



**Royal Conservatoire
of Scotland**

A Company Limited by Guarantee

Annual Report

And

Financial Statements

For the Year Ended 31 July 2025

**Company Registration No. SC04703
Charity No: SC015855**

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PATRONS AND OFFICE BEARERS

PATRONS

Patron	His Majesty King Charles III
President	Nicola Benedetti CBE DMus Hon RCS
Vice President	Dr Bridget McConnell CBE FRSE EdD
Vice President	Lord Vallance of Tummel DCon Hon RCS
Patrons of the Junior Conservatoire	Nicola Benedetti CBE DMus Hon RCS Patrick Doyle Kate Dickie

OFFICE BEARERS

Chair of Governors	Professor Dorothy Miell OBE FRSE
Principal	Professor Jeffrey Sharkey FRSE
Secretary	Professor Vicky Gunn
Registered Office	100 Renfrew Street Glasgow G2 3DB

PROFESSIONAL ADVISERS

Bankers

The Royal Bank of Scotland plc 10 Gordon Street Glasgow G1 3PL	Bank of Scotland PO Box 545 Faryners House 25 Monument Street London EC3R 8BQ	Convera UK Alphabeta Building 14-18 Finsbury Square London EC2A 1AH
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External Auditors	Internal Auditors	Investment Advisors
AAB Audit and Accountancy Limited 133 Finnieston Street Glasgow G3 8HB	Azets Exchange Place 3 Semple Street Edinburgh EH3 8BL	Rathbones Investment 10 George Street Edinburgh EH2 2PF

Solicitors

Clyde & Co (Scotland) LLP	Pinsent Masons LLP	Morton Fraser MacRoberts LLP
144 West George Street	141 Bothwell Street	60 York Street
Glasgow	Glasgow	Glasgow
G2 2HG	G2 7EQ	G2 8JX

CHAIR'S REVIEW

The Royal Conservatoire of Scotland (RCS) is Scotland's national conservatoire and is highly distinctive in the range of performing and production arts disciplines taught and researched here. I'm very proud of the vibrant community of students, staff, alumni, governors, trustees, donors, supporters and stakeholders working together to nurture artists and creative producers of the future who, through their creativity and skills, will make a positive difference in the world.

As an ensemble institution, RCS remains committed to being both excellent and innovative in that mission. Over the past year academic colleagues, led ably by Deputy Principal Professor Lois Fitch, have been engaged in the review of 20 + academic programmes including UG and PGT, with several new programmes introduced including blended Masters for upskilling arts professionals. Thanks to this careful preparatory work over the past year, the 2025-26 Academic Year sees the introduction of a new dance top-up degree representing first articulation opportunities for College students into RCS in over a decade, and an 'Arts With Community' degree programme as well as accredited access routes unlike anything else in the UK conservatoire sector. An extensive central timetable project has enabled the accommodation of these new and diverse programmes by rationalising space, the systems for managing it, and creating greater equity in space allocation

Students too have been active contributors to community and future-planning, and I thank the Student Union leadership team of Ulysse Tonnele Verjus and Dale Thrupp and their SU colleagues for their collaborations with programme teams focused on improving the student experience, as well as their leadership in developing change-making initiatives including the impressive green wall installation within the student IT suite. Sustainability as part of the journey towards Net Zero continues to be a priority for RCS and the investment in and fitting of solar panels at Wallace Studios this year has been a noteworthy achievement. We are already seeing a reduction in energy consumption and hope in time to generate modest revenues from additional capacity.

The creative industries make an increasingly significant contribution to Scotland and the UK's sustainable economic growth, and supporting our students and alumni to make the most of their skills within the creative economy has been a successful focus of RCS's Engagement team. Their work through the Creative Enterprise Development Office (CEDO), a free-to-access service offering one-to-one clinics, workshops, mentorship, skills development, funding opportunities, and tailored support develop careers, projects, or business ideas is supporting students and alumni on to entrepreneurial pathways. Already, RCS produces, proportionately, more entrepreneurial graduates than any other university in Scotland (HESA Graduate Outcomes Surveys) and this is testament to many things including the vocational nature of RCS teaching as well as the creativity and entrepreneurial energy of our students and staff.

It is no secret that these are challenging times to be in the business of Higher Education. Over the past six years public funding for the sector in Scotland has contracted in real terms by around 20% and we are seeing some institutions having to undertake significant savings and restructuring to ensure they remain sustainable. Alongside the reduction in public funding there have been - and continue to be - a range of external factors such as inflationary pressures on energy and other costs, the increase to Employers' National Insurance and a forthcoming increase in employers' pension contributions. These are known headwinds which put the modestly

positive financial position achieved by RCS this year in context. There is no doubt that we have no room for complacency. Wherever we can, we continue to bolster against these headwinds through innovating, saving costs where we can and seeking to generate funds from a variety of new sources.

In facing such challenges, I am grateful for the support of all staff and Board members whose work enables all that RCS achieves. Despite these persistent headwinds, there remains a very positive working culture amongst the Board and Conservatoire Senior Management Team, with genuine openness to discussion and no barriers to constructive challenge and debate. I thank all of my Governor colleagues for their contributions and my particular thanks to Dr David Hare who recently stood down from Board after serving as our Senior Independent Governor, responsible for steering us through to a positive outcome in the 2024-25 quinquennial external governance review

Change is a constant and I recognise the quality of commitment across RCS to continuous development and improvement. In this space much credit is due to the new People and Culture Committee which is already embedding itself effectively within the institution and helping address positively some of the issues which impact on the community. I'm also appreciative of the contribution RCS alumni make to supporting the next generation of students through donating financially or in kind through practical avenues such as masterclasses and mentoring.

It would be remiss to conclude without mentioning further positives such as the breadth and depth of wonderful performance RCS students and staff contribute on a weekly basis to the cultural ecology of Scotland and the joy of RCS graduation ceremonies in which there is the privilege of sharing the hard-won wisdom of our Honorary Doctors; this year esteemed musician Wynton Marsalis, multi award-winning theatre designer Bunny Christie and legendary performer Lulu Kennedy-Cairns.

Finally, my thanks to our Principal Professor Jeffrey Sharkey, his senior management team and my board colleagues for their leadership and unswerving commitment. In celebrating the contribution that they and all staff, students, donors, supporters and stakeholders make to the continuing story of this special place, it is important to recognise that, through collective effort, RCS, in spite of all challenges, is indeed a world-leading institution of which we all, and Scotland too, should feel rightly proud.



Professor Dorothy Miell
Chair

REPORT OF THE GOVERNORS

The Governors present their report together with the audited financial statements for the year ended 31 July 2025.

Constitution

RCS is a company limited by guarantee and having capital divided into shares with a Company Registration No.SC04703. It was incorporated as the Glasgow Athenaeum in December 1900, having been established in 1847 to provide further education for adults in the fields of commerce, science, and the arts. It is now an institution of higher education and was awarded degree awarding powers for taught degrees by the Privy Council on 13 May 1994.

The terms of the constitution, membership, powers and proceedings of the Board of Governors are currently set down in the Memorandum and Articles of Association as varied by, and in conformity with the provisions of, The Royal Conservatoire of Scotland Order of Council 2014 No. 268 as amended by The Royal Conservatoire of Scotland Amendment Order of Council 2020 No.3.

RCS is recognised by HMRC as a charity and is registered with the Office of the Scottish Charity Regulator – No.SC015855.

Corporate Structure

A representative of each of the key constituencies of RCS holds a block of shares. Those constituencies are: students represented by the President of the Students' Union; staff represented by their elected staff Governors; senior management and Academic Board represented by the Principal; and the Chair representing the Board of Governors and wider society. A descendant of one of RCS's philanthropic founding families also retains a shareholding. Shareholders are entitled to vote at the Annual General Meeting to which all staff, students and a wide range of external stakeholders are invited with the opportunity to ask questions.

Principal activity

The principal activity of RCS is the provision of teaching, learning and research in, and for, the performing arts. Programmes offered range from short courses for young children through to PhD and include all genres of the performing arts and arts education.

Vision

A sustainable community that nurtures, supports, and celebrates inclusive art making from grass roots to world-leading performance and production.

Mission

For RCS's education engagement and research in the performing arts to be a catalyst to shape the future of art forms, artists, and society.

Values

- Creative courage
- Compassion
- Constructive challenge
- Curiosity
- Craft, rigour and talent
- Community

STRATEGIC REPORT

Financial Review

The financial sustainability of RCS underpins the strategic plan, and the target is to generate operating surpluses and sufficient cash to support future investment in people, estates and infrastructure and ultimately enhance student experience.

This year RCS reports a surplus before unrealised gains and losses of £1.78M (2024: a surplus of £1.57M).

This represents a positive outturn for the year in an environment where there are still significant cost pressures – in particular, the uplift to employers' national insurance from April 2025, the impact of inflation and additional costs incurred in the phased implementation of a new ERP system.

Summary

	2025	2024
	£'000	£'000
Income	32,273	30,684
Expenditure	(30,356)	(28,768)
Surplus before other gains and losses	1,917	1,916
Gain/(loss) on disposal of fixed assets	80	(7)
Realised loss on investments	(220)	(340)
Surplus before unrealised gains and losses	1,777	1,569
Unrealised gain on investments	278	711
Surplus for the year	2,055	2,280
Underlying operating surplus*	1,646	(525)
Capital expenditure (excluding donations in kind)	810	305
Cash and cash equivalents and short-term deposits	8,056	5,196
Net current assets	7,221	5,931

*Underlying operating surplus is calculated as follows: surplus before other gains and losses adjusted for restricted funds, permanent and expendable endowment net movement for the year excluding investments and adjusting for the actuarial loss on pension schemes and excluding exceptional donation from the RCS Endowment Trust in 2023-24.

Income

Total income for the year was £32.3M, an increase of £1.6M (5%).

Funding Council grants increased by £0.6M due to the introduction of the new KEIF grant and compensation for the increase in employers' contributions to the Scottish Teachers' Pension Scheme for the year to April 2025. Tuition fees increased by £1.7M mainly due to growth in fees from international students of £1.1M and in pre-HE activity of £0.4M. Other income was boosted by an increase in the theatre and orchestral tax relief claim of 0.25M and other grant income of £0.4M in support of a project to install solar panels at the Wallace Studios. Donations for the year were £0.98M, which were lower than the previous year, which included an exceptional donation from the RCS Endowment Trust.

Expenditure

Total expenditure increased by £1.5M (5%).

Staff costs rose by £2M due to an increased overall staff full time equivalent complement, the annual pay award including a non-consolidated award to certain grades, annual increments and an increase in employer national insurance contributions from April 2025. There was also a reclassification of costs from non-staffing to staffing for the year. Overall pension charges, including FRS102 service charges, increased by £0.3M.

Other operating expenses reduced by £0.4M partly due to the reclassification of non-staffing costs to staffing costs. This was partly offset by an increase in utility and insurance costs; an increase in building maintenance contract pricing and an increase in required building repairs during the year. Other increases included investment manager fees, an exchange loss on a US federal government student loans bond, additional rental of external office space and marketing costs for our new blended masters' programme.

Balance Sheet

Fixed Assets

The net book value of fixed assets increased by £0.4M, reflecting the addition of solar panels, additions to equipment and musical instruments and an uplift in the revaluation of donated stringed and other musical instruments.

Investments

The market value of investments remained at a similar level to the previous year with realised losses offset by unrealised gains.

Trade and Other Receivables

Trade and other receivables have reduced by £1M primarily due to the receipt of a sum of £1.5M from the RCS Endowment Trust due at the previous year end and an outstanding claim for theatre and orchestral tax relief.

Creditors – amounts falling due within one year

Short term creditors have increased by £0.7M due to deferred income in relation to KEIF grants and short courses and junior conservatoire of stage and screen.

Movement on Reserves

General reserves have increased to £26.3M from £24.6M, reflecting the surplus for the year and release from restricted funds.

The revaluation reserve has increased as a result of a revaluation of donated stringed and other musical instruments.

Cash flow and liquidity

Cash on hand including short-term investments at 31 July 2025 was £8.1M (2024: £5.2M), an increase of £2.8M which is due to the operating surplus and a decrease in debtors and an increase in creditors. The cash balance also benefited from the sale of several stringed instruments during the year.

Summary of Investment Performance:

RCS's investments are managed on a discretionary basis by a professional fund manager on behalf of the Board of Governors and monitored by the Finance and General Purposes Committee. The total return across the managed portfolios for the year was as follows:

Benchmark (CPI +3% compounded monthly)	Total Return	Over/Under Performance
6.9%	3.4%	(3.5%)

There are five portfolios, three of which are identical in terms of asset allocation, stock selection and the weightings in individual holdings. The General Fund provides income for unrestricted use within RCS; the Prize Fund provides income to fund annual prizes, and the Piano Fund provides income in support of instrument leasing charges. The remaining two portfolios were created from donations received, one as a permanent endowment and one as an expendable endowment.

The portfolio holdings are diverse both in geography and sectors. This diversified approach aims to mitigate stock and sector specific risk and to where possible reduce portfolio volatility.

The latter part of 2024 proved challenging, as global equity markets were driven by a narrow rally in a small number of large US technology stocks. Entering 2025, a series of external events contributed to heightened market volatility. The Conservatoire's diversified portfolio demonstrated resilience during this turbulent period, limiting losses relative to global equity markets. The subsequent recovery saw the portfolio rise in the last quarter, supported by timely tactical additions at attractive valuations. More broadly, allocations to technology and financials generated the majority of returns over year, with nine of the top ten contributing assets belonging to these two sectors.

RCS will not invest directly in companies which derive more than 5% of their revenues from the following sectors: oil and gas exploration, coal mining, armaments or tobacco. Additionally, RCS will not invest directly in companies that are classified by Morgan Stanley Capital International as failing to comply with the UN Global Compact International agreement.

Challenges presented by the geo-political situation and the cost-of-living crisis and mitigating actions

Geo-political instability and economic uncertainty in key international markets continue to create a difficult operating environment for RCS.

International students continue to be included in the political narrative at a UK level as part of the immigration debate and policy developments (including the proposal to introduce an international tuition fee levy) generally send out hostile signals which are unhelpful when the institution is trying to attract and grow the number of high-quality students from overseas – a critical part of sustainability plans. Proposals in the US to introduce restrictions and new sets of criteria will make it more difficult for some students to access federal loans to finance study abroad and this is a market where RCS wishes to grow.

A growing number of students are experiencing economic hardship which can be exacerbated by volatile factors such as exchange rate movements and the impact of high inflation on day-to-day living expenses. We are seeing an increase in the number of students choosing to convert from a 2-year Masters' programme to a 1-year MA part way through the year, primarily for financial reasons.

RCS is continuing to refresh, develop and diversify the portfolio of programmes and modes of delivery to respond to changing market demand and to allow engagement with a wider constituency of potential learners in Scotland and beyond. Recruitment is now a year-round activity which involves a much higher level of engagement with applicants and offer holders to increase conversion rates. Underpinning this is a drive to increase overall scholarship, bursary and hardship support available to students. We are also working to make the best use of the resources – human, physical and virtual - that are available to us to mitigate the cost pressures facing the institution.

Future prospects

RCS has made a surplus for the year before other gains and losses of £1.9M, a much better outturn than the original budget deficit. Much of this result is attributable to strong student recruitment and retention which allowed for the release of contingency funds, improved contribution overall from pre-HE activities, increased income from donations and in-year one-off grants, but it is also due to overall departmental expenditure coming in under budget for the year.

The budget surplus for 2025-26 forecasts a small deficit with a slightly higher deficit forecast for the year beyond. This is predicated on further growth in student numbers which is required to absorb increases in staff costs including the full annual impact of the increase in Local Government Pension Scheme employer contributions after the 2-year period of a reduced rate takes effect.

For 2025-26 it is evident that there will be a shortfall in HE overseas student recruitment against target which will require the early deployment of contingency funds set aside for such an event. This is of concern because of the knock-on effect on future years and the limited scope RCS has to re-balance these numbers quickly, as most cohorts have a relatively inflexible upper limit on numbers.

