School delivering full-time education on behalf of the Newcastle United football academy with two pupils selected for the England Under 15 squad.

#### Prudent management of costs, cash and reserves

Managing the school's cost base and managing the cost challenges facing the school are the overriding threads to all internal reviews. Governors will continue to review the cost base of the school to ensure the best value for money for parents, while resourcing the best curriculum possible and developing staff professionally and pastorally. Governors remain conscious that the scale of the school, with small class sizes and a personalised education for each boy in school is a key component for parents.

This needs to be achieved at a fee that is affordable to parents, after the imposition of VAT, the removal of Mandatory Rate Relief in the year and the increases in Employer National Insurance contributions, as well as overall cost increases. In addition, the School continues as a charity with the consequent requirements for delivering charitable benefits.

Consultation with teaching staff during the year on pension provision led to the creation of a defined contribution scheme for those who wished to exit the Teachers' Pension Scheme. This has been achieved from September 2024 with Royal London Pensions. Those teachers wishing to remain in the Teachers Pension Scheme have been able to do this while making a contribution to the increasing employer costs of the scheme.

Governors will continue to review pay scales and increments against local and national norms and seek to remain competitive in the market.

#### Public benefit and community engagement

The School remains committed to achieving demonstrable public benefit and engaging with and supporting our local community. 'Community' is one of the core virtues within the School's character compass that helps to shape the pupils' personal development.

The School's extensive scholarship and bursary programmes seeks to make our education as accessible as possible for those who may otherwise be unable to meet the cost of school fees.

The School's valuable partnership work undertaken with two local state primary schools was recognised and celebrated nationally in a publication produced by the Independent Schools Council (ISC) Celebrating partnerships.

In relation to its charitable work and public and community benefit, the School ran seven partnership events during this academic year engaging 27 local state schools and benefitting 493 of their pupils.

This included an expanded version of the School's annual choral day where Senior and Junior School singers were joined by over 100 children from Christ Church Primary School in North Shields; Kings Priory School; Moorside Primary School in the West End of Newcastle and Westfield School. In January, the Junior School choir, joined with other local state and independent school choirs at the Holocaust Memorial Day commemorative event held at Newcastle City Library and sang movingly on the event's theme of the fragility of freedom. At Christmas, the Senior School chamber choir brought a great deal of joy to the local community singing carols in The Gosforth Shopping Centre and at the local Abbeyfield residential care home on The Grove. Similarly, Junior School art reached out into the local community to provide Christmas stars for the Gosforth Shopping Centre.

School and house sport continued to make significant contributions not just to the School's pupils' wellbeing and character development but providing opportunities for those in the wider community hosting several local state schools: junior football festivals, several age group rugby sevens events as well as table tennis with a lot of the organisation and delivery of these events provided by the School's sixth form sports leaders

The School continues to participate in the government's 30-hour free nursery provision for early years enabling more children to benefit from the excellent teaching and supportive environment at the start of their education.

## FINANCIAL REVIEW

### Results for the year

The School's movement in resources for the year amounted to net incoming resources of £28,858 (2023 net outgoing resources: £76,031). The Governors have taken the decision to utilise earnings generated and retained in previous years to avoid passing on to parents the full impact of extraordinary cost increases, particularly in VAT from January 2025.

### Reserves Level and Policy and Financial Viability

The Governors maintain close control over expenditure and set fee income at a level which aims to:

- Meet all revenue expenditure, as well as the cost of providing bursaries and scholarships;
- Generate a surplus sufficient to cover the level of interest on the School's financing costs;
- Provide a level of cash flow that is sufficient to cover the capital repayments on the School's loan with Barclays Bank; and
- Maintain, as far as possible, stability in pupil numbers.

Following the simplification of the General Fund, at 31 August 2024 total reserves stood at £5,896,172 (2023: £5,867,314), which comprised unrestricted funds of £5,684,664 (2023:

£5,659,045) and restricted funds of £211,508 (2023: £208,269). The School's premises and equipment net of loans at 31 August 2024 were £5,381,344 (2023: £5,242,598).