This will require a review of performance over this past year to identify opportunities to make savings and a renewed focus on identifying further cost efficiencies over the

course of the coming year across the institution including an assessment of the volume of fee paid contracts and seeking rationalisation of provision where programmes can appropriately share delivery/provision while maintaining quality and discipline-specific outcomes. We will also need to increase our collective effort to meet the challenges of recruitment to achieve revised targets to make up as much of the 2025-26 shortfall as possible. With a longer run-in to market them effectively, this includes increasing the size of the second cohort of the new blended Masters programmes. Opportunities to alter the balance of recruitment in certain areas to increase overall tuition fee yield will be sought. We will also continue to try to grow pre-HE activities including international partnerships to achieve improved contribution levels.

With significant additional income from KEIF the pace of delivery of the engagement strategy is picking up and a suitable location is being sought within Glasgow to house an Innovation Hub.

Fundraising efforts will concentrate on securing major gifts and expanding North American prospect development in addition to continuing to build and develop with the alumni network and align this engagement with fundraising initiatives.

Artificial Intelligence

The advent and development of generative AI have the ability to affect many areas of RCS's activity; presents both risks and opportunities and will play an increasing part in future planning across the institution.

We have a current "[Acceptable Use of Generative AI Policy](#)" which aims to ensure that artificial intelligence (AI) is used within the RCS safely, lawfully, ethically, and equitably. The policy recognises that AI has the potential to reduce workload for staff and students, and free up time for them to focus on excellence in teaching and learning, as well as providing a tool for creative work. The policy also recognises that generative AI is a new and emerging area of technology and is subject to rapid change, particularly around the tools available and their technical evolution. The policy recognises that the use of AI creates concern in areas of data protection, sustainability, bias, and intellectual property.

The current policy places the onus on staff and student to use the tools responsibly and ethically, but feedback from staff has indicated that they would welcome more direction in the use of AI in a learning & teaching context. To that end, the Digital Development Planning Group is currently reviewing the AI Acceptable Use Policy, recognising the challenges of creating guidance that covers staff and students, and both academic and professional services staff. The problems of equity of student experience alongside the current policy of individual academic staff members making decisions on the use of AI in assessments are under review and this work is being directed by a sub-group of LTQC (which includes a member of the Board of Governors). A traffic light system of AI use in assessment is being considered as a possible way to create balance between clarity and equity for students, and flexibility for staff working in different subject areas. Additionally, institutional position statements on the use of AI across different work areas such as professional services, learning and teaching, and research, are being considered alongside policy on misconduct and the misuse of AI.

KEY PERFORMANCE INDICATORS

The Conservatoire Senior Management Team (CSMT) has been working to refine and rationalise institutional KPIs into the most appropriate set to improve monitoring by the Board of institutional performance through a dashboard. To that end a workshop was organised through Advance HE with the aim of reaching agreement on which KPIs to focus on across the Strategic Plan objectives. This work is in the process of being finalised and the table below summarises key performance metrics for the year compared with the previous year.

HEADLINE METRICS		2024-25	2023-24
		£,000	£,000
1. Stabilise financial health	Underlying operating surplus/(deficit)	1,646	(525)
2. Grow HE fee income	Music	6,488	5,102
	School of Stage and Screen and Dance	3,324	3,353
	Cross Conservatoire	231	180
	Research	189	218
	Application fees	234	241
		<u>10,466</u>	<u>9,094</u>
3. Grow pre-HE student income	Junior Conservatoire of Music	1,390	1,361
	Junior Conservatoire of Stage and Screen and Dance	1,028	982
	Short courses	<u>1,119</u>	<u>824</u>
		<u>3,537</u>	<u>3,167</u>
4. Grow value of external research contracts	Research grants and contracts excl SFC	126	104
5. Number of Research Outcomes	Applications for external funding	22	11
	Research outputs	72	76
6. Grow fundraising income	Restricted	571	608
	Unrestricted	368	<u>1,693*</u>
		<u>939</u>	<u>2,301</u>
7. Generate positive cash	Movement in cash including short term investments	2,920*	(541)

		2024-25	2023-24
		No.	No.
8. Grow income raised for scholarships	Income raised for RCS Trust (excluding ABRSM)	1,027	1,326
9. Grow higher education student numbers (at the end of the academic year)		1,219	1,189
10. Remain in World top 10 in QS World Rankings	QS World ranking	6	6
		%	%
11. Maintain the Student Achievement Rate	SAR	93	96
12. Improve the student experience	National Student Survey – overall satisfaction	74	75
13. Maintain excellent graduate outcomes	Percentage of relevant cohort in work or further study	93	92
14. Fulfil Commission for Widening Access Outcome aspirations	Percentage of SIMD 20 undergraduate entrants	13	17
15. Reduce carbon emissions year on year	Scope 1 and 2 carbon reduction	-14%	+5%

*Includes a donation of £1.5M from the RCS Endowment Trust which was included in the annual report and accounts in 2023-24 and paid to RCS in August 2024.

The underlying operating result for the year has improved and moved from a deficit to a surplus. A significant contributor to this has been the growth in student numbers, despite the fact that some programmes ceased or were running down to closure, and tuition fee income in HE. Boosted by the introduction of the fee reset for incoming students in 2024-25, this saw an increase of 15%. Fee income from pre-HE activities also increased during the year by 13%. Income from fundraising, discounting the exceptional donation last year from the RCS Endowment Trust, has increased by 17%. The positive cash generation for the year includes the donation noted above.

Income raised for scholarships can be influenced by the timing and amount of legacy donations which were higher during 2023-24.

The headline metrics show that RCS is making progress with its strategy but growth in student numbers in both higher and pre-higher education and short courses still lags where it needs to be as a vital component of future financial sustainability plans and linked to that the need to raise significantly more donations for scholarships.

Strategic Plan Development and Performance

The vision, mission, values and objectives of the Strategic Plan 2023-30 can be viewed and will be evaluated through three perspectives: people, place and promise within which are grouped nine high level objectives and delivered via operational plans. These are noted below together with development and performance throughout the year.

People:

Objective 1: Talented and motivated staff who use artistic, research, professional and industry developments to enhance the Conservatoire's international leadership in multi-arts education from pre-HE to all ages

Over the course of 2024-25 the People and Culture Committee has continued to focus on staff experience and development needs and has been working to develop:

- institutional induction programmes;
- performance and development review processes;
- structured and less structured channels of communication across RCS including the implementation of a Staff Forum and the re-introduction of termly Town Hall meetings;
- a 'Key Person Risk' assessment framework;
- a Critical incident Response framework;
- and to investigate potential for a central group to receive and respond to issues relating to systems/processes/procedures to identify potential improvements.

An action plan based on a benchmark staff survey in 2023-24 is progressing and as a result, a Staff Development Week is taking place at the outset of 2025-26 which includes staff from all departments, recognising staff requests for more information and support, and dedicated time to discuss issues in depth. Previous years had held events over two days.

A number of existing staff have been able to develop their contribution, devising learning provision in community arts and credit-bearing access programmes. Dance provision has expanded at both Pre-HE and HE levels (now designated in the School of Dance) with the addition of new disciplines, including a Dance Artists top-up degree starting in September 2025. The calibre of staff RCS has been able to attract and develop to contribute to these new programmes has also brought new expertise that will benefit the portfolio more widely, including using AI in learning.

The NSS survey is now slightly different in Scotland when compared with the rest of the UK where our main competitors operate. The question asking students to rate their 'overall satisfaction' with their experience is no longer asked elsewhere in the UK, and although there remains a challenge for RCS to improve its results for this question, benchmarking against UK Conservatoire competitors is better focused on performance in each of the 'themes' into which questions are grouped. Across these themes, RCS performs generally well or very well, with the library and learning

resources consistently featuring in the top three results in the UK. The quality of teaching on courses and student support is also highly rated. Assessment and Feedback scores have improved recently, owing to clearer communications with students about the purposes of assessments and feedback, and the widespread use of discipline-specific rubrics and a thriving quality culture that engages staff in feedback-for-learning practices. The Organisation and Management theme is disappointing, and several interventions in 2024-25, including a significant student experience project led by the SU and a central timetabling exercise have sought to improve students' response to this theme in future surveys.

Staff continue to be supported to access development opportunities including the PGCert, MEd and HEA Fellowship, as well as to access Athenaeum Awards in research and/or Knowledge Exchange. RCS is fully engaged in the University and Colleges Employers' Association's work with the sector to consider the future pay spine, and institution-specific reward and recognition pathways within the context of financial sustainability planning.

RCS was once again ranked highly in the QS World rankings maintaining its position at No 6.

Objective 2: Students and graduates who create the future of performance and production, specialising and collaborating successfully

Student recruitment in 2024-25 was healthy, with international targets met, which was not common across the sector. This was a particularly strong outcome given the fee reset was introduced for this year, although there has been an increase in the levels of tuition-fee related debt which is being closely monitored. In the 24-25 recruitment cycle for matriculation in 25-26 international targets have not been met, with changing applicant and offer holder behaviours observed, including an increase in requests to defer and late withdrawals. Whilst applicant numbers remained high across all fee categories, financial constraints on individuals and global economies – particularly China – and geo-political instability has undoubtedly impacted applicant behaviours. In this context, the importance of our continued very high retention, progression, completion and achievement rates has never been stronger, as the message is clear that the investment in studies does result in success and reliability of employment in highly skilled roles. Our recruitment approach in future cycles will learn from analysis of student behaviours and trends in the 2024-25 cycle.

In 2024-25 a number of significant steps were taken towards enhancing the Conservatoire's specialist provision, offering broader and more flexible modes of study at all levels. Whilst all post-graduate taught provision was successfully revalidated, a number of new programmes were introduced:

- MA/MFA Production
- BA Dance Artists
- BA Arts with Community and Fair Access Programmes (Access to Arts with Community, Access to Music Education and Access to Production)
- MA/MFA Arts Leadership & Fundraising – blended learning
- MA/MFA Creative Arts Practice – blended learning
- Music Advanced Artist Diploma (Accredited by the University of St Andrews)

The creation of the School of Dance has enabled the alignment of pre-HE provisions in Dance with the HE programme, and the Scottish Ballet Associates programme, ensuring a high-quality pipeline of dance talent. In the time since the Modern Ballet programme began, when there were no Scottish dancers in the national company, as of 2024-25 there are seven. The introduction of the Dance Artists programme (one cohort per annum) adds a new dimension to the offering in this disciplinary area.

The new BA Arts with Community was conceived and validated with the goal of developing leadership skills, access to the Conservatoire for marginalised groups of learners and engaging new partner communities (and therefore potential new employers for graduates).

New blended programmes were late to market within the 24-25 cycle and recruited approximately a third of planned student numbers. With a longer planning and recruitment cycle through 2025-26, it is anticipated that the numbers will be higher in future iterations, leading to scoping work to assess the potential benefits of opening an additional matriculation point in January of each academic year.

The innovative Artist Diploma – the first such award of its kind at Level 12 in Scotland will enable the very highest achieving artists to receive professional endorsement of their creative practice, making a genuinely original contribution in their field. This award should attract a student profile that has not been an option in Scotland previously, as well as irrigate the profession with exceptional artists and collaborators.

Throughout 2024-25 students played a significant role through the agency of their SU – now represented by two sabbatical officers – working with design teams on the revalidation and validation programmes. Students were present on every panel as well as involved in consultation with external panel members in each review. Every panel included external industry professionals and educators in the relevant discipline, ensuring that provision is offering the best possible alignment with industry, anticipating and responding to developments in the profession. Scottish Ballet's performance medicine team collaborated closely with the staff team and students to support students' wellbeing and to educate them on safe practice, nutrition and to support long and healthy careers. Virtually every student in Stage and Screen now engages in the creation of new work in their curriculum, a vital skill that enables lifelong employment and creative innovation as well as an entrepreneurial mindset in graduates. Departments built on inter-disciplinary collaborations such as those pioneered by piano and dance, so new initiatives were introduced including a collaboration between composers and choreographers.

An objective of curriculum review was to rationalise activity, removing a proliferation of optional courses, and replacing them with innovative interdisciplinary and extended practice courses offered in two intensive weeks, one per term to all UG and PGT students. This has enabled smarter use of space and facilities weekly in term time for core programmes. The breadth of options that were previously offered in the curriculum have been repurposed as commercial short courses, generating additional income.

There continues to be a high volume of original student work showcased in particular at festivals such as Off Kilter, Emergence and On the Verge. This year also saw a

student-led project involving students from across RCS collaborating to stage an opera project based on various aspects of the Phantom of the Opera.

Students from the School of Music were involved in a staging Merchant of Venice as part of the company creating and performing an original score alongside the text as the project developed and composition students scored films made within the filmmaking programme.

Doctoral graduations in 2024-25 numbered 15, the highest so far, demonstrating the increasing popularity of doctoral study – both PhD and DPerf – at RCS. A positive and commendable review of doctoral study conducted by St. Andrews University and external experts provides confidence in both the quality of student outcomes and the ongoing benefit of the close partnership with St. Andrews University as validating institution for all Level 12 awards at RCS.

Students and graduates (and staff) at RCS continue to produce original artefacts, business propositions and innovations supported by the Creative Enterprise Development Office and the growing momentum in RCS Engagement activity, including the appointment of an Entrepreneur in Residence (see below). This work represents added value to learners, since the engagement activity is not embedded within curriculum, but in effect provides a bridge to the profession that enables students to convert their learning into real life success.

Place:

Objective 3: RCS as partner-of-choice for prestigious forward-looking organisations, artistic leaders and entrepreneurs

Our partnerships with Scottish Ballet and Scottish Opera (amongst others) have deepened as collaborative initiatives are now integrated within curriculum and student learning outcomes, increasing graduate employability potential. RCS Modern Ballet graduates are now in roles in the company, and Opera graduates are part of the SO Young Artists Programme. Students from both programmes, and others go on to secure roles in UK national companies as well as organisations such as Matthew Bourne's New Adventures.

Business Development has focused on securing high quality overseas partners for international in-country or Glasgow-based summer schools with a view to cultivating longer-term pipelines for study at all levels of RCS programmes. The summer schools look set to repeat annually in some cases, which will support the longer-term pipeline goals. As a small organisation there are some challenges with staff capacity to continue to provide input to overseas/in-country provision, whilst maintaining the intensive learning model in Glasgow, although more staff are involved as projects evolve, ensuring the load is spread across a range of faculty. Contributing to summer and short course delivery and partnerships also provides a useful CPD opportunity for many staff. Quality Assurance arrangements with international institutions also provide CPD opportunities for senior staff to act as consultants in institutional reviews/validations. We are in the early stages of leveraging some of these relationships to secure longer-term validation arrangements, all of which attest to RCS's continued global standing, and offer excellent benchmarking for programmes. International partnerships include:

- Singapore Raffles Conservatory of Music

- Joy Education International
- The Royal Muscat Philharmonic Orchestra, Oman
- The Ministry of Education, The Dominican Republic
- The College of Charleston, South Carolina

In October 2024 we launched the Conservatoire's own business start-up and enterprise support service, the Creative Enterprise Development Office (CEDO). It is a highly bespoke, free service for the RCS community offering one to one creative business clinics, workshops, funding, advice and guidance. It is tailored to support our students, graduates and staff to develop their career, their project, or their business idea. It is delivered by creative people with expertise across a range of topics such as; costing and pricing work, starting up companies, creating sustainable portfolio careers, crafting successful funding applications and building networks. This development is aligned with the Scottish Government Entrepreneurial Campus Blueprint and builds on the strong culture of cultural entrepreneurship at the Conservatoire.

In May 2025 we consolidated our informal relationship with Mark Logan OBE by appointing him as Entrepreneur in Residence. He will play a key role in unlocking the economic potential of Glasgow's creative industries through advocating for the development of a new Creative and Performance Supercluster in the city commencing with a Hub on Sauchiehall Street which will create a platform to support young creative entrepreneurs beginning their careers. His role with the Conservatoire will be stakeholder facing and will span two years during which time he will develop thinking and action around the supercluster seeking to unlock, reframe and sharpen the arguments around Glasgow's creative economy and potential for growth.