The reserves policy requires that total free reserves, as defined by the Charities Commission, cover four months average gross expenditure in order to ensure sufficient funds are maintained in the unrestricted general reserve to meet the working capital requirements of the School, through the generation of annual operating surpluses. At 31 August 2024 average monthly gross expenditure was £487,811 (2023: £452,966). The free reserves as at 31 August 2024 were £5,670,617 (2023: £5,584,524). The level of the general reserve is monitored by the Finance Sub-Committee and adjusted as required through efficient financial management. Donations for bursaries are held in a Restricted Fund until released to fund assisted fees in future periods. In the current year £39,029 was released to fund bursaries for three boys in the school.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The Governors consider the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal risk faced by the School. During the year, the change in government has resulted in a change in taxation position for the school from 1 January 2025. This will stress parental affordability and places a considerable burden on the sector as a whole and the school itself. In addition, the removal of Mandatory Rate Relief and the increases in Employer National Insurance mean the fixed cost base of the school will increase beyond that assumed in the Strategic Plan. The Governors are actively reviewing options for the future to ensure that the school not only survives but thrives going forward. This, of necessity, behoves governors to look at all costs against the need to provide the very best education for our pupils and competitive employment conditions for all staff.

During the year, governors have reviewed the strategic options available to the school, taking into account all relevant factors of physical structure, costs, external factors such as market demographics and political environment and have formulated a strategic plan. This plan will be refined during the year before working with staff and parents to create the most cost effective school possible while retaining all of the key characteristic which make Newcastle School for Boys attractive to parents and pupils.

A comprehensive risk management process is being implemented, building on the successes of past Health and Safety Management including educational visits both locally, nationally and internationally. The risk management process will focus on key areas of risk for the school including Regulatory, Governance, Educational, Financial and Reputational areas.

#### PLANS FOR FUTURE PERIODS

The School will continue to work hard to maintain the strength of its finances, assets and resources to ensure that it can continue to deliver successfully its aims and other development objectives, particularly in the face of current and predicted economic, environmental and political challenge and uncertainty.

All future developments will aim to reduce the carbon footprint of the school and create, in the long run, a school that is as near carbon neutral as is sensibly achievable within the context of the buildings occupied by the operation.

The application of technology remains a key strand in the School's current *Strategic plan 2022-2027*. Other focuses include enhanced staff development and sharing of good practice. The

School will continue to develop a progressive and relevant curriculum and pupil experience meeting the academic, character development and well-being needs of all pupils in a fast changing world.

#### STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

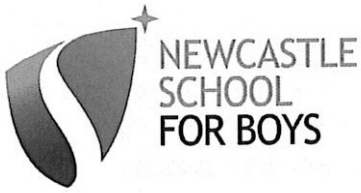
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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



**NEWCASTLE SCHOOL FOR BOYS  
ANNUAL REPORT OF THE GOVERNORS  
FOR YEAR ENDED 31 AUGUST 2024**

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This Trustees Report, including the Strategic Report, is approved by the Board of Governors of Newcastle School for Boys on 24 February 2024, and signed on its behalf by:

A handwritten signature in black ink, appearing to read "Tim Care".

**Tim Care**  
(Chairman of Governing Body)  
24 February 2025

## Opinion

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

In our opinion the financial statements:

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

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 of the Governors, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report of the Governors.

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' Annual report of the Governors (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report or the directors' report included within the trustees' Annual report of the Governors have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **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.

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

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

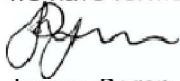
In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charitable company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. The primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the charitable company and management.

#### 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.



Joanne Regan FCA (Senior Statutory Auditor)

For and on behalf of:

Azets Audit Services

Accountants

Statutory Auditor

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

24 February 2024

**NEWCASTLE SCHOOL FOR BOYS**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

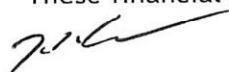
	Notes	Unrestricted Funds £	Restricted Funds £	Total £	2023 Total £
<b>Income from:</b>					
<b>Charitable activities</b>					
School fees receivable	2	4,996,044	-	4,996,044	4,517,647
Catering income		343,807	-	343,807	283,112
Government funding		93,328	-	93,328	102,771
Income from School trips		294,012	-	294,012	385,590
Investment income		31,445	5,726	37,171	15,775
Other income		68,229	-	68,229	50,519
<b>Voluntary sources</b>					
Grants and donations	3	-	50,000	50,000	4,142
<b>Total income</b>		<b>5,826,865</b>	<b>55,726</b>	<b>5,882,591</b>	<b>5,359,556</b>
<b>Expenditure on:</b>					
<b>Financing costs</b>					
Financing costs	4	(99,276)	-	(99,276)	(86,777)
<b>Charitable activities</b>					
Education and grant making	4	(5,753,277)	(1,180)	(5,754,457)	(5,348,810)
<b>Total expenditure</b>	4	<b>(5,852,553)</b>	<b>(1,180)</b>	<b>(5,853,733)</b>	<b>(5,435,587)</b>
<b>Net income/(expenditure) and net movement in funds before transfers</b>		<b>(25,688)</b>	<b>54,546</b>	<b>28,858</b>	<b>(76,031)</b>
Transfers between funds	17	51,307	(51,307)	-	-
<b>Net movement in funds</b>		<b>25,619</b>	<b>3,239</b>	<b>28,858</b>	<b>(76,031)</b>
Fund balances brought forward at 1 September 2023		5,659,046	208,268	5,867,314	5,943,345
<b>Fund balances carried forward at 31 August 2024</b>		<b>5,684,664</b>	<b>211,508</b>	<b>5,896,172</b>	<b>5,867,314</b>

The notes on pages 19 to 33 form part of these financial statements

**NEWCASTLE SCHOOL FOR BOYS**  
**COMPANY NO: 1196898**  
**BALANCE SHEET AS AT 31 AUGUST 2024**

	Note	2024		2023	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		6,917,897		7,006,434
Investments	8		<u>2,113</u>		<u>2,113</u>
			<b>6,920,010</b>		<b>7,008,547</b>
<b>CURRENT ASSETS</b>					
Stock			-		
				644	
Debtors	9	256,689		174,572	
Cash and deposits		<u>1,361,814</u>		<u>1,322,852</u>	
		<b>1,618,503</b>		<b>1,498,068</b>	
<b>CURRENT LIABILITIES</b>					
Creditors payable within one year	10	<u>1,328,846</u>		<u>1,100,636</u>	
<b>NET CURRENT ASSETS /(LIABILITIES)</b>			<u><b>289,657</b></u>		<u><b>397,432</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>7,209,667</b>		<b>7,405,979</b>
<b>LONG-TERM LIABILITIES</b>					
Creditors payable after one year	11		<u>(1,313,495)</u>		<u>(1,538,665)</u>
<b>NET ASSETS</b>			<u><b>5,896,172</b></u>		<u><b>5,867,314</b></u>
<b>REPRESENTED BY:</b>					
<b>RESTRICTED INCOME FUNDS</b>	16		211,508		208,268
<b>UNRESTRICTED FUNDS</b>					
General Reserve	16		5,670,617		5,584,524
Designated Funds	16		<u>14,047</u>		<u>74,522</u>
			<u><b>5,896,172</b></u>		<u><b>5,867,314</b></u>

These financial statements were approved by the Governing Body on 24 February 2025



**Mr Tim Care**  
(Chairman of the Governing Body)

The notes on pages 19 to 33 form part of these financial statements

**NEWCASTLE SCHOOL FOR BOYS**  
**CASH FLOW STATEMENT AS AT 31 AUGUST 2024**

	Note	2024		2023	
		£	£	£	£
<b>Net cash outflow from operations</b>					
Net cash provided by / (used in) operating activities	(i)		436,771		207,767
<b>Cash flows from investing activities:</b>					
Purchase of Tangible fixed assets		(100,782)		(42,422)	
Investment income and bank interest received		37,171		127	
<b>Net cash (used in) / provided by investing activities</b>			(63,611)		(42,295)
<b>Cash flows from financing activities:</b>					
Interest paid on borrowings		(99,276)		(86,777)	
Hire Purchase Capital repayment		(9,751)		(9,751)	
Loan Capital repayments		(225,171)		(225,171)	
<b>Net cash provided by financing activities</b>			(334,198)		(321,699)
			(397,809)		(363,994)
Change in cash and cash equivalents in the reporting period			38,962		(156,227)
Cash and cash equivalents at the beginning of period			1,322,852		1,479,079
Cash and cash equivalents at the end of the reporting period			1,361,814		1,322,852
<b>(i) Reconciliation of net income to net cash flow from operating activities</b>					
		2024		2023	
		£	£	£	£
<b>Net incoming resources</b>			28,858		(76,031)
Elimination of non-operating cash flows:					
Depreciation charges		189,319		185,739	
Investment income		(37,171)		(127)	
Loan interest		99,276		86,777	
(Increase)/decrease in Stock and Debtors		(81,473)		24,791	
Increase/(decrease) in Creditors		237,962		(13,382)	
			407,913		283,798
<b>Net cash inflow from operations</b>			436,771		207,767