RCS continues to play a role in the work across Scotland of the Music Education Partnership Group (MEPG), with senior staff represented on its Board of Trustees, and hosting major conferences for teachers from all local authorities, as well as the Scottish Young Musician of the Year Ensemble and Soloist Finals. We remain engaged with Scottish Government, via MEPG, in discussion around accrediting instrumental instructors.

Objective 4: Playing a prominent role in national cultural leadership, as well as enhancing our global artistic and educational impact. Being active citizens of Glasgow, as well as having a positive creative impact wherever we are.

In 2024-25 RCS validated two new degrees that depart from the more typical undergraduate model – Arts with Community (BA) and Dance Artists (BA, top-up). The latter involves a relationship with Colleges in Scotland (initially, West College and Clyde College) to offer a top-up route to their well-established HND Dance Artists. The Community degree emerged from a transformation of Transitions work, which supports learners from disadvantaged backgrounds into HE. The course itself will also be supported in future by progression from three access courses which launched in August 2025. The Community course will enable engagement with communities across Scotland that have not traditionally been part of the Conservatoire's network.

Several staff undertake institutional reviews of international HE institutions, and the Deputy Principal and Director of Business Development have both been accepted as

TQER reviewers within Scotland. The review commissions, whether in Scotland or internationally via MusiQuE or directly by national Quality Boards (e.g., Iceland, Georgia) attest to the standing of leadership staff as external subject and academic infrastructure experts.

The pre-HE provision at the Conservatoire is well-established across all disciplines, and delivered at a number of sites including Glasgow, Edinburgh and Dumfries House in Ayrshire. Growth in the uptake of credit-rated short courses as well as the re-organisation of pre-HE dance provision have increased engagements with young learners as well as adult learners seeking accreditation/upskilling.

RCS graduates contribute to Glasgow and Scotland's cultural life as well as the cultural economy. A number of staff and student start-ups and social enterprises over the last year demonstrates the entrepreneurial skills embedded in the curriculum. A company formed by RCS graduates – Marmoset – was selected by UUK to be part of their campaign on the role of Universities in supporting start-up companies and highlighted in a reception in Westminster.

Objective 5: Becoming an exemplar for our sector and nation in sustainable, ethical and inclusive initiatives across our portfolio, estate and community.

Sustainability initiatives continue to build and develop across the spectrum of RCS's activities and are highlighted in the environmental sustainability section below.

The new MFA in Production and the re-validated BA production programmes are rooted in the creation of sustainable, ethical and inclusive performance and students are learning to repurpose materials and to manage productions using the Theatre Green Book.

The Students' Union undertook projects in 2024-25 including planting on the disused concrete bridge outside the front of the campus, repurposing the atrium to include plants and a green space to raise awareness of environmental sustainability throughout the student, staff and visitor body and trialling plant-based initiatives in both campuses.

During the year an EDI week takes place which involves a series of workshops, panel discussions and talks about EDI in the performing arts.

'Plays unseen but heard' is an initiative introduced which exposes students to content that is marginalised and rarely performed.

Inclusive initiatives within the wider artistic programme continued in 2024-25. Concert series included female composers and conductors, and the School of Music continued to engage in diversity initiatives to decolonise repertoire and topics of study, engaging with the organisation Black Lives in Music. With the formation of the School of Dance, the remaining disciplines regrouped as the School of Stage and Screen, which pursued an approach to programming, casting, repertoire and accent training that followed an inclusive philosophy 'Navigating Difference' – a school agreed approach shared with students, permanent and part time staff. The BA Performance in English and British Sign Language completed its third iteration and successfully recruited its fourth cohort to begin in September 2025.

Fair Access staff supported a number of care experienced/estranged students and young people with focused activities designed to draw out creative potential, enable creative responses to experiences and educate the Conservatoire community more widely about the challenges and barriers to individuals entering the arts without the advantages of consistent access to high quality provision from an early age. The Conservatoire's proportion of Scottish Domiciled Entrants (to UG study) began a strong recovery in 2024-25 having been heavily impacted by the pandemic and subsequent socio-economic downturn.

Promise:

Objective 6: Assuring a financially sustainable institutional ecology and estate to deliver a prosperous and artistically rich future for the organisation, community and Scotland.

A tuition fee reset was implemented for certain categories of incoming students from 2024-25 and it was pleasing to see that the number of applications and acceptances held up and there was also some growth in student numbers.

Changes to the curriculum in certain programmes – notably filmmaking - and planned further expansion of the portfolio against a backdrop of constraints of the current estate meant that additional accommodation had to be rented for the beginning of the academic year at Clockwise on Renfrew St to alleviate immediate pressure on space. Programme leaders have had to be creative about use of space. The introduction of the Dance Artists programme, for example, has led to a rationalisation of studio space in dance, accommodating the new cohort without requirement for additional space/facilities. Alongside the changes to programmes that were in development for introduction in 2025-26, a central timetabling project was undertaken over the course of the year with the objective to improve efficiency of space utilisation across the campus both to accommodate the additional provision and support the longer-term development of parameters for future estate strategy. The project involved the interrogation of existing booking practices, more closely aligning the allocation of space to requirements specified in programme handbooks and to introduce a more efficient transition between HE and Pre-HE activity. As a result, a significant volume of additional useable space was identified which has allowed the needs the new programmes to be accommodated from 2025-26 with only modest further additional external hire.

There is no doubt however that there will continue to be space pressures with the continued roll out of new programmes and incremental expansion of numbers planned.

All Schools were challenged to take out costs. Stage and Screen (formerly DDPF) reviewed and implemented in 2024-25 a revised production throughput that alleviated workloads on production students, and rationalised the number of productions in some programmes, whilst preserving the learning experience and capacity to support students to meet learning outcomes. Music reviewed the approach to 1:1 instrumental/vocal/composition provision. Previously this was a 90 minute per week per student allocation, with additional supporting studies (e.g., doubling instrument, accompaniment, chamber music, language class) funded in addition and divided by department. Under a new formula approach the school calculated the monetary resource per student that would fund 40.5 hours of 1:1 provision and asked Heads of Department (disciplines) to nominate the appropriate number of 1:1 hours per

student, pooling the remaining resource to fund supporting studies. Despite some initial resistance to the reduction in 1:1 time, students and staff found a greater variety of supporting studies activities could be funded, giving students a rich diet of additional opportunities as well as some agency in how the department could best support their learning needs. School of Dance recalibrated its juniors offering because in 2023-24 several classes under-recruited. Reorganising the provision in the pre-junior and junior conservatoire of dance has resulted in larger class sizes, streamlined stylistic focus (ballet, modern, jazz, creative) and clearer progression routes.

Work is underway to refresh physical and digital estate refurbishment and renewal programmes to assist with the prioritisation and planning of works and integrate this within the overall timetabling programme. As the estate begins to show signs of aging it is likely that some material items will have to be undertaken over the next 2-5 years.

The solar pv project at the Wallace Studios was successfully completed and commissioned during the year and we are seeing the benefit in reduced electricity consumption. The final stage of the project to allow the sale of surplus electricity to the Grid is nearing completion. Generous grant support for this project from EB Scotland is acknowledged.

Objective 7: Delivering ambitious philanthropic investment in student and staff success, to supplement core funding and generate more competitive scholarship capital.

Sustainability plans include diversification of income and growing philanthropic giving is part of that plan. The RCS Endowment Trust has committed to ongoing support for the fundraising team to build capacity and expand activities, an initiative which has already seen successes in 2024-25. The appointment of a number of staff posts with specialist focus has enabled the volume of applications to funds to increase, with some notable successes. Some envisaged roles have proven difficult to recruit to due to the competitiveness of the market, leading to a refocusing of the resource into reconceived posts. Having struggled to recruit as planned a Partnerships Manager, the fundraising team has worked with Remarkable Partnerships, specialists in supporting the development of corporate partnerships for the third and charity sectors. This has been a productive initiative.

The team has worked across the schools with academics (for example in Fair Access and Production) to put bids together and raise awareness of the types of projects that are attractive to a range of funders. The first year of the new Friends and Patrons programme, established August 2024, has been successful in generating new members at all levels.

The team's Alumni engagement activity included gatherings in London, Edinburgh and New York, as well as an active programme of reunions on the RCS campus. Senior stakeholder engagement included a private dinner in the Bank of England Courtroom. Network and pipeline development continues proactively in North America with a range of alumni, stakeholder and donor prospect activity undertaken in New York, Toronto, Washington and Baltimore by the International Advisory Board and underpinned by our US consultant.

RCS has been able to access more scholarship support from the RCS Trust as the ABRSM contribution continues to show significant recovery following the pandemic.

Objective 8: Delivering growth in identified areas of the portfolio to drive sustainability of the institution, local and national creative economy, and prepare employable artists to meet the demands of the creative sector.

An important area for growth in the portfolio is the expansion of blended learning programmes. Building on existing provision, two new programmes were validated for launch in 2025-26. The timeframe for the introduction was tight and with relatively late promotion the initial intake of students has been modest, but there is now a platform to build on to grow the intake for next year.

The development and validation of the two new undergraduate programmes to be launched in 2025-26: BA Dance Artist and BA Arts with Community are aimed primarily at the Scottish market, to diversify the opportunities for conservatoire-level study and widen access with close links to Further Education providers forged through the development process. Graduates of these programmes will have a direct positive impact on the local and national creative economy and there has been early interest from both RUK and overseas constituencies which we aim to build upon. The new MA and MFA in Production Arts have been designed with a view to close integration with the Conservatoire's performance output and when fully embedded across the various disciplines will make an important contribution towards reducing the overall cost of production.

The Knowledge Exchange and Innovation Fund (KEIF) and Strategy has prioritised maximising impact for students, staff and graduates, supporting innovation and entrepreneurship. The team has been particularly effective in identifying opportunities in which to invest seed money that has helped RCS and its community to maintain and enhance its impact on the creative economy in Glasgow and beyond. With a 5-year horizon, this has given us the chance to become ambitious about what we can achieve and transform through this new positioning for engagement, always an institutional strength but which has not been formally recognised as such in the past. Engagement now encompasses key aspects of the Conservatoire's relationship with the wider world. There are four broad areas of institutional engagement focus and delivery, which all of our work will fit into:

Creative Enterprise – (see CEDO above)

Innovation - Following a successful two-year pilot we re-launched Innovation Studio as a resource for the RCS community that supports creative experimentation, collaboration, and interdisciplinary work. It seeks to unlock innovative work and potential across the Conservatoire, providing dedicated time and space to learn, grow, and play. Innovation Studio offers support in the form of funding, residencies and inspiring events. While it is still a virtual resource, we hope to identify a physical home for it in order to add much needed space and equipment for innovation labs and industry engagement. It is a catalyst for significant partnership development and growth and is central to our 5-year plan.

Public Engagement - a raft of new awards came onstream during the year advancing the engagement agenda. These include the Athenaeum Engagement Awards to

support staff to develop partnerships and projects with external partners and Athenaeum Creative Health Awards.

Engagement Culture and Infrastructure Development - An Engagement Committee was established in January 2025, a development from the short life KE Enhancement Group, that was set up to implement the KE Concordat Action Plan. Convened by the Principal, the committee oversees the implementation of the Knowledge Exchange and Innovation Fund Strategy and delivery of the Engagement & Creative Economy Action Plan.

The Conservatoire's first IP policy which was approved last year went live on November 2024 and gives clarity to staff and students on the development of IP and the Conservatoire's position on it. The policy was established to provide a positive environment for commercialisation and will underpin all related policies across the Conservatoire. The next stage of this will be led by Directors of HR and R&E to ensure that all contracts and research developments align with the policy.

On the back of a commissioned piece of work to examine the culture and capacity for commercialisation in small specialist and modern institutions, a bid has been made to SFC to support the development of a shared technology transfer hub across 5 Scottish institutions. If successful, this will provide a new pathway to commercialisation for institutions working in the creative arts and humanities and areas such as food and drink and allied health. The shared service would provide industry expertise in business models and investment and establish this vital new pathway in disciplines that have not had the benefit of specialist technology transfer resource.

Two part-time impact officers were appointed whose role is to develop new pathways to measure the impact of research and public engagement, enterprise and innovation is having within and beyond the Conservatoire. Their work will also help colleagues to strengthen the impact that their work is having with our external communities.

Objective 9: Generating significant income and commercial opportunity through the expansion of areas such as specialist short course provision.

Participation in short courses and summer schools continues to rise and is reflected in an increase in both income and contribution compared to the previous year. Although still behind the original strategic plan growth target, this is a positive outcome in a difficult economic climate when discretionary spend is under pressure. The portfolio is kept under review to try and maintain and improve financial contributions and to introduce courses which will be attractive market propositions. In 2024-25 courses in music production, creative entrepreneurship for young people and intimacy co-ordination training were introduced. The team is also developing more asynchronous teaching material to be deployed in blended delivery. The central timetabling project has given better clarity to timings and availability of space for pre-HE activities to increase capacity to run classes.

There has also been a focus on further cultivation and diversification of international partners and to develop bespoke packages for delivery both in RCS and abroad. Some of these partnerships bore fruit in the summer period and into the new financial year. The intention is to build these relationships into regular annual programmes of activity which will diversify the short courses customer base and in time through these

associations, develop new recruitment pipelines for the higher education programmes.

A review of the CRM interface which is used by all pre-HE areas is underway with the objective of improving functionality, data analysis and reporting and enhancing the interface for customers.

Environmental Sustainability

Energy Use and Greenhouse Gas Emissions

The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 requires all non-quoted large companies to report the greenhouse gas emissions for which they are responsible and on any environmental matters which are material to the company's operations. This disclosure complies with the requirements of Streamlined Energy and Carbon Reporting (SECR).

Greenhouse gas emissions by year (tonnes CO₂e):

Emissions source (tCO₂e)	2024/25	% of total	2023/24	% of total
Fuel combustion: Natural gas	440	65.5%	455.5	59.9%
Purchased electricity	231.9	34.5%	305.5	40.1%
Total emissions (tCO₂e)	671.9	100.0%	761.0	100.0%
Carbon intensity: tCO ₂ e per m ² ^[1]	0.0297		0.0337	

Energy consumption by year (kWh):

Energy consumption by year (kWh)	2024/25	% of total	2023/24	% of total
Natural gas	2,405,191	64.7%	2,490,685	62.8%
Purchased electricity	1,309,903	35.3%	1,475,549	37.2%
Total energy (kWh)	3,715,094	100.0%	3,966,234	100.00%
Energy intensity: kWh per m ² ^[1]	164.46		175.58	

1. Gross internal floor area: Renfrew Street 17,881 m², Wallace Studios 4,708 m²

In 2024/25, CO₂e emissions decreased by 12% compared with the previous academic year. This reduction was primarily driven by lower electricity consumption, with Wallace Studios recording a 28% decrease following the introduction of solar energy generation in January, and Renfrew Street achieving a further 7% reduction through continued efficiency measures and behavioural improvements. Gas consumption remained stable at Wallace Studios and fell by 5% at Renfrew Street, resulting in an overall 3% decrease in gas use across the estate. In addition, a 15% reduction in the UK Government's 2025 electricity emissions factor, reflecting grid decarbonisation and reduced reliance on imported gas, further contributed to the overall fall in emissions.

The methodology used to calculate emissions from energy consumption follows the reporting requirements of the Public Bodies Climate Change Duties (PBCCD) and is aligned with the reporting principles of the UK Government's Environmental Reporting Guidelines and the Greenhouse Gas (GHG) Protocol Corporate Standard. Energy consumption data is derived from supplier invoices, verified against extensive

automatic and manual meter readings to ensure accuracy. The UK Government's 2025 GHG emissions factors, published by the Department for Energy Security and Net Zero on 10 June 2025, have been applied across the entire academic period. This approach is consistent with PBCCD reporting requirements and avoids splitting emissions across years, thereby ensuring comparability and consistency.