## 1. ACCOUNTING POLICIES

These financial statements are prepared in accordance with the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)', the Companies Act 2006 and the Charities SORP 2019. The functional currency of the School is GBP because that is the currency of the primary economic environment in which the School operates.

The accounts are drawn up on the historical cost basis of accounting.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability.

Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 11.

The accounts present the statement of financial activities (SOFA), the cash flow statement and the Charity balance sheet.

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated in 1975 (company number: 1196898) and registered as a charity in 1975 (charity number: 503975).

### **Critical accounting judgements and key sources of estimation uncertainty.**

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the

## 1. ACCOUNTING POLICIES (continued)

revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

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

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

### 1.1 Fees and similar earned income

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

### 1.2 Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

### 1.3 Donations, legacies, grants and other voluntary incoming resources

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where donations have been received that are to provide assistance with fees, they are recognised when received and shown as an incoming resource under Restricted Funds, unless it is a condition stipulated by the donor that they are to be used in future periods. Where there is a condition stipulated by the donor that they are to be used in future periods, the donations are included as deferred income within creditors and released to fees receivable as the conditions are satisfied. All donations are held in a separate designated bank account until utilised.

When utilised they are transferred to unrestricted funds and netted off against fees receivable. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the School in the case of donated services or facilities.

### 1.4 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SOFA is apportioned to them on the basis of the estimated amount attributable to

**1. ACCOUNTING POLICIES (continued)**

each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

**1.5 Tangible fixed assets**

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10,000 together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £5,000 are capitalised and carried in the balance sheet at historical cost. In certain circumstances, where the original costs of assets are not ascertainable, a reasonable estimate of the cost, if material, has been used.

Other expenditure on equipment incurred in the normal day-to-day running of the School is charged to the Statement of Financial Activities as incurred.

**1.6 Depreciation**

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in annual instalments over their expected useful economic lives as follows:

*Straight-line basis:*

Freehold buildings	2%
Freehold building improvements	10%
Leasehold Improvements	20%
Astro- turf and playground surfaces	10%
Motor vehicles	20%
Fixtures, fittings and equipment	20%
Computers (from Sept 2021)	33%

*Reducing balance basis:*

Computers (prior to Aug 2021)	33%
Classroom digital boards	15%

Where the net book value of the reducing balance becomes immaterial the balance will be depreciated to zero.

**1.7 Investments**

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

**1. ACCOUNTING POLICIES (continued)**

**1.8 Stock**

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

**1.9 Fund accounting**

The charitable trust funds of the School are accounted for as unrestricted or restricted income, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

**Unrestricted** income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's Objects or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund. The aim and use of each designated fund is set out in the notes to the financial statements.

**Restricted** income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

**1.10 Pension costs**

Retirement benefits to employees of the School are provided through two pension schemes, one defined benefit and one defined contribution. The pension costs charged in the Statement of Financial Activities are determined as follows:

- a. The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, the scheme is accounted for as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary are charged in the period in which the salaries to which they relate are payable.
- b. The NOW Pension scheme - This is a defined contribution multi-employer pension plan. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.