The Royal Conservatoire of Scotland does not own or operate any fleet vehicles and therefore has no direct responsibility for fuel combustion from institution-owned or controlled vehicles. Due to current system limitations, we are unable to provide fuel consumption data for business travel undertaken in personal or hired vehicles. The number of assumptions required to derive such data from expense claims would not yield robust or meaningful results. Emissions associated with business travel are instead captured through spend-based calculations and reported in the Public Bodies Climate Change Duties (PBCCD) report. We are reviewing options to strengthen our data collection and reporting processes in future years.

We have not identified any other material sources of energy consumption or emissions within the scope of SECR reporting requirements.

Sustainability at RCS

We are committed to embedding sustainability across every aspect of our institution, embracing a whole-systems approach that spans curriculum, culture, and campus operations. We believe in the transformative role that the arts and education can play in shaping a better world by addressing global challenges. Through fostering collaboration and partnerships, we aim to build a community that champions sustainability, promotes social justice, and drives economic prosperity. Our vision is to nurture a sustainable community that supports and celebrates inclusive art making, from grassroots initiatives to world-leading performances and productions.

In December 2024, RCS was confirmed as a signatory of the United Nations Race to Zero campaign for Universities and Colleges. Through this commitment, we pledge to halve the emissions within our direct control by 2030 and to achieve net zero emissions by 2045. These targets are fully aligned with Science-Based Targets and the Scottish Government's climate commitments, ensuring that our pathway to net zero is both credible and consistent with national and international frameworks.

We continue to strengthen our approach to sustainability through robust governance, consistent and transparent reporting, and meaningful engagement with our community in the development of policies and processes that support the transition to net zero. Embedding sustainability within the learning experience and culture of the RCS ensures that climate action remains integral to our artistic and educational mission.

Over the past year, we have implemented and planned several key sustainability initiatives, including:

- **Policy & Governance:** Continued development of a Sustainability Strategy and governance framework to guide implementation of the Carbon Management Plan, overseen by a Sustainability Committee that meets termly and includes senior management as well as staff and student representatives.

- **Waste Management:** A new contract prioritising zero waste to landfill and higher recycling rates is in place, with ongoing supplier and stakeholder engagement to develop a circular economy approach aligned with forthcoming Scottish Government strategy.
- **Sustainable Procurement:** A refreshed policy with a stronger emphasis on sustainable practices is progressing through approval, supported by a supplier questionnaire to assess alignment with our sustainability aims and identify opportunities to strengthen the supply chain.
- **Renewable Energy:** A solar photovoltaic array at Wallace Studios is now operational. Comprising 672 panels with a 282 kWp capacity, it is expected to generate around 225,000 kWh annually and has already reduced site electricity consumption by 49% between January and July 2025 compared with the same period the previous year.
- **Resource Efficiency:** We are enhancing efficiency across energy, water, and gas use through targeted measures. Alongside the ongoing LED replacement programme, upgrades to boilers, WC facilities, and motors have been planned and will be delivered during the next academic year to further reduce consumption and improve performance across the estate.
- **Student Initiatives:** We continue to support student-led projects that raise awareness of the environmental and social impacts of climate change, including the installation of a “Green Wall” in the Renfrew Street campus providing graphics and information on sustainability, planters to enhance biodiversity, participation in the Plant-Based Universities campaign, and the development of a Green Captains’ group.
- **Sustainable Productions:** We continue to integrate the Theatre Green Book framework within our productions wherever possible, promoting sustainable practice across the industry and engaging future theatre-makers in climate action.
- **Collaboration and Partnership:** We participated in the Glasgow Goes Green festival alongside other universities and colleges in the city, engaging staff and students in collective climate action and awareness-raising activities.

Access and employment of disabled persons:

RCS’s building and facilities are predominantly accessible in accordance with the requirements of the Equality Act 2010 and each refurbishment or new development continues to enhance the overall level of accessibility. There is an Access Policy in place for members of the public with disabilities who attend events at RCS.

Applications from disabled persons for employment are always fully considered, and if a disabled candidate meets the minimum essential criteria for a post, they are always invited to attend an interview. Ultimately, however, the most suitable applicant for a post is selected, whether or not that person is disabled. It is the policy of RCS that the training, career development and promotion of disabled persons should, as far as possible, provide equality of opportunity to that available to other employees. In the event of existing employees becoming disabled, every effort is made to ensure that their employment within RCS continues and appropriate adjustments to the

workplace and/or work patterns are made, along with the provision of relevant training to undertake suitable alternative employment.

Fair Work Practices:

The People and Culture Committee has been effective for two full academic sessions. The Committee comprises certain Board members with representatives of the CSMT, staff and Trades' Unions in attendance. The Committee drives forward the strategic direction in areas relating to people and culture – specifically recruitment and induction; learning, training and development; recognition and reward; staff and student voice; people infrastructure; equality, diversity and inclusion; and health safety and wellbeing. During its second year, the Committee has piloted an Academic Workload Planning Model for academic roles across the institution. This was developed in consultation and following a review of the pilot this year, will be implemented across all academic directorates in 2025-26. The results of the first staff survey led to the prioritisation of a number of key projects for 2024-25 which are detailed above under strategic plan objective 1.

The Staff Forum remit has been finalised and will meet for the first time during term one of academic session 2025-26. The Committee discussed at length the scope and remit for this Forum, and its alignment to the Conservatoire's values is at the core of the remit.

In line with the Fair Work First guidance, RCS has committed to alignment with the Living Wage Foundation rates of pay and continues to work towards Living Wage Employer recognition. The RCS supports staff development and provides mechanisms for staff to request support through a variety of means. This includes financial support for short term activity, and for more structured study toward qualifications. In addition, the RCS offers Atheneum Awards through its Knowledge Exchange and Engagement work to support staff to develop research ideas, explore pedagogy and collaborate with other organisations and artists. This year, the RCS introduced a Staff Development Week. The week takes place in September and offers a week-long opportunity for staff across departments to engage in activities. The Staff Development Week included two conference style days, each with a specific theme – 'Inclusive Practice' and 'Creative Innovation'. Two days offered workshops and training sessions to upskill, refresh and explore new areas of work. The final day offers an institutional 'start of session' information day, with updates from departments across the Conservatoire. The week provides training and development opportunities, but more importantly it provides staff with space and time to connect with each other informally to share practice and ideas.

The RCS offers staff a range of Flexible Working arrangements through its suite of Family Friendly Policies, in addition to offering hybrid working arrangements where appropriate. The RCS does use zero hours contracts for certain areas of activity, however these contracts do not include exclusivity clauses and offer staff flexibility to be able to select the extent to which they engage with RCS depending on their other commitments. Given the sector we work within, many staff have portfolio careers and find the flexibility and agility of these contracts beneficial in managing their competing priorities. Examples of these include our part time teaching staff, who work within ensembles or orchestras or may run their own businesses, in addition to delivering

specialist 1-1 teaching to instrumental students. Teaching allocations are confirmed at the start of the academic year. Through the year, the part time teaching staff have flexibility in how and when they deliver teaching and can work these hours around other commitments. This allows our students to benefit from the experience of practising artists, whilst offering a level of stability of income for the teaching staff for the year. Zero hours contracts are also used for Front of House staff, who are able to self-select shifts for the coming month based on their availability. A large number of our ushers are students, and the flexibility of the contract enables them to vary their hours according to the requirements of their study at different times of the year. The RCS also offers a formal procedure through which staff on variable hours contracts such as these can request consideration for a pro rata contract, and there is a clear process and set of criteria.

The RCS is committed to its evolving Equality, Diversity and Inclusion agenda, demonstrated by its prominence within the People and Culture Committee remit and Supporting Plan.

Promotion of Equality of Service under the Equality Act 2010

The RCS [Mainstreaming Equality Report 2025](#) provides information on key ways in which we promote equality of delivery of service to different groups including protected characteristics and have due regard to the public sector equality duties under the Equality Act 2010. The current EDI Strategic Plan, which will take us to 2030, recognises the central importance of equality, diversity, and inclusion in defining the future of the institution and the creative industries we can help to innovate. Our current [Equality Outcomes 2025-2029](#), which focus on our priority areas for action, also provide information on success measures, strategic links, and how the Equality Outcomes link to the general equality duty of the Equality Act 2010. Our [Equality Impact Assessments](#) (EIA) underpin the Conservatoire's vision and commitment to provide our staff and students a positive and rewarding learning experience. The RCS [Equal Pay Review](#) demonstrates our commitment to the principle of equal pay for like work and for work of equal value, irrespective of gender, race, disability, or any other protected characteristic. Through this review, the Conservatoire provides statistical data and narrative on the comparative earnings of our staff by gender, race, and disability; occupational segregation, and how we intend to address our existing pay gaps.

These documents are underpinned by a wide range of work and initiatives that include:

- Focused and challenging training for staff and students;
- Development of Gender-Based Violence (GBV) Guidance and GBV First Responders provision, to support and assist students or staff wishing to disclose any incident of GBV or sexual harassment;
- Involvement in sector wide developments in EDI issues (i.e. equality impact assessment processes);
- Working with departments and programmes to facilitate increased learning around race, diversity, and inclusion;
- Development of in-house networks for staff and students that will feed back into policy development (e.g. Student and Staff Neurodiversity Networks);
- On-going development and monitoring of our second [British Sign Language Plan 2024-2030](#);

- Follow up of actions identified in the previous year from an audit of our premises to evaluate and address the accessibility of our buildings.

Health, Safety, Wellbeing and Child Protection:

During the last year there have been several developments, improvements and activities taking place which are summarised below.

- Institute of Safety and Health (IOSH) Managing Safely training provided;
- Hearing Protection made available to all new students;
- An acoustician has assessed some of the Brass and Jazz rooms with room treatments installed;
- Display Screen Equipment (DSE) support and equipment provided to staff on campus and at home;
- 5-year Health, Safety and Wellbeing (HSW) Strategy being implemented;
- Yoga Classes provided;
- Health, Safety and Wellbeing Policy reviewed;
- A review of fire management carried out;
- Fire Prevention Policy Reviewed;
- Wellbeing at Work training provided;
- Mental Health in the Workplace: A Guide for Managers training provided;
- Directors are working on stress risk assessments;
- Mandatory Induction, Fire and Child Protection training are provided to all staff;
- Mandatory Induction and Fire training are provided to all students whilst Child Protection is provided as required;
- Mental Health First Aid training has been provided for staff and students;
- A review of Fire management has been undertaken;
- KPIs have been created and monitored by the HSW Committee.

The Wellbeing at Work Guidelines are being implemented with tools and information provided to support staff via our Employee Assistance Provider, our Occupational Health Provider and Togetherall, who provide information to staff and students. The HSW and HR teams provide training opportunities for staff relating to positive mental health and wellbeing with more training opportunities being developed this academic year.

Our Protection of Vulnerable Groups (PVG) and Disclosure Scheme Policy was revised and updated following the legislative changes in April 2025. All staff undertaking regulated work with children and/or adults are required to be PVG checked. Training for Designated Child Protection Contacts has been provided by the National Society for the Prevention of Cruelty to Children (NSPCC). Our Child Protection Policy is current and is available on the RCS website along with other Child Protection information whilst a Code of Conduct and Student Disciplinary Process has been designed for Pre-HE activities.

Risks and Uncertainties

Strategic Risks:

The Board of Governors has adopted a Risk Appetite Statement which defines risks that RCS is willing and prepared to take, risks that RCS needs to reduce and risks that RCS is not willing to accept. In addition, the Risk Appetite Statement:

1. Provides guidance on the categorisation of risks inherent in existing and new activities;
2. Identifies the risk boundaries, where, if the risk were to crystallise, the impact is adverse and not acceptable;
3. Supports a comprehensive analysis of the risk across RCS, promoting awareness and understanding of how the risks inter-relate; and
4. Provides a consistent methodology for examining risks and identifying risks that have to be taken to achieve the strategic objectives.

RCS has determined the institutional risk appetite within a number of categories and are as follows:

Category	Risk Appetite
Compliance and adherence to statute, regulations and professional standards	Zero
Health, safety & well-being and safeguarding	Low
Development of learning and teaching and research (including digital)	High
International growth and development	Medium
Student lifecycle experience	Medium
Reputation	Low/Medium
Financial stability and flexibility	Low
People and culture	Medium
Major projects	Low/Medium*
Physical environment	Medium
Virtual security & resilience	Low

* Risk appetite depends on the nature of the project.

The Board of Governors manages these risks through the senior management team which, together with lay Governor participation, forms the Risk Management Group. The Board receives regular reports through the Audit and Risk Committee on the controls and mitigating actions that are in place and planned.

The higher strategic risk areas are regarded as being:

Achievement of student recruitment targets and ability to deliver programme change and growth in a cost effective, space efficient manner

Over the course of the strategic planning period the intention is to increase student numbers through the expansion of provision including the introduction of new blended masters' programmes. Combined with the tuition fee reset for incoming students which commenced in 2024-25 this is a critical element in maintaining institutional sustainability. However, this is happening at a challenging time for student recruitment, particularly in the international space as we are experiencing with the shortfall in target student intake for 2025-26. The global economic environment, widespread cost of living pressures and intense competition within the UK conservatoire sector for the best students mean that there has to be a continual focus on recruitment and conversion activity and to try to avoid drop out. Growth in pre-HE activity is constrained by availability of space.

RCS mitigates this risk through:

- recruitment strategy which continues to target main existing international markets and diversify into new markets;
- Development of international summer schools which widens the potential applicant pool for longer-term study;
- Deployment of video/teams-based auditions where necessary and possible to ensure that geography is not a barrier to application;
- Performance projects, masterclasses and audition tours in partner feeder schools;
- Centralised timetabling project undertaken in 2024-25 has identified space efficiencies and improved management which will allow additional programme activity to be accommodated with minimal additional external hire;
- Introduction of new undergraduate programmes which will appeal to new constituencies;
- Music teaching has been rationalised, and the production calendar continues to be streamlined to achieve efficiencies;
- Workload allocation model to ensure Full Time Equivalent (FTE) staff time is appropriately distributed across key categories;
- Alignment of management structure of pre-HE activity with senior phases (music; stage and screen; dance) to strengthen the development of the recruitment pipeline;
- Continuing to build scholarship funds through fundraising efforts and through the improving trajectory of donations from ABRSM;

Failure to maintain financial viability in the short to medium term

RCS has achieved a modest operating surplus for the year driven by strong student recruitment and retention and a number of exceptional items of income which have more than offset additional costs. A small operating deficit is budgeted for the year ahead with a slightly larger deficit forecast for the year after as the full impact of the increase in the LGPS employer contribution takes effect. Student numbers for 2025-26 are lower than target which will result in the early utilisation of contingency funds which will leave the institution vulnerable to any unexpected costs and will have a knock-on impact for following years.

RCS mitigates these risks through:

- Additional financial support has been received from RCS Endowment Trust to provide a buffer of working capital while growth initiatives are being implemented;
- Tuition fee reset for incoming students implemented from 2024-25 which will build up in the coming years;
- Planned growth in student numbers;
- Cost savings in curricular delivery and production calendar;
- Increased investment in and focus on expansion of pre-HE and short course activities including cultivation of international partnerships to generate increased financial contribution;
- Close monitoring of cash levels and cash flow projections;

- Availability of a general investment portfolio which could provide a cash buffer if required;
- Additional support from RCS Endowment Trust to expand fundraising capacity;
- Additional support from RCS Trust from 2025-26 to boost the sum available for scholarships.

Failure to adapt to maintain longer-term financial sustainability

The challenge of longer-term financial sustainability cannot be separated entirely from the issues which face RCS over the short/medium term and many of the mitigants overlap and support both risk areas. Other mitigations include:

- Continuing to advocate with SFC/Government for funding support to recognise shortfall in RUK fee compared with delivery costs;
- The compound impact of embedding of tuition fee reset introduced for incoming students from 2024-25;
- introduction of a suite of blended masters' programmes for 2025-26 with the aim to build these numbers up year by year;
- Planned growth in student numbers through to the end of the planning period;
- Focus on returns from the increased investment in the development and fundraising operation to boost philanthropic giving for core and scholarship purposes;
- Continue to market RCS positively internationally and work to maintain high standing in world rankings;
- Innovations in curriculum and new programme offerings to remain relevant and attractive in the marketplace and to identify potential for areas of common or collaborative delivery to generate savings;
- Pensions provision is regularly examined and kept under review.

CORPORATE GOVERNANCE STATEMENT

The Board of Governors of RCS is collectively responsible for overseeing RCS's activities, determining its future direction, and fostering an environment in which RCS's educational and charitable mission is achieved and the potential of all of its students developed accordingly. The Board of Governors oversees:

- institutional **financial sustainability**,
- **compliance** with the legislative, regulatory, and best-practice framework within which Scottish higher education operates (i.e. as a higher education institution, a business, and a charity), and
- maintenance of the **reputation** of the institution.

In the opinion of the Governing Body, the institution complied with all the principles and provisions of the 2023 *Scottish Code of Good Higher Education Governance* through the year.

The Board of Governors

The Board of Governors is the Conservatoire's governing body. Its powers are defined within its statutory instruments. The business of RCS is overseen by the Board of Governors who may exercise all the powers of the company. The statement of Governors' responsibilities for preparing the financial statements is set out on pages 45 and 46.

The Board of Governors is responsible for RCS's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve its business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

As head of the governing body, the Chair is responsible for leadership of the Board and ensures its effective functioning. The Chair is supported in this work by a Vice Chair and a Senior Independent Governor. The Chair oversees the smooth operation of the business of the Board.

The Board of Governors met four times during the year up to July 2025 (October 2024, January, April, June 2025). Additionally, the Board held its regular annual meeting to consider strategic planning issues in April 2024. It may delegate any of its powers to any committee of one or more Governors.

Size and Composition of the Board of Governors

During 2024-25, the Board of Governors comprised of a maximum of 23 Governors. This total was composed of the following:

- 14 Lay Governors (including the senior lay governor/Chair) with proven experience in the performing arts, industrial, commercial or employment matters or the practice of any profession;
- 3 *ex officio* governors: Principal, Deputy Principal, and an elected member from Academic Board;
- 2 student members: Student Union President & Student Union Vice President;
- 2 elected/nominated staff Governors (1 elected from the academic staff; 1 from the professional services staff);

- 2 Union representative governors (1 from Educational Institute of Scotland (EIS); 1 from Unison).

Changes to Board membership

Within the 2024-25 Academic Session the Board of Governors' membership changed as following:

- 1 lay member finished their full term of office (9 years – 3 terms of 3 years)
- 1 lay member resigned
- A new lay member was recruited and became the Convenor of the RCS Infrastructure Committee
- The academic member representing the Academic Board completed their full term of office and was replaced by another elected member

Factors affecting composition and size of the Board

Multiple factors influence both the size and composition of RCS Board of Governors. The main ones are:

- Ensuring that the skills and experience profile of its total membership is sufficient to meet the Board of Governors' commitments in terms of its Statement of Primary Responsibilities, the Scottish Code of Good Higher Education Governance 2023 and to operate its various Committees.
- Being able to adapt the Board's skills matrix to accommodate the changing context in which performance arts education is developing.
- Emphasising, through the Board membership, its position as a national institution with an international profile and ambitions.
- Aligning its singular focus on performing arts education with a Board membership drawing on the expertise and wisdom of individuals with either direct experience of performance or with leadership/senior management experience in the performing arts.
- Committing to equality and diversity: both equalities legislation and the gender recognition on public boards' requirements play a role in how the Board considered its composition.

The work of the Board's committees

The Board of Governors conducts much of its business through its committees. All of these committees are formally constituted with their own terms of reference which were comprehensively updated in 2023-24 as part of the institution's preparation for quinquennial review in academic session 2024-25. The committees are:

Academic Board which is responsible to the Board of Governors for the overall planning, co-ordination, development, and supervision of the academic work and for Quality Assurance and Quality Enhancement within RCS. The membership comprises the Principal, the Deputy Principal, the Senior Academic Managers, the Head of Information Services, a member co-opted from another academic institution, up to three elected student members, five elected academic staff members and a lay governor in attendance. During the year to July 2025, the Academic Board met five times and was convened by the Principal, Professor Jeffrey Sharkey and, in his absence, by the Deputy Principal, Professor Lois Fitch.

The Finance & General Purposes Committee which *inter alia* recommends to the Board of Governors RCS's annual revenue and capital budgets and monitors performance in relation to these approved budgets. The Committee examines all matters which have major financial implications for RCS and, therefore, it is involved in the examination of all aspects of RCS's planning and budgetary processes. The scope of the committee's remit may, from time to time, include the examination of issues which extend beyond financial, but which are nevertheless of strategic importance. Its membership is composed of 8 governors in total, including the Chair (*ex officio*), 5 lay governors, the Principal (*ex officio*), and the Student President (*ex officio*), plus the convenor of Audit & Risk Committee in attendance. During the year to July 2025, the committee met six times and was convened by Andrew Butcher.

The Audit & Risk Committee which advises and assists on the adequacy of the risk management and internal control environment of the Conservatoire. The committee oversees the proper preparation of the annual report and accounts and the work of the internal and external auditors. It meets at least three times per year and at least once per year it meets with the Conservatoire's external and internal auditors for independent discussions. Its membership is composed of 4 lay members, plus the convenor of Finance and General Purposes is in attendance. During the year to July 2025, the committee met three times and was convened by Caroline Roxburgh.

The **Risk Management Group**, which meets four times per year, is convened by the Director of Finance and Estates, and to which up to two lay governors can attend, is responsible to the Audit and Risk Committee for identification of risk and ensuring that all identified risks are assessed adequately, addressed in policies, and regularly reviewed and updated in a systematic process. As part of the revision of committee effectiveness and the preparation of renewed Terms of Reference, a new Prevent Management Group was implemented to sit under the Risk Management Group to ensure the Conservatoire is able to implement changes to guidance quickly and respond specifically to issues associated with the Prevent duty.

The **Nominations Committee** which makes recommendations to the Board of Governors on matters relating to its structure, effective governance, and membership. It is composed of the Chair (*ex officio*), the Principal (*ex officio*), the Student President (*ex officio*), the Senior Independent Governor (*ex officio*), two lay governors, and one elected staff governor. Central to its business in the year to July 2025 was the management and oversight of the **Quinquennial Governance Effectiveness Review 2024-2025**. During the year to July 2025, the committee met four times and was convened by Professor Dorothy Miell.

The **Remuneration Committee** which ensures that the salaries and terms and conditions of members of RCS senior management, including any severance arrangements, are decided in accordance with agreed policies and processes and take account of all relevant external requirements, including those of: the Scottish Funding Council; the Scottish Code of Good Higher Education Governance; and the Committee of Scottish Chairs' Guidance Note on the Operation of Remuneration Committees in Scottish Higher Education. The committee ensures that all salaries and conditions are determined by the use of performance management systems, such as the Professional Update process, and a transparent reward framework, using appropriate salary benchmarking for RCS/Public Sector as appropriate and RCS pay award. The committee has two lay governors, the Convenor of Finance & General Purposes committee (*ex officio*), the Chair (*ex officio*) and is attended by the Director

of HR and the Principal (*ex officio*) (except during discussions regarding the Principal's remuneration) and the Academic Registrar and Secretary. During the year to July 2025, the committee met once and was convened by Dr David Hare as the Senior Independent Governor.

The **People and Culture Committee** which is responsible for the review of people strategies across RCS. This includes both a specific focus on the employee life-cycle and also the strategies and policies relating to the student life-cycle. The committee monitors and reports on strategic progress and reviews related KPIs and data, which will inform future development. The committee makes recommendations for internal reviews as and when appropriate. The committee provides a People and Culture report to the Board of Governors which includes Health, Safety and Wellbeing, and Equality, Diversity and Inclusion activities. The committee ensures that the Conservatoire approaches are directed by and consistent with RCS Strategic Plan. Its current membership is five lay governors, the Deputy Principal (*ex officio*), the Student President (*ex officio*), and one elected staff governor (*ex officio*). It has met four times during the academic year to July 2025 plus one extraordinary meeting in August 2025. It is convened by Sharon Mair.

The **Fundraising Committee** which ensures the approval and oversight of a fundraising strategy that aligns with and enables the achievement of RCS strategic plan. It also actively supports and challenges RCS executive in the development of and securing of additional and recurring revenue sources and/or streams to support scholarship, project, campaign, and unrestricted income activity as well as approving and overseeing the strategy for alumni engagement and future giving. Its current membership comprises of six lay governors, the Chair (*ex officio*) and the Principal (*ex officio*). During the year to July 2025, the committee met three times with the first meeting being convened by Philip Rodney and the subsequent two by Stuart Cross.

The **Infrastructure Committee** oversees the operation and, where appropriate, development of RCS Estate Strategy to ensure that it supports the achievement of RCS strategic plan. It also reviews the environmental impact of the RCS and make recommendations as appropriate. The committee has delegated responsibility for the control of major capital works in accordance with the terms of the guidelines and directions issued by the Scottish Funding Council and Government, always observing the principles and procedures set down in the *Capital Projects Decision Point Process*. It receives, considers, and ultimately recommends the Estate Strategy to the Board of Governors. Its current membership is three lay governors, the Chair (*ex officio*), the Principal (*ex officio*), and Student President (*ex officio*). During the year to July 2025, the committee met six times and was convened by Ed Monaghan until he demitted office and the convenor became Andy Outram.

ATTENDANCE CHART

	Board of Governors	Finance & General Purposes	Audit & Risk	Remuneration	Nominations	Academic Board	Fundraising	People & Culture	Infrastructure
Dorothy Miell	4/4	6/6		1/1	4/4		2/3		3/5
Caroline Roxburgh	4/4		3/3						
David Hare	4/4			1/1	4/4			4/4	
Jo Buckley	3/4						3/3	2/4	
Andrew Butcher	4/4	6/6		1/1			2/3		
Morag Campbell	2/4						2/3	2/4	
Stuart Cross	4/4	5/6			3/4		2/3		
William English	2/4								
Sharon Mair	3/4		1/3				3/3	4/4	
Ed Monaghan	1/1	2/3							2/2
Robert Laidlow	3/4								4/5
Nacim Pak-Shiraz	4/4			1/1	3/4			3/4	
Alexander Lee	3/4								
Philip Rodney	3/4	4/6					1/1		
Matthew Rooke	4/4		2/3						3/5
John Taylor	4/4	4/6	3/3						
Jeffrey Sharkey	4/4	4/6		1/1	2/4	4/5	2/3		3/5
Lois Fitch	3/4	6/6			1/1	5/5		1/4	
Dale Thrupp	4/4					5/5			
Jean Sangster	1/1				2/2	2/2		2/4	
Ulysse Tonnele Verjus	4/4	5/6			4/4	5/5			4/5
Elizabeth Jenkinson	4/4							3/4	
Ruth Calder	4/4							3/4	
Jamie Mackay	2/2					5/5			
Andrew Outram	2/2								5/5

Additional Governance Groups

The following additional groups meet as required to ensure the effective operation of the Board of Governors: **The Convenors' Group** is for all the convenors of RCS' Board of Governors' related committees and is convened by the Chair. It meets regularly to discuss issues affecting Board committees, communicates regarding governance and committee business between committee meetings as necessary, and oversees the current annual evaluation of Board committee effectiveness. It has met three times in the year to July 2025 and is convened by the Chair of the Board.

Publication of the Gillies Report

Recognising the seriousness of the findings of the Gillies Report (June 2025) regarding the University of Dundee's finances and associated governance practices, the RCS Convenors' Group did an initial audit of governance practices immediately after its publication and relevant reviews of practice were added to the Board's cycle of business for Academic Session 2025-26.

The **Ad Hoc Corporate Governance Reference Group** is established by the Board of Governors to meet on an ad hoc basis to receive sensitive information, for example about complaints or issues that could impact the governance and/or reputation of the RCS, which might raise general or specific issues of concern or suggest a significant lapse in good governance. It provides a mechanism for determining whether and in what way these matters should be considered and eventually brought formally to the attention of the Board. It has not been required to meet in the last year.

Student and Staff Engagement in Governance and Quality Processes

Students are represented at all levels of RCS's governance and academic quality assurance and enhancement processes. Central to student engagement in governance and quality is the role of the sabbatical officers of the Conservatoire's Students' Union. The President and Vice President of the Students' Union are members of both the Board of Governors and the Academic Board. The President of the Students' Union sits on all but the Audit and Risk, Fundraising, and Remuneration committees of the Conservatoire.

In compliance with the Code, and to ensure student engagement in all matters related to the academic quality of their programmes, students are members of all academic-related committees and processes that report to the Academic Board, other than Boards of Examiners and progress committees. Additionally, membership of the Board of Governors includes two elected staff Governors (one by academic and the other by professional services staff) and one staff Governor nominated by the Academic Board, which itself includes two elected staff (one from each School) and two staff nominated by School committees.

Both elected staff Governors and the President of the Students' Union are shareholders in the Company (the Royal Conservatoire being a Company Limited by Guarantee with a Shareholding). As well as being of significant symbolic and governance importance, rights of shareholders include the ability to propose resolutions at RCS's Annual General Meeting.

Quinquennial Governance Effectiveness Review

In accordance with the institution's commitment to effective governance and in the light of expectations of the Scottish Code of Good Higher Education Governance

(2023) that the Conservatoire monitor and evaluate the functioning of its Board of Governors through external review, AdvanceHE were commissioned to undertake the process during 2024-2025. A steering group of Nominations Committee members was established to assist in management of the review lead by the Senior Independent Governor, David Hare. The primary focus of the review was the Board of Governors, its supporting committees, and the relationships between governance infrastructure and senior management. RCS received the output from the review in March 2025, and the Board agreed that the response to the recommendations and suggestions was to be through a clearly articulated action plan overseen by Nominations Committee. Included in the initial actions was quick action regarding the recommendations: that the name and terms of reference of the Nominations Committee be reviewed and strengthened; that the governance bureaucracy be harmonised; and that induction and development of governors be enhanced. June 2025 Board approved the new name and terms of reference for the Nominations and Governance Committee which is responsible for overseeing the action plan.

Risk Assessment and Management

RCS Senior Management Team, together with one Lay Governor, form the Risk Management Group (RMG). The RMG has responsibility for the Strategic Risk Register which is prioritised in terms of the overall net impact each identified risk has on the achievement of the business objectives of the institution. The Strategic Risk Register is reviewed regularly by the RMG, the Audit and Risk Committee and the Board of Governors.

New areas of risk and/or weaknesses identified by the RMG (which reports through the Audit and Risk Committee to the Board of Governors) are addressed. Where opportunities to further enhance the control environment are identified, appropriate actions are defined and completion dates scheduled, so that progress can be monitored closely.

In summary, a suitable process for identifying, evaluating, and managing the significant risks faced by RCS has been in place for the year under review and up to the date of approval of these financial statements.

RCS's Risk Management process is compliant with the terms of the Scottish Code of Good Higher Education Governance.

The Internal Auditors of RCS assess the adequacy and effectiveness of the organisational governance, risk management, internal controls, and value for money. Any recommendations as a result of the internal audit are reviewed and planned into the development of policies, internal controls and future strategic plans.

In the opinion of the Internal Auditors for the financial year, the RCS has a framework of governance, risk management and controls that provides reasonable assurance regarding the effective and efficient achievement of objectives.

In October each year the Board of Governors receives an Annual Report, forwarded through the Audit and Risk Committee, which reports on the process of internal controls and risk management at RCS.

Institutional Sustainability

The Board of Governors monitors and enhances institutional sustainability through a number of channels. These include:

- Strategic planning;
- The setting and monitoring of budgets and future financial forecasts with the aim of returning to operating surpluses year on year;
- Regular reports on student recruitment and retention;
- Setting targets and receiving regular progress reports on fundraising activity from the Executive;
- Expansion of fundraising capacity; and
- Appointment of a business development director.