**1.11 Operating leases**

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

**1. ACCOUNTING POLICIES (continued)**

**1.12 Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, except for investments and other derivative financial instruments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**2. CHARITABLE ACTIVITIES - FEES RECEIVABLE**

	2024 £	2023 £
<b>Fees receivable consist of:</b>		
Gross School fees	6,060,709	5,502,795
Less: Total scholarships and bursaries	(970,035)	(916,330)
Other awards	( 94,630)	(68,818)
	<u>4,996,044</u>	<u>4,517,647</u>

Bursaries and other awards paid for by restricted funds transferred during the year totalled £39,029 (2023: £28,046)

Scholarships, bursaries and other awards were paid to 184 pupils (2023: 189). Within this, means tested bursaries totalling £473,718 were paid to 58 pupils, (2023: £477,981 to 61 pupils).

**3. GRANTS AND DONATIONS RECEIVABLE**

	2024 £	2023 £
<b>Donations from:</b>		
Parental donations	-	2,900
Parents' Association funding	-	1,242
Cookson Trust	50,000	-
	<u>50,000</u>	<u>4,142</u>

**4. ANALYSIS OF EXPENDITURE**

**(a) Total expenditure year ended 31 August 2024**

	Staff costs (note 6) £	Depreciation (note 7) £	Other £	Total 2024 £	Total 2023 £
<b>Costs of generating funds:</b>					
Financing costs -loan interest	-	-	99,276	99,276	86,777
<b>Charitable expenditure:</b>	£	£	£	£	£
<b>Education and grant making</b>					
Teaching	3,083,259	-	527,760	3,611,019	3,467,115
Welfare	14,241	-	403,762	418,003	380,229
Premises	243,144	189,319	493,007	925,470	832,663
Support costs and governance	480,947	-	319,018	799,965	668,803
<b>Total charitable expenditure</b>	<b>3,821,591</b>	<b>189,319</b>	<b>1,743,547</b>	<b>5,754,457</b>	<b>5,348,810</b>
<b>Total expended</b>	<b>3,821,591</b>	<b>189,319</b>	<b>1,842,823</b>	<b>5,853,733</b>	<b>5,435,587</b>

**Prior Year comparison: Total expenditure to 31 August 2023**

	Staff costs (note 6) £	Depreciation (note 7) £	Other £	Total 2023 £	Total 2022 £
<b>Costs of generating funds:</b>					
Financing costs -loan interest	-	-	86,777	86,777	31,284
<b>Charitable expenditure</b>	£	£	£	£	£
<b>Education and grant making</b>					
Teaching	2,819,505	-	647,610	3,467,115	2,948,656
Welfare	14,511	-	365,718	380,229	318,357
Premises	218,868	185,739	428,056	832,663	736,305
Support costs and governance	360,909	-	307,894	668,803	623,813
<b>Total charitable expenditure</b>	<b>3,413,793</b>	<b>185,739</b>	<b>1,749,278</b>	<b>5,348,810</b>	<b>4,627,131</b>
<b>Total expended</b>	<b>3,413,793</b>	<b>185,739</b>	<b>1,836,055</b>	<b>5,435,587</b>	<b>4,658,415</b>

	2024 £	2023 £
<b>(b) Governance included in support costs:</b>		
Remuneration paid to auditor for audit services	14,916	15,894
Other governance costs	-	-
<b>Total governance costs</b>	<b>14,916</b>	<b>15,894</b>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2024 £	2023 £
Bank Loan interest	99,276	86,777

**6. STAFF COSTS AND RELATED PARTY TRANSACTIONS**

	2024 £	2023 £
The aggregate payroll costs for the year were as follows:		
Wages and salaries	2,970,380	2,676,666
Social security costs	289,398	258,500
Other pension costs	556,991	474,067
Private Health Insurance	4,823	4,560
<b>Total Staff Costs</b>	<b>3,821,592</b>	<b>3,413,793</b>

None of the directors (or any persons connected with them) received any remuneration from Newcastle School for Boys during the year.

Aggregate employee-benefits of key management personnel	539,202	511,759
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	2024	2023
Number of higher paid employees in bands of:		
£60,001 - £70,000	2	3
£70,001 - £80,000	2	1
£90,001 - £100,000	1	1

The number with retirement benefits accruing

- In Defined Contribution schemes was:	1	1
of which the contributions amounted to:	£3,765	£ 3,535
- In Defined Benefit schemes was:	4	4

The average number of the School's employees during the year calculated on a full-time equivalent basis, was 74 (2023: 77). The average number of employees employed during the year was:

	2024	2023
Teaching	62	64
Welfare	2	2
Premises	12	10
Support	17	14
	<u>93</u>	<u>90</u>

Transactions with Related Parties:	£	£
Scholarships awarded to children of directors:	6,939	11,218
Governor's Liability Insurance cost borne by the company:	935	891
Training and expenses borne by the company (8 trustees):	0	0

## 7. TANGIBLE FIXED ASSETS

	Freehold £	Leasehold Improve- ments £	Fixtures, Fittings & Equipment £	Computers £	Total £
<b>Cost or valuation:</b>					
At 1 Sept 2023	9,285,532	37,165	542,396	511,372	10,376,465
Additions	24,073	-	76,012	697	100,782
Disposals	-	-	-	-	-
Transfer	-	-	-	-	-
At 31 Aug 2024	9,309,605	37,165	618,408	512,070	10,477,247
<b>Depreciation:</b>					
At 1 Sept 2023	2,437,989	37,165	506,064	388,812	3,370,030
On Disposals	-	-	-	-	-
Charge for Year	148,752	-	9,242	31,325	189,319
At 31 Aug 2024	2,586,742	37,165	515,306	420,138	3,559,350
<b>Net Book Value:</b>					
At 31 Aug 2024	6,722,864	-	103,101	91,932	6,917,897
At 1 Sept 2023	6,847,543	-	36,332	122,560	7,006,434

Tangible fixed assets with a net book value of £4,441,182 have been pledged as security for liabilities of the charity.

#### 8. INVESTMENT

The investment consists of 150 units M&G Charifund stock stated at market value. The cost was £173.

#### 9. DEBTORS

Amounts falling due within one year:

	2024	2023
	£	£
Fee Debtors	49,131	52,201
Prepayments and Accrued Income	199,918	95,558
Sundry Debtors	7,640	26,783
	<u>256,689</u>	<u>174,572</u>

#### 10. CREDITORS: amounts falling due within one year

	2024	2023
	£	£
Loan	225,171	225,171
Trade Creditors	288,912	184,602
Fee payments received in Advance	463,663	392,394
Other Creditors	99,968	78,298
Taxation and Social Security	63,581	63,359
Accruals and Deferred income	187,550	147,060
Hire Purchase	1	9,752
	<u>1,328,846</u>	<u>1,100,636</u>

Deferred income totals £86,743 (2023: £53,925) and relates to amounts received in advance from parents for school trips.

#### 11. CREDITORS: amounts falling due after more than one year

	2024	2023
	£	£
Hire Purchase	-	-
Loan	1,313,495	1,538,665
	<u>1,313,495</u>	<u>1,538,665</u>

**Bank Loan - repaid by equal monthly instalments over a 20-year period which started in July 2011**

Amounts falling due:

In one year or less or on demand	225,171	225,171
Between one and two years	225,171	225,171
Between two and five years	675,512	675,512
In five years or more	412,812	637,982
	<u>1,538,666</u>	<u>1,763,836</u>

Interest is charged at 0.86% plus Base Rate and is secured by the following charges:

- Charge over The Grove, Gosforth, Newcastle upon Tyne dated 26/09/2006;
- Charge over Land and Buildings at the junction of The Grove and Moor Road South, Gosforth, Newcastle upon Tyne dated 29/06/2007;
- Charge over 39/41/43 Linden Road and 30 West Avenue, Gosforth, Newcastle upon Tyne dated 29/06/2007;
- Charge over Ascham House, 21 North Avenue, Gosforth, Newcastle upon Tyne dated 16/11/2011.

## 12. FINANCIAL INSTRUMENTS

	2024 £	2023 £
Financial assets measured at amortised cost (a)	1,418,571	1,402,480
Financial liabilities measured at fair value	-	-
Financial liabilities measured at amortised cost (b)	<u>(2,518,760)</u>	<u>(2,575,943)</u>
Net financial liabilities	<u>(1,100,189)</u>	<u>(1,173,463)</u>

(a) Financial assets include stock, cash, trade and fee debtors and other debtors

(b) Financial liabilities include deposits, fees in advance, trade creditors, other creditors and bank loans

Impairment losses charged to financial assets measured at amortised cost in the year amounted to £0.