Reserves

RCS carries reserves to allow it to continue to support the advancement of the business through, for example, investment in new and replacement capital equipment and the cost of development of new programmes and to provide a buffer if operating losses need to be absorbed. The Board of Governors through the Finance & General Purposes Committee undertakes an annual review of the adequacy of reserves to support RCS's operational and strategic requirements. The latest review in October 2025 confirmed that the level of reserves was adequate for these purposes.

Going Concern

As noted in the Annual Report, RCS has produced an operating surplus for the year under review and has improved its overall cash position. The latest information available indicates that the forecast outturn for the year ahead will be an operating deficit. However, taking into account current liquidity, cash flow projections, future expected cash generation and the level of acceptances for places on programmes commencing in September 2025, it is considered that there are adequate resources to meet RCS's future financial commitments. There are currently long-term borrowings of £1,088,000 from the RCS Infrastructure Trust which are not repayable on demand and are more than offset by cash and unrestricted investments as set out in the statement of cash flows and notes 12 and 14 to the financial statements. The Governors believe that RCS can manage its business risks despite the current uncertain economic outlook and have a reasonable expectation that RCS will continue to receive adequate support from the SFC and from the RCS Trusts. Accordingly, the Governors consider that RCS will have sufficient resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Governors' Statement on Annual Report and Financial Statements

The Governors have considered the Annual Report and Financial Statements as a whole and consider them to be fair, balanced, and understandable and to provide the information necessary for stakeholders to assess RCS's performance, business model and strategy.

STATEMENT OF PRIMARY RESPONSIBILITIES OF THE BOARD

To approve the mission, strategic vision and values of the Conservatoire of Scotland, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.

Under the general control and direction of the Board, to delegate authority to the Principal, as chief executive, for the academic, corporate, financial, estate and personnel management of the Conservatoire and to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the Principal.

To retain strategic responsibility for quality and provide public accountability for all aspects of institutional activities, including quality assurance and enhancement.

To delegate to the Academic Board the function of the Board relating to the overall planning, co-ordination, development and supervision of the academic work of the Conservatoire and such other functions of the Board as may be assigned to the Academic Board by the Board. Under these arrangements, the Board must satisfy itself that there are appropriate processes in place with regard to quality assurance and enhancement of educational provision.

To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, procedures for handling internal grievances, complaints from students/staff and others (including whistleblowing) and for managing conflicts of interest.

To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the Conservatoire against the plans and approved key performance indicators, which should be – where possible and appropriate – benchmarked against other comparable institutions.

To establish processes to monitor and evaluate the performance and effectiveness of the Board itself.

To establish processes to monitor and evaluate the performance and effectiveness of the Chair of the Board.

To conduct its business in an open and transparent manner and in accordance with the Scottish Code of Good HE Governance, bearing in mind the principle of proportionality and relevance to the nature of the Conservatoire, and with the principles of public life drawn up by the Committee on Standards in Public Life.

To ensure that the Conservatoire meets its commitments to the Scottish Funding Council and other funding providers.

To safeguard the good name and values of the Conservatoire.

To appoint the Principal as chief executive, and to put in place suitable arrangements for monitoring her/his performance.

To appoint a Secretary to the Board and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.

To be the employing authority for all staff in the Conservatoire and to be responsible for establishing a human resources strategy.

To be the principal financial and business authority of the Conservatoire, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the Conservatoire's assets, property and estate.

To ensure that public funds are appropriately applied and are properly accounted for and that the Royal Conservatoire delivers value for money.

To be the Conservatoire's legal authority and, as such, to ensure that systems are in place for meeting all of the Conservatoire's legal obligations, including those arising from contracts and other legal commitments made in the Conservatoire's name.

To make such provision as it thinks fit for the general welfare of students, in consultation with the Academic Board.

To act as custodian for any legacy, endowment, bequest or gift made directly to the Conservatoire.

To act as the Board of Directors of the Conservatoire as a charitable Company Limited by Guarantee with a share issue and to manage the business of the Company, exercising all the powers of the Company.

To ensure that the Conservatoire's constitution is followed at all times and that its business is conducted in accordance with its various statutory obligations and that appropriate advice is available to enable this to happen.

To both constructively challenge and support the management of the Conservatoire.

STATEMENT OF GOVERNORS' RESPONSIBILITIES IN PREPARATION OF THE FINANCIAL STATEMENTS

In accordance with the Companies Act 2006 and the Financial Memorandum with the Scottish Funding Council, the Governors are responsible for the administration and management of the affairs of RCS, including ensuring an effective system of internal control, and are required to present audited financial statements for each financial year which disclose a true and fair view of the state of affairs of RCS and of the surplus or deficit and cash flows for that year.

The Governors are responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of RCS and which enable them to ensure that the financial statements are prepared in accordance with the Companies Acts, the Accounts Direction issued by Scottish Funding Council, the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education Institutions effective from 1 January 2019 and other relevant accounting standards.

In preparing the financial statements, the Governors have ensured that:

- Suitable accounting policies are selected and applied consistently;
- Judgments and estimates are made that are reasonable and prudent;
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Financial statements are prepared on a going concern basis unless it is inappropriate to presume that RCS will continue in operation. The Governors are satisfied that RCS has adequate resources to continue in operation for the foreseeable future: for this reason, the going concern basis continues to be adopted in the preparation of the financial statements.

The Governors have taken reasonable steps to:

- Ensure that funds from the Scottish Funding Council are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Council and any other conditions which they may from time to time prescribe;
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- Safeguard the assets of RCS and hence to take reasonable steps to prevent and detect fraud and other irregularities;
- Secure the economical, efficient, and effective management of RCS's resources and expenditure; and
- Ensure sound corporate governance and the proper conduct of RCS's operations.

The key elements of RCS's system of internal financial control, which is designed to discharge the responsibilities, set out:

- Clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments;
- A comprehensive short and medium-term planning process, supplemented by detailed annual income, expenditure, and capital budgets;
- Regular reviews of key performance indicators and business risks and financial

results involving variance reporting and updates of forecast outturns;

- Clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Board of Governors;
- Comprehensive financial controls and procedures, designed to meet the organisation's financial regulatory requirements;
- The appointment of a firm of Chartered Accountants offering internal audit services, whose annual programme is approved by the Audit and Risk Committee, provides them with a report on the internal audit activity within RCS and an opinion on the adequacy and effectiveness of RCS's system of internal controls, including internal financial control;
- Oversight in meeting financial regulations in the preparation of the Annual Report and Accounts by a joint committee of the Audit and Risk Committee and Finance and General Purposes Committee.

Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.

Statement as to disclosure of information to auditors

The Governors have taken all the necessary steps to make themselves aware, as Governors, of any relevant audit information and to establish that the auditors are aware of that information. As far as the Governors are aware, there is no relevant audit information of which the company's auditors are unaware.

GOVERNORS' REPORT

MEMBERSHIP

Governors

The Governors set out in the table below have held office during the whole of the period from 1 August 2024 to the date of this report unless otherwise noted.

Lay Governors

Professor Dorothy Miell OBE
Caroline Roxburgh
David Hare (Senior Independent Governor) (until 27/6/25)
Jo Buckley
Andrew Butcher
Morag Campbell
Professor Stuart Cross
Sharon Mair
Ed Monaghan (until 29/01/2025)
Andy Outram (from 24/4/25)
Professor Nacim Pak-Shiraz
Philip Rodney
Professor Matthew Rooke
John Taylor (Senior Independent Governor)
Robert Laidlow

Governors ex officio

The Principal:
Professor Jeffrey Sharkey
The Deputy Principal:
Professor Lois Fitch

Nominated by Academic Board

Jean Sangster (until 11/2/25)
Jamie Mackay (From 25/4/25)

Students nominated

The President, Students' Union:
Ulysse Tonnele Verjus (to 31/07/25)
Umut Mert (from 01/08/25)

The Vice President, Students' Union
Dale Thrupp (to 31/07/25)
Tabitha Dearie (from 01/08/25)

Staff Governors-elected

Elizabeth Jenkinson (Academic staff)
Ruth Calder (Professional staff)

Trades' Unions nominated

William English
Alexander Lee

Honorary doctorates of the Royal Conservatoire of Scotland

The following honorary doctorates were awarded during the academic session 2024-25:

Doctor of Education

Eric Booth

Doctor of Production Arts

Bunny Christie

Doctor of Music

Wynton Marsalis

Lulu Kennedy-Cairns

Governors' Interests

Register of Governors' interests can be viewed on the website at

http://www.rcs.ac.uk/about_us/governors/register/

Ruth Calder	60 ordinary shares of £1
Elizabeth Jenkinson	60 ordinary shares of £1
Professor Dorothy Miell	60 ordinary shares of £1
Professor Jeffrey Sharkey	60 ordinary shares of £1
Umut Mert	60 ordinary shares of £1

Governors' interests are shown as at the date of this report.

The Memorandum and Articles of Association prohibit payment of any dividend on the shares, prohibit any distribution to the shareholders in the event of a liquidation and require the Chair to vote in accordance with the wishes of the Governors on certain matters. RCS maintains a register of Governors' interests and a register of gifts to governors and staff.

Directors' and Officers' liability insurance

RCS has arrangements for directors' and officers' liability insurance cover.

Fixed assets

The fixed asset movements for the year are detailed in Note 11 to the financial statements.

Payment of creditors

It is RCS's policy to obtain the best terms for all goods and services. There is thus no single policy as to the terms used. In agreements negotiated with suppliers, RCS endeavors to include and abide by specific payment terms. The creditors' balance at 31 July 2025 represented 4% of total purchases for the year, equivalent to 13 creditor days. No interest was paid in terms of the Late Payments of Commercial Debts (Interest) Act 1998.

Auditors

In accordance with Section 485 of the Companies Act 2006 a resolution for the appointment of AAB Audit and Accountancy Limited as auditors of RCS is to be proposed at the forthcoming annual general meeting.

APPROVED BY THE GOVERNORS ON 31 OCTOBER 2025 AND SIGNED ON THEIR BEHALF BY

A handwritten signature in black ink, appearing to read 'Dorothy Miell', written in a cursive style.

Professor Dorothy Miell
Chair

A handwritten signature in blue ink, appearing to read 'Jeffrey Sharkey', written in a cursive style.

Professor Jeffrey Sharkey
Principal

Independent Auditor's Report to the Board of Governors of the Royal Conservatoire of Scotland

Opinion

We have audited the financial statements of Royal Conservatoire of Scotland ('RCS') for the year ended 31 July 2025 which comprise the Statement of Comprehensive Income and Expenditure, Balance Sheet, Cash Flow Statement, Statement of Changes in Reserves, and the related notes 1 to 18, 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 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 RCS's state of affairs as at 31 July 2025 and of the income and expenditure, recognised gains and losses, changes in reserves, and of RCS's statement of cash flows for the year for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, and relevant legislation; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 14 of the Charities Accounts (Scotland) Regulations 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 below. We are independent of RCS 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 Board of Governors 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 RCS'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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

The Board of Governors are responsible for the other information. The other

information comprises the information included in the annual report set out on pages 1-34, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 there is 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 the other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Scottish Funding Council's Financial Memorandum with Higher Education Institutions

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

- The Scottish Funding Council's accounts direction have been met;
- funds from whatever source administered by the institution for specific purposes have been applied properly to those purposes and, if relevant, managed in accordance with relevant legislation, and any other terms and conditions attached to them; and
- funds provided by the Scottish Funding Council have been applied in accordance with the requirements of the Scottish Funding Council Financial Memorandum with Higher Education Institutions.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where Companies Act 2006 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Strategic Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.
-

Responsibilities of the Board of Governors

As explained more fully in the Statement of Responsibilities of Board of Governors set out on pages 43 and 44, the Board of Governors 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 Board of Governors 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 Board of Governors are responsible for assessing RCS'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 Board of Governors either intend to liquidate the institution or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 to report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We obtained an understanding of the legal and regulatory frameworks within which RCS operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the institution's key performance indicators to meet targets;
- Income recognition for specific income streams; and
- Compliance with relevant laws and regulations which directly impact the financial statements and those that RCS needs to comply with for the purpose of trading.

Our approach was as follows:

- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage income and expenditure. Where this risk was considered higher, we performed audit procedures to address the risk of fraud and management override. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error;
- We have performed analytical and/or substantive procedures over all significant revenue streams.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to RCS and determined that the most significant are FRS 102 and Statement of Recommended Practice for Further and Higher Education.
- We understood how the institution is complying with those frameworks by

making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquires through our review of the Board of Governors minutes and papers provided to the Audit and Risk Committee, as well as consideration of the results of our audit procedures to either corroborate or provide contrary evidence which was then followed up;

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management, those charged with governance and those responsible for legal and compliance procedures; journal entry testing with a focus on journals indicating large or unusual transactions based on our understanding of the business and a review of Board of Governors minutes to identify any non-compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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 Board of Governors of Royal Conservatoire of Scotland, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the Board of Governors 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 Royal Conservatoire of Scotland and the Board of Governors as a body, for our audit work, for this report, or for the opinions we have formed.



Natalie Boyle (Senior Statutory Auditor)
for and on behalf of AAB Audit and Accountancy Limited
Statutory Auditor
133 Finnieston Street
Glasgow
G3 8HB

Date: 3/12/2025

AAB Audit and Accountancy Limited is eligible to act as an auditor under section 1212 of the Companies Act 2006.

Statement of Comprehensive Income for the year ended 31 July 2025

	Note	2025 £'000	2024 £'000
INCOME			
Funding body grants	2	15,244	14,665
Tuition fees and education contracts	3	14,003	12,261
Research grants and contracts	4	126	104
Other income	5	1,498	1,000
Investment Income	6	426	390
Donations and endowments	7	976	2,264
Total Income		32,273	30,684
EXPENDITURE			
Staff costs	8	23,518	21,514
Other operating expenses	10	5,901	6,316
Depreciation	11	937	938
Total Expenditure		30,356	28,768
Surplus before other gains and losses		1,917	1,916
Gain/(Loss) on disposal of fixed assets		80	(7)
Realised loss on investments		(220)	(340)
Surplus before unrealised gains and losses		1,777	1,569
Unrealised gain on investments	12	278	711
Surplus for the year		2,055	2,280
Actuarial loss in respect of pension schemes	23	(262)	(764)
Unrealised surplus on revaluation of tangible fixed assets	11	287	-
Total comprehensive income for the year		2,080	1,516
Represented by:			
Endowment comprehensive income for the year		29	312
Restricted comprehensive income for the year		40	34
Unrestricted comprehensive income for the year		2,011	1,170
		2,080	1,516

All items of income and expenditure relate to continuing activities

Royal Conservatoire of Scotland

Statement of Changes in Reserves for the year ended 31 July 2025

Annual Report for the Year Ended 31 July 2025

Balance at 1 August 2023

Surplus from the comprehensive income and expenditure statement

Other comprehensive income

Transfers between revaluation and income and expenditure reserve

Release of restricted funds spent in the year

Total comprehensive income for the year

Balance at 1 August 2024

Surplus from the comprehensive income and expenditure statement

Other comprehensive income

Transfers between revaluation and income and expenditure reserve

Release of restricted funds spent in the year

Total comprehensive income for the year

Balance at 31 July 2025

Share Capital £'000	Restricted (Endowment) £'000	Restricted (Other) £'000	Unrestricted (General) £'000	Unrestricted (Pension) £'000	Unrestricted (Revaluation) £'000	Total £'000
8	2,179	600	23,946	-	1,233	27,966
-	395	226	895	764	-	2,280
-	-	-	-	(764)	-	(764)
-	-	-	(523)	-	523	-
-	(83)	(192)	275	-	-	-
-	312	34	647	-	523	1,516
8	2,491	634	24,593	-	1,756	29,482
-	117	519	1,157	262	-	2,055
-	-	-	-	(262)	287	25
-	-	-	29	-	(29)	-
-	(88)	(479)	567	-	-	-
-	29	40	1,753	-	258	2,080
8	2,520	674	26,346	-	2,014	31,562