## 13. LEASES

The company has a number of operating leases for computer equipment, minibus and photocopiers. A twenty-year lease of property at 1 Moor Road was signed in February 2016. The first break clause was in Year 5, February 2022. As six months' notice is required to action this break clause, and that date has passed, the next break clause is in Year 10, February 2027. Rents payable up to that break clause are included below. A new lease for photocopiers, signed in February 2022 became operational in April 2022, and is reflected in the table below. A five-year lease for the rental of 51 desktops was signed in June 2021.

A new three-year lease for the rental of laptops for one-to-one use by staff and two pupil year groups was agreed in August 2021 and became operational in September 2021. A second lease for the remaining senior school year groups became operational in April 2022.

The future minimum lease payments under non-cancellable operating leases are committed to be paid in the following periods:

	2024 £	2023 £
In less than one year	100,162	137,913
Between 1 year and 5 years	85,529	187,300
In more than 5 years	-	-
	<u>185,691</u>	<u>325,213</u>

**14. RECONCILIATION OF NET DEBT**

	At 1 Sept 2023	Cashflows	New finance lease	At 31 Aug 2024
	£	£	£	£
Cash	1,322,852	38,962	-	1,361,814
Finance Leases	(9,752)	9,751	-	(1)
Loans falling due within one year	(225,171)	-	-	(225,171)
Loans falling due after more than one year	(1,538,665)	225,171	-	(1,313,494)
<b>Total</b>	<b>(450,736)</b>	<b>273,884</b>	<b>-</b>	<b>(176,852)</b>

**15. FUNDS OF THE SCHOOL**

The School's funds are analysed under the following headings.

**a) RESTRICTED FUNDS**

The restricted fund relates to a fundraising campaign in which donors can specify whether the funds are to be used for:

- Providing assistance with fees and/or
- For use in capital projects

Once funds have been used for providing Assistance with Fees a transfer is made to the General Fund. Once funds have been used against capital projects, a transfer is made to the Designated Fixed Fund. Restricted funds are held in a separate designated bank account.

**b) UNRESTRICTED FUNDS**

Unrestricted funds represent accumulated income from the School's activities and other sources that are available for the general purposes of the School.

The General Fund represents the free funds of the charity which are not designated for particular purposes.

**c) DESIGNATED FUNDS**

The Designated Fixed Asset Fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of tangible fixed assets that have been purchased using restricted funds but for which the use of the asset, once purchased, is unrestricted.

The depreciation of the Designated Fund assets is transferred to the general reserve each year.

The Designated Capital fund was formed from the accumulated surpluses on historical trips and clubs and will be used to fund capital projects.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

<b>As at 31 August 2024</b>	<b>Fixed Assets £</b>	<b>Investments £</b>	<b>Net Current Assets/ (Liabilities) £</b>	<b>Long Term Liabilities £</b>	<b>Total £</b>
<b>General Funds:</b>	6,917,897	2,113	64,102	(1,313,495)	5,670,617
<b>Designated Funds:</b>	-	-	14,047	-	14,047
<b>Restricted Funds:</b>	-	-	211,508	-	211,508
	<u>6,917,897</u>	<u>2,113</u>	<u>289,657</u>	<u>(1,313,495)</u>	<u>5,896,172</u>

<b>As at 31 August 2023</b>	<b>Fixed Assets £</b>	<b>Investments £</b>	<b>Net Current Assets/ (Liabilities) £</b>	<b>Long Term Liabilities £</b>	<b>Total £</b>
<b>General Funds:</b>	6,990,678	2,113	130,398	(1,538,665)	5,584,524
<b>Designated Funds:</b>	1,868	-	72,654	-	74,522
<b>Restricted Funds:</b>	13,888	-	194,380	-	208,268
	<u>7,006,434</u>	<u>2,113</u>	<u>397,432</u>	<u>(1,538,665)</u>	<u>5,867,314</u>

**17. SUMMARY OF MOVEMENTS ON MAJOR FUNDS**

<b>Current Year</b>	<b>At 1 September 2023 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Reval'n £</b>	<b>Transfers £</b>	<b>At 31 August 2024 £</b>
<b>General Funds:</b>						
General Fund	5,584,274	5,826,865	(5,852,553)	-	111,781	5,670,367
Music Prize Fund	250	-	-	-	-	250
<b>Designated Funds:</b>						
Fixed Asset Fund	1,868	-	-	-	(1,868)	-
Capital Fund from trips	70,230	-	-	-	(58,222)	12,008
Other Fund	2,423	-	-	-	(384)	2,039
<b>Total Unrestricted Funds:</b>	<b>5,659,045</b>	<b>5,826,865</b>	<b>(5,852,553)</b>	<b>-</b>	<b>51,307</b>	<b>5,684,664</b>
<b>Restricted Funds:</b>						
Fundraising - Assistance with Fees	194,211	55,726	-	-	(39,029)	210,908
Fundraising - Capital Projects	13,888	-	-	-	(13,888)	-
Fundraising - Assistance with Fees or Capital Projects	90	-	-	-	(90)	-
Other	80	-	(1,180)	-	1,700	600
<b>Total Restricted Fund:</b>	<b>208,269</b>	<b>55,726</b>	<b>(1,180)</b>	<b>-</b>	<b>(51,307)</b>	<b>211,508</b>
<b>Total Funds:</b>	<b>5,867,314</b>	<b>5,882,591</b>	<b>(5,853,733)</b>	<b>-</b>	<b>-</b>	<b>5,896,172</b>

<b>Prior Year comparison</b>	<b>At 1 September 2022</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Reval'n</b>	<b>Transfers</b>	<b>At 31 August 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>General Funds:</b>						
<i>General Fund</i>	5,632,556	5,354,304	(5,430,632)	-	28,046	5,584,274
<i>Music Prize Fund</i>	250	-	-	-	-	250
<b>Designated Funds:</b>						
<i>Fixed Asset Fund</i>	1,868	-	-	-	-	1,868
<i>Capital Fund from trips</i>	71,614	3,552	(4,936)	-	-	70,230
<i>Other Fund</i>	723	1,700	-	-	-	2,423
<b>Total Unrestricted Funds:</b>	<b>5,707,011</b>	<b>5,359,556</b>	<b>(5,435,568)</b>	<b>-</b>	<b>28,046</b>	<b>5,659,045</b>
<b>Restricted Funds:</b>						
<i>Fundraising - Assistance with Fees</i>	222,256	-	-	-	(28,046)	194,211
<i>Fundraising - Capital Projects</i>	13,888	-	-	-	-	13,888
<i>Fundraising - Assistance with Fees or Capital Projects</i>	90	-	-	-	-	90
<i>Other</i>	100	-	(20)	-	-	80
<b>Total Restricted Fund:</b>	<b>236,334</b>	<b>-</b>	<b>(20)</b>	<b>-</b>	<b>(28,046)</b>	<b>208,269</b>
<b>Total Funds:</b>	<b>5,943,345</b>	<b>5,359,566</b>	<b>(5,435,588)</b>	<b>-</b>	<b>-</b>	<b>5,867,314</b>

## 18. PENSION SCHEMES

Retirement benefits to employees of the School are provided through one defined benefit scheme, which are funded by the School's and employees' contributions.

### Defined benefit scheme - Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £520,054 (2023: £455,111) and at the year-end £72,257 (2023 - £52,135) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Following a consultation with eligible teaching staff during 2024, it has been agreed that those wishing to stay within TPS can do so and will sacrifice salary to a value of 5.0%. Those wishing to exit the scheme can do so and join a school defined contribution scheme with Royal London Pensions, where the school will maintain an employer contribution of 21.68%.

#### **Defined contribution scheme**

Newcastle School for Boys contributed in the year to the money purchase group personal pension scheme managed by NOW:Pensions. Contributions of 5% were made for the employee and from 3% to 5% for the employer. The employer's contributions are charged in the Statement of Financial Activities in the period in which the salaries to which they relate are due. The employer's contributions in the year amounted to £24,516 (2023: £18,879). At 31 August 2024 there were £5,314 accrued pension contributions for this scheme (2023: £3,930).

Following consultation, the school will from 1 September 2024 offer a defined contribution scheme operated by Royal London Pensions with employer contributions maintained at between 3% and 5%.