Statement of Financial Position as at 31 July 2025
(Company Registration No.SC04703)

	Note	2025 £'000	2024 £'000
Non-current assets			
Tangible fixed assets	11	33,300	32,913
Investments	12	8,557	8,548
		<u>41,857</u>	<u>41,461</u>
Current assets			
Trade and other receivables	13	2,374	3,215
Investments	14	1,076	776
Cash and cash equivalents		7,040	4,420
		<u>10,490</u>	<u>8,411</u>
Less: Creditors - amounts falling due within one year	15	(3,209)	(2,480)
Net current assets		<u>7,281</u>	<u>5,931</u>
Total assets less current liabilities		49,138	47,392
Creditors: amounts falling due after more than one year	16	(17,366)	(17,686)
Provisions			
Other provisions	18	(210)	(224)
Total net assets		<u>31,562</u>	<u>29,482</u>
Restricted reserves			
Endowment reserve	19	2,520	2,491
Other restricted reserve	20	674	634
		<u>3,194</u>	<u>3,125</u>
Unrestricted reserves			
General reserve		26,346	24,593
Revaluation reserve		2,014	1,756
		<u>31,554</u>	<u>29,474</u>
Share capital	21	8	8
Total reserves		<u>31,562</u>	<u>29,482</u>

The financial statements on pages 58 to 79 were approved and authorised for issue by the Board of Governors on 31 October 2025 and were signed on its behalf on that date by:



Professor Jeffrey Sharkey
Designated Officer



Alan Smith
Director of Finance and Estates



Professor Dorothy Miell
Chair

Statement of cash flows for the year ended 31 July 2025

	Note	2025 £'000	2024 £'000
Cash flow from operating activities			
Surplus for the year		2,055	2,280
Adjustment for non-cash items			
Depreciation	11	937	938
Gain on investments		(58)	(371)
Donated stringed instruments	11	(285)	(149)
Decrease/(increase) in debtors	13	841	(1,599)
Increase/(decrease) in creditors	15 / 16 / 17	409	(391)
Decrease in other provisions	18	(14)	(10)
Pension costs less contributions payable	23	(262)	(764)
Adjustment for investing or financing activities			
Investment income	6	(426)	(390)
(Gain)/loss on the sale of fixed assets		(80)	7
Endowment income		(41)	(216)
Net cash inflow from operating activities		<u>3,076</u>	<u>(665)</u>
Cash flows from investing activities			
Proceeds from sales of fixed assets/investments		2,333	5,911
(Increase)/decrease in short term investments	14	(300)	626
Investment income	6	426	390
Endowment funds invested	12	(630)	(1,591)
Funds invested	12	(1,428)	(4,467)
Payments to acquire fixed assets	11	(898)	(335)
		<u>(497)</u>	<u>534</u>
Cash flows from financing activities			
Endowment cash received		41	216
Increase in cash and cash equivalents in the year		<u>2,620</u>	<u>85</u>
Cash and cash equivalents at beginning of the year		4,420	4,335
Cash and cash equivalents at end of the year		7,040	4,420

Analysis of changes in net debt

	At 1 August 2024 £'000	Cash flows £'000	Other non cash changes £'000	At 31 July 2025 £'000
Cash and cash equivalents				
Cash	4,420	2,620	-	7,040
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	<u>4,420</u>	<u>2,620</u>	<u>-</u>	<u>7,040</u>
Borrowings				
Debt due within one year	(66)	-	-	(66)
Debt due after one year	(1,088)	66	-	(1,022)
	<u>(1,154)</u>	<u>66</u>	<u>-</u>	<u>(1,088)</u>
Total	<u>3,266</u>	<u>2,686</u>	<u>-</u>	<u>5,952</u>

Notes to the Financial Statements**1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES**

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

A Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standards (FRS 102). The RCS is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention, modified to include the investments at fair value and the revaluation of certain musical instruments. The presentational and functional currency of the RCS is sterling (£).

1. Going Concern

These financial statements have been prepared on a going concern basis. The Governors have assessed the RCS's ability to continue as a going concern, as outlined more fully in the Report of the Governors and have reasonable expectation that the RCS has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

B Tangible Fixed Assets**1. Land and Buildings**

The RCS's buildings are specialised buildings and therefore it is not appropriate to value them on the basis of open market value. Land and buildings are stated in the Statement of Financial Position at cost. The main RCS heritage buildings are depreciated over their expected useful economic life to the institution of 100 years. The Wallace Studios which is built on leasehold land is depreciated over its remaining useful life of 90 years. Material building improvements to Renfrew Street, completed in 2017, are depreciated over their expected useful economic life of 25 years, and the solar panels completed in 2025 are depreciated over their expected useful economic life of 20 years.

Where land and buildings are acquired with the aid of specific grants or donations they are capitalised and depreciated as above. Where the related grants come from government bodies, there are credited to deferred income and are released to the Statement of Comprehensive Income over the expected useful economic life of the related asset on a basis consistent with the depreciation policy. Where the related grants or donations come from other sources, these are recognised in the Statement of Comprehensive Income in the period in which they are receivable.

No depreciation is charged on land or assets in the course of construction.

2. Equipment

Equipment costing less than £10,000 for a group of related items is written off to the Statement of comprehensive income in the year of acquisition. All other equipment is normally capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Furniture, Fittings, Fixtures and Equipment	20% per annum
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Notes to the Financial Statements (continued)

1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

3. Musical Instruments

Musical instruments costing less than £2,000 are written off to the comprehensive income and expenditure account in the year of acquisition. All other musical instruments, with the exception of certain stringed instruments and pianos, are normally capitalised at cost.

Donated stringed instruments with a value of £2,000 and above were revalued as at July 2025 as assessed by Mr David Rattray, an external professional valuation expert. These stringed instruments were originally brought onto the Statement of Financial Position at valuation, there is therefore no historical cost associated with these assets. A revaluation will be carried out again in 2030.

The donated John Webb Brass instrument collection was revalued by Dr Graham Wells as at July 2025, an external professional valuation expert. These brass instruments were originally brought onto the Statement of Financial Position at valuation, there is therefore no historical cost associated with these assets. A revaluation will be carried out again in 2030.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Capitalised musical instruments are depreciated over their useful economic life as follows:

Stringed instruments	1% per annum
Other musical instruments	10% per annum

It is not possible to disclose the historical cost and depreciation for the stringed or brass instruments as this relates to donated items, which do not have a cost attached to them.

C Investments

Listed investments held as fixed assets are held at fair value with movements recognised in the Surplus or Deficit for the year.

D Cash and cash equivalents

Cash includes cash at hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

E Provisions

Provisions are recognised when the institution has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

F Recognition of Income

Government revenue grants including funding council teaching and research grants are recognised in income over the periods in which the RCS recognises the related costs for which the grant is intended to compensate. Government capital grants are recognised in income over the expected useful life of the asset. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year, as appropriate.

Notes to the Financial Statements (continued)**1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****F Recognition of Income (continued)**

Revenue and capital grants (including research grants) from non government sources are recognised in income when the RCS is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met, is recognised as deferred income within creditors on the Statement of Financial Position and released to income as the conditions are met. Deferred income will be allocated between creditors due within one year and due after more than one year, as appropriate.

Tuition fee and education contract income is recognised in the year to which it relates. Income from investments, including tax credits, is recognised on a receivable basis.

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the RCS is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the RCS is entitled to the funds.

Investment and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

There are three main types of donations and endowments identified within reserves:

1. Restricted donations - the donor has specified that the donation must be used for a particular objective.
2. Restricted expendable endowments - the donor has specified a particular objective and the RCS has the power to use the capital.
3. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

G Maintenance of Premises

The RCS has a rolling long-term maintenance plan, which forms the basis of the on-going maintenance of the estate. The cost of long-term and routine corrective maintenance is charged to the comprehensive income and expenditure account as incurred.

H Pension Costs

The RCS participates in three pension schemes two of which provide benefits based on final pensionable pay, the Strathclyde Pension Fund and Scottish Teachers Pension Scheme. Both of these schemes are available to staff of more than one employer, are contracted out of the State Earnings-Related Pension Scheme, and the assets of the schemes are held separately from those of the RCS. The Funds are valued by actuaries, the rates of contributions being determined by the trustees on the advice of the actuaries. The schemes are accounted for under Financial Reporting Standard 102. The third pension scheme is a defined contribution scheme; The Universities and Colleges Retirement Savings Scheme (UCRSS). This scheme is available to all staff.

Notes to the Financial Statements (continued)**1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****H Pension Costs (continued)***Strathclyde Pension Fund*

The scheme is a defined benefit scheme.

Pension scheme assets are measured using market values. For quoted securities the current bid price is taken as at the financial year end. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

A pension scheme surplus is not recognised as it is deemed not recoverable, however a deficit is recognised in full. The movement in the scheme surplus/deficit is taken to the comprehensive income and expenditure account. The actuarial gains and losses are shown in the statement of comprehensive income and expenditure.

Scottish Teachers' Pension Scheme

The RCS also participates in the Scottish Teachers' Pension Scheme. The scheme is available to staff of more than one employer and it is not possible to identify each participating institution's share of the underlying assets and liabilities on a consistent and reasonable basis. Accordingly, the RCS has utilised the provisions of FRS 102 whereby the contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the RCS's statement of comprehensive income and expenditure is equal to the contribution payable to the scheme for the relevant accounting period.

The RCS also provides enhanced pensions to former employees who accepted early retirement and provision is made on an actuarial basis for the liability to those former employees at the time of their retirement.

I Taxation Status

The RCS is a charity within the meaning of the Charities and Trustee Investment (Scotland) Act 2005 and as such is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010 and is recorded on the index of charities maintained by the Office of the Scottish Charity Regulator (Charity No. SC015855). Accordingly the RCS is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988 (ICTA)) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

J Operating Leases

Operating leases rentals are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

K Concessionary Loans

Concessionary loans are recognised at the monetary value received, are interest free and are made wholly to advance the charitable purposes of the RCS.

Notes to the Financial Statements (continued)**1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)****L Reserves**

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the RCS, are held as a permanently restricted fund which the RCS must hold in perpetuity.

Other restricted reserves include balances where the donor has included a specific purpose and therefore the RCS is restricted in use of these funds.

M Financial Instruments

Financial assets and financial liabilities are recognised when RCS becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified 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 RCS after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and RCS intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

N Accounting Estimates and Judgements

The RCS prepares its financial statements in accordance with FRS 102 as issued by the UK Financial Reporting Council, the application of which often requires judgements to be made when formulating the financial position and results. Under FRS 102, the Governors are required to adopt those accounting policies most appropriate to the circumstances for the purpose of presenting fairly the RCS's financial position, financial performance and cash flows. In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the RCS; it may later be determined that a different choice would have been more appropriate. Management considers that certain accounting estimates and assumptions relating to the pension costs and Fixed Assets are its critical accounting estimates.

Notes to the Financial Statements (continued)

1 STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (continued)

N Accounting Estimates and Judgements (continued)

A discussion of these critical accounting estimates is provided below.

Management has discussed its critical accounting estimates and associated disclosures with its external auditors, its Finance and General Purposes Committee and its Audit and Risk Committee.

Fixed Assets

Land and Buildings at the Wallace Studios are presently depreciated over the duration of the remainder of the leasehold which is 90 years. Material building improvements at Renfrew Street are presently depreciated over their useful life of 25 years.

Pension costs

In relation to the cost associated with membership of the Strathclyde Pension Fund the RCS makes estimates in relation to the assumptions which the scheme actuary applies to the annual valuation of the assets, liabilities and charges and which can have a material bearing on the figures.

2 FUNDING BODY GRANTS

	2025 £'000	2024 £'000
SFC		
Recurrent grant for teaching	13,741	13,529
Research excellence grant	322	309
Research postgraduate grant	87	85
<i>Specific initiative grants:</i>		
Disabled student premium	54	54
Knowledge Exchange and Innovation Fund	786	-
University Innovation Fund	-	433
<i>Deferred capital grants released in year:</i>		
Buildings	253	253
Equipment	1	2
	<u>15,244</u>	<u>14,665</u>

3 TUITION FEES AND EDUCATION CONTRACTS

	2025 £'000	2024 £'000
Scotland home domicile fees	757	629
EU domicile fees	537	431
RUK domicile fees	1,889	1,943
Non-EU domicile fees	5,798	4,659
Non-credit bearing course fees *	3,538	3,167
Education contracts	1,233	1,182
Other (registration and resit fees)	251	250
Total	<u>14,003</u>	<u>12,261</u>

* relates to Short Courses and Junior Conservatoire programmes

Notes to the Financial Statements (continued)

4	RESEARCH GRANTS AND CONTRACTS	2025 £'000	2024 £'000
	Miscellaneous research grants and contracts	<u>126</u>	<u>104</u>
5	OTHER INCOME	2025 £'000	2024 £'000
	Income from front of house	286	351
	Theatre and orchestral tax relief	521	279
	Sundry income	255	255
	RCS agency	51	43
	Other grant income	<u>385</u>	<u>72</u>
		<u>1,498</u>	<u>1,000</u>
6	INVESTMENT INCOME	2025 £'000	2024 £'000
	Investment income on endowments	62	63
	Other investment income	172	181
	Bank interest	<u>192</u>	<u>146</u>
		<u>426</u>	<u>390</u>
7	DONATIONS AND ENDOWMENTS	2025 £'000	2024 £'000
	Unrestricted donations:		
	RCS Endowment Trust donation	-	1,500
	Donations in kind (stringed instruments)	285	149
	Other unrestricted donations	<u>83</u>	<u>44</u>
		<u>368</u>	<u>1,693</u>
	Restricted donations:		
	RCS Endowment Trust donation	250	69
	RCS Infrastructure Trust loan donation	66	66
	Other restricted donations	<u>292</u>	<u>436</u>
		<u>608</u>	<u>571</u>
		<u>976</u>	<u>2,264</u>
8	STAFF COSTS		
	The average number of staff employed during the year (expressed as headcount) was 839 (2024: 858).		
	Staff costs for the above persons:	2025 £'000	2024 £'000
	Wages and salaries	18,489	17,031
	Social security costs	1,807	1,520
	Pension contributions paid	2,394	2,744
	Pension net service cost	667	67
	Other staff costs	<u>161</u>	<u>152</u>
		<u>23,518</u>	<u>21,514</u>

Note 23

Notes to the Financial Statements (continued)

8 STAFF COSTS (continued)

	2025 £'000	2024 £'000
Senior management	1,130	1,124
Teaching staff	13,507	12,542
Teaching support	1,461	1,238
Research grants and contracts	818	661
Other support services	1,572	1,324
Administration and central services	3,291	2,992
Premises	1,707	1,590
Other income generating activities	32	43
	<u>23,518</u>	<u>21,514</u>
Governors' salaries(included therein)		
Salaries(staff members)	426	409
Pension contributions	95	92
	<u>521</u>	<u>501</u>

The number of Governors accruing benefits under pension schemes during the year was 8 (2024: 6). Governors' salaries exclude FRS 102 pension adjustments.

Key management personnel

Key management personnel are the senior management team who have authority for planning, directing and controlling the activities of the RCS. Key management personnel comprise: the Principal; Deputy Principal; Director of Finance and Estates; Director of Human Resources; Director of Music; Director of Stage & Screen; Director of External Relations; Director of Business Development; Director of Research and Engagement; and the Academic Registrar/Board Secretary. Staff costs including compensation paid to key management personnel as follows:

	2025 £'000	2024 £'000
Total (including salaries, social security costs and other benefits)	<u>1,136</u>	<u>1,124</u>

Key management personnel gross remuneration including other benefits in kind falls into the following ranges:

	2025 Number	2024 Number
£10,001 - £20,000	-	1
£30,001 - £40,000	1	1
£70,001 - £80,000	5	4
£80,001 - £90,000	1	3
£90,001 - £100,000	2	1
£150,001 - £160,000	-	-
£160,001 - £170,000	-	1
£170,001 - £180,000	1	-

Notes to the Financial Statements (continued)

8 STAFF COSTS (continued)

The Chair was entitled to remuneration but waived that entitlement for 2024-25. Other non-staff Governors received no remuneration. The Principal, who is also the highest paid Governor, received emoluments of:

	2025 £'000	2024 £'000
Principal		
Salary	162	160
Pension contributions	42	38
Benefits in kind*	9	7
	<u>213</u>	<u>205</u>
Accrued pension as at 31 July	29	26
Accrued lump sum as at 31 July	87	79

* Benefits in kind relate to private medical insurance

The ratio of the remuneration of the Principal to the median salary of a RCS staff member is 3.00 (2024: 3.19). The ratio including salary, benefits in kind and pension is 3.13 (2024: 3.41).

The number of Governors receiving emoluments (excluding pension contributions) falls into the following ranges:

	2025 Number	2024 Number
£100,000 - £110,000	-	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	-	-
£150,001 - £160,000	-	-
£160,001 - £170,000	-	1
£170,001 - £180,000	1	-

There were no other Senior Managers receiving remuneration (excluding pension contributions) above £100,000, who are not Governors.

9 TRAVEL AND SUBSISTENCE

		2025 £'000	2024 £'000
Travel and subsistence	- Board members	8	5
Hospitality	- Board members	4	7
		<u>12</u>	<u>12</u>

The total expenses paid to or on behalf of Board members was £12K (2024 - £12K). This represents travel and subsistence expenses and hospitality costs incurred in attending Board, Committee meetings and other events in their official capacity.

Notes to the Financial Statements (continued)

10 OTHER OPERATING EXPENSES		2025 £'000	2024 £'000
Teaching departments		1,720	1,706
Contracted-out lecturing services		198	244
Teaching support services		344	380
Other support services		930	926
Administration and central services		1,188	871
General education		138	285
Premises costs		1,304	1,245
Repairs, renewals and maintenance		393	323
Student residences		23	102
Other income generating activities		419	506
Agency staffing costs		34	59
Pension fund net interest		(929)	(831)
Other expenses		139	500
		<u>5,901</u>	<u>6,316</u>
Other operating expenses include:		2025 £'000	2024 £'000
Auditors' remuneration	External Audit	38	26
	US Federal Government Loans Audit	3	3
	Non-audit services	10	4
	Internal audit	30	26
Operating lease rentals	Other than Land and Buildings	494	493

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Notes to the Financial Statements (continued)

11 TANGIBLE FIXED ASSETS

Cost or valuation

	Assets Under Construction £'000	Freehold Buildings £'000	Leasehold Buildings £'000	Furn/Fixt/ Fittings/ Equipment £'000	Other Stringed Instruments £'000	Musical Instruments £'000	Total £'000
At 1 August 2024	77	30,281	11,837	5,857	1,100	900	50,052
Additions	301	-	-	509	299	74	1,183
Disposals	-	-	-	(1,121)	(155)	-	(1,276)
Transfers	(378)	-	378	-	27	(27)	-
Revaluations	-	-	-	-	30	(14)	16
At 31 July 2025	0	30,281	12,215	5,245	1,301	933	49,975

Aggregate Depreciation

At 1 August 2024	-	9,584	2,129	4,926	64	436	17,139
Depreciation charge	-	362	130	357	14	74	937
Disposals	-	-	-	(1,122)	(9)	-	(1,131)
Transfers	-	-	-	-	15	(15)	-
Revaluations	-	-	-	-	(32)	(238)	(270)
At 31 July 2025	-	9,946	2,259	4,161	52	257	16,675

Net Book Value

NBV at 1 August 2024	77	20,697	9,708	931	1,036	464	32,913
NBV at 31 July 2025	-	20,335	9,956	1,084	1,249	676	33,300

The RCS building on Renfrew Street may not be sold without the prior approval of the First Minister of the Scottish Government, to whom the RCS is accountable for the proceeds of the sale.

The Alexander Gibson Opera School may not be sold without the written permission of Creative Scotland. In the event of a sale or disposal, Creative Scotland's share of the proceeds shall be in direct proportion to the share of the project costs originally met from the Lottery.

Assets under construction relates to the installation of solar panels to the Wallace Studios campus buildings and is partially funded by an external grant. The work was completed in 2024/25 and assets transferred to Leasehold Buildings.

Notes to the Financial Statements (continued)

12 INVESTMENTS

	Anon Fund 2025 £'000	Pibroch Network Fund 2025 £'000	General Fund 2025 £'000	Prize Fund 2025 £'000	Piano Fund 2025 £'000	Total 2025 £'000	Total 2024 £'000
Market value at 1 August	131	188	6,485	929	815	8,548	8,027
Additions	-	71	1,428	297	262	2,058	6,058
Disposals	-	(63)	(1,717)	(277)	(270)	(2,327)	(6,248)
Increase in market value*	4	6	215	30	23	278	711
Market value at 31 July	<u>135</u>	<u>202</u>	<u>6,411</u>	<u>979</u>	<u>830</u>	<u>8,557</u>	<u>8,548</u>
Listed investments				2025 Market Value £'000	2025 Cost £'000	2024 Market Value £'000	2024 Cost £'000
Fixed interest stocks				1,804	1,794	1,271	1,309
Equities				6,753	5,714	7,277	6,440
				<u>8,557</u>	<u>7,508</u>	<u>8,548</u>	<u>7,749</u>

* The increase in market value in 2024 was net of realised losses on investments of £340,000 which were incurred when the portfolios were re-balanced by the incoming investment manager.

13 TRADE AND OTHER RECEIVABLES

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Trade receivables	259	158
Receivables due from students - net of provision for doubtful debts	228	187
Other receivables	484	518
Prepayments and accrued income*	1,403	2,352
* 2024 figure included £1.57M due from the RCS Endowment Trust.	<u>2,374</u>	<u>3,215</u>

14 CURRENT INVESTMENTS

	2025 £'000	2024 £'000
Short term deposits	1,076	776
	<u>1,076</u>	<u>776</u>

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Conduct Authority with less than three months maturity at the Statement of Financial Position date. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.

At 31 July 2025 the weighted average interest of these fixed rate deposits was 3.17% per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 1 month. The fair value of these deposits was not materially different from the book value.

Notes to the Financial Statements (continued)

15 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £'000	2024 £'000
Trade payables	199	254
Other creditors	598	258
Accruals and deferred income	2,346	1,902
Loans	66	66
	<u>3,209</u>	<u>2,480</u>

DEFERRED INCOME

Included within accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2025 £'000	2024 £'000
Grant income	254	255
	<u>254</u>	<u>255</u>

16 CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £'000	2024 £'000
Deferred grant income	16,344	16,598
Loans	1,022	1,088
	<u>17,366</u>	<u>17,686</u>

17 PUBLIC BENEFIT ENTITY CONCESSIONARY LOANS

	2025 £'000	2024 £'000
Amounts repayable within one year	66	66
Amounts repayable between one and two years	66	66
Amounts repayable between three and five years	132	132
Amounts repayable in five years or more	824	890
Amounts repayable after more than one year	<u>1,022</u>	<u>1,088</u>
Total public benefit entity concessionary loans	<u>1,088</u>	<u>1,154</u>

Lender	Amount	Term	Interest rate %	Borrower
RCS Infrastructure Trust	£1,885,000	2042	Nil	RCS

18 PROVISIONS FOR LIABILITIES AND CHARGES

	Pensions £'000
Balance at 1 August 2024	224
Increase in provision	24
Paid/released	(38)
Balance at 31 July 2025	<u>210</u>

The RCS provides enhanced pensions to former employees who accepted early retirement and provision is made on an actuarial basis for the liability to those former employees at the time of their retiral. A valuation of the existing pension provision was carried out at 31 July 2025 by Hymans Robertson, an independent firm of actuaries.

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Notes to the Financial Statements (continued)

19 ENDOWMENT FUNDS - PERMANENT

	Pibroch Network Capital £'000	Prize Fund Capital £'000	Prize Fund Income £'000	Piano Fund Capital £'000	2025 Total £'000	2024 Total £'000
Balance at 1 August 2024	218	927	-	873	2,018	1,784
Capital	-	-	276	-	276	265
Accumulated income	218	927	276	873	2,294	2,049
<i>Income</i>						
Funds introduced	-	2	37	-	39	92
Investment income	6	-	31	22	59	52
Increase/(decrease) in value of investments	6	31	-	23	60	164
	230	960	344	918	2,452	2,357
<i>Expenditure</i>						
Prizes	-	-	(44)	-	(44)	(42)
Transfer to unrestricted reserves to meet expenditure incurred	(1)	-	-	(22)	(23)	(19)
Management fees	-	-	(6)	-	(6)	(2)
Balance at 31 July 2025	229	960	294	896	2,379	2,294
Represented by:						
Capital	229	960	-	896	2,085	2,018
Accumulated income	-	-	294	-	294	276
	229	960	294	896	2,379	2,294
Analysis by asset						
Current and non-current asset investments	229	960	294	896	2,379	2,294
	229	960	294	896	2,379	2,294

A donation from Louis Sterne Trust to support the impact and interdisciplinarity of the Pibroch Network.

Prize Funds are held in trust and are used to make prizes to students at the RCS.

The Piano Fund consists of capital gifts, the income from which contributes towards the leasing costs of the RCS's fleet of pianos.

Notes to the Financial Statements (continued)

19 ENDOWMENT FUNDS - EXPENDABLE

	2025 Anon Fund £'000	2025 Total £'000	2024 Total £'000
Balance at 1 August 2024			
Capital	131	131	48
Accumulated income	66	66	82
	<u>197</u>	<u>197</u>	<u>130</u>
<i>Income</i>			
Funds/capital introduced	2	2	124
Investment income	3	3	2
Increase in value of investments	4	4	5
	<u>206</u>	<u>206</u>	<u>261</u>
<i>Expenditure</i>			
Transfer to unrestricted reserves to meet expenditure incurred	(65)	(65)	(64)
	<u>141</u>	<u>141</u>	<u>197</u>
Balance at 31 July 2025			
Represented by:			
Capital	141	141	131
Accumulated income	-	-	66
	<u>141</u>	<u>141</u>	<u>197</u>
<i>Analysis by asset:</i>			
Non-current asset investments	141	141	131
Cash and cash equivalents	-	-	66
	<u>141</u>	<u>141</u>	<u>197</u>

The Anon Fund is to maintain and/or enhance activities within the Departments of Opera, Ballet, Traditional Song and Jazz.

20 RESTRICTED FUNDS

	Other £'000	Vocal Studies £'000	RCS Endowment Trust £'000	RCS Infrastructure Trust £'000	The Robertson Trust £'000	2025 Total £'000	2024 Total £'000
Balance at 1 August 2024	170	303	0	-	161	634	600
<i>Income</i>							
Funds/capital introduced	203	-	250	66	-	519	226
<i>Expenditure</i>							
Release of restricted funds spent in the year	(54)	(100)	(250)	(66)	(9)	(479)	(192)
Total restricted comprehensive income for the year	149	(100)	-	-	(9)	40	34
	<u>319</u>	<u>203</u>	<u>-</u>	<u>-</u>	<u>152</u>	<u>674</u>	<u>634</u>
Balance at 31 July 2025							

Other includes a legacy from the Nick Kuenssberg estate, The Bruce Millar Memorial Trust providing financial assistance to emerging creative artists, The William Grant Foundation for digital development and work with care experienced young people, The Julian Bream Trust to support students in their respective endeavours at the start of their artistic careers, Amazon Prime Video Pathway to support students to access performing arts education, Anne McFarlane donation to support Production students and Ernst Maas Educational Trust to support an orchestral project.

The Vocal Studies Fund represents a legacy receipt in support of vocal studies activities.

The donation from the RCS Endowment Trust was used to support additional fundraising activity.

The donation from the RCS Infrastructure Trust was used in support of a capital development.

The Robertson Trust funds represent a donation which was used in support of a capital development.

Notes to the Financial Statements (continued)

21 SHARE CAPITAL

	2025 £	2024 £
<u>Authorised:</u>		
15,000 Ordinary Shares of £1 each	15,000	15,000
<u>Allotted, Issued and Fully Paid:</u>		
7,284 Ordinary Shares of £1 each	7,284	7,284
<u>Allotted and Issued:</u>		
300 Ordinary Shares of £1 each	300	300
	<u>7,584</u>	<u>7,584</u>

22 LEASE OBLIGATIONS

	The Whisky Bond (Archive) £'000	Student Accommoda tion £'000	Musical Instruments £'000	2025 Total £'000	2024 Total £'000
Future minimum lease payments due:					
Not later than 1 year	24	2,552	464	3,040	2,901
Later than 1 year and not later than 5 years	82	10,465	101	10,648	10,532
Later than 5 years and not later than 10 years	-	323	-	323	2,767
Total lease payments due	<u>106</u>	<u>13,340</u>	<u>565</u>	<u>14,011</u>	<u>16,200</u>

Student accommodation

The Royal Conservatoire of Scotland has a lease arrangement with BASE Glasgow OpCo Ltd and acts as an administrator in relation to student accommodation rental income in a private build student accommodation facility at McPhater St, Glasgow and underwrites any shortfall in the annual rent. Total rental income from students for the year was £2,504K and total rent due was £2,527K leaving a balance due to BASE Glasgow OpCo Ltd of £23K. The lease is for a period of 20 years commencing on 14 September 2020 with a break option exerciseable by RCS after 10 years.

	2025 £'000	2024 £'000
Rental Income	2,504	2,304
Rental costs	<u>(2,527)</u>	<u>(2,406)</u>
Net costs	<u>(23)</u>	<u>(102)</u>

23 PENSION COMMITMENTS

The RCS's employees belong to three principal pension schemes; the Scottish Teachers' Pension Scheme (STPS), Local Government Pension Scheme administered by the Strathclyde Pension Fund (SPF) which are of the defined benefit type, and a defined contribution scheme - The Universities and Colleges Retirement Savings Scheme (UCRSS).

The RCS also makes pension payments to former employees who have taken early retirement.

Notes to the Financial Statements (continued)**23 PENSION COMMITMENTS (continued)**

The total pension cost for the year was :

	2025 £'000	2024 £'000
Contributions to STPS	1,904	1,730
Contributions to SPF	463	1,058
Contributions to UCRSS	-	-
	<u>2,367</u>	<u>2,788</u>
Increase in pension provision	<u>24</u>	<u>26</u>
	<u>2,391</u>	<u>2,814</u>

The actual cost of contributions paid by the RCS during the year to the SPF was £463K.

There were £6K of outstanding contributions payable at 31 July 2025.

Scottish Teachers' Pension Scheme

The RCS participates in the Scottish Teachers' Superannuation Scheme. The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. The 2016 valuation set employer contribution rates at 23.0% from 1 September 2019 until 31 March 2023, although the UK Government has since stated that the rates would continue until 31 March 2024. Member contributions continued at the same rates within a range of 7.2% to 11.9% and are anticipated to deliver a yield of 9.4%.

The valuation carried out as at 31 March 2020 confirmed that an increase in the employer contribution rate from 22.4% to 26.0% will be required from 1 April 2024 to 31 March 2027. In addition, member pension contributions since 1 April 2024 have been paid within a range of 7.35% to 12.14% and have been anticipated to deliver a yield of 9.6% of pensionable pay.

The RCS has no liability for other employers obligations to the multi-employer scheme. As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme. The scheme is an unfunded multi-employer defined benefit scheme.

While a valuation was carried out as at 31 March 2016, it is not possible to say what deficit or surplus may affect future contributions. Work on the valuation was suspended by the UK Government pending the decision from the Court of Appeal (McCloud (Judiciary scheme)/Sargeant (Firefighters' Scheme) cases) that held that the transitional protections provided as part of the 2015 reforms was unlawfully discriminated on the grounds of age. Following consultation and an announcement in February 2021 on proposals to remedy the discrimination, the UK Government confirmed that the cost control element of the 2016 valuations could be completed. The UK Government has also asked the Government Actuary to review whether, and to what extent, the cost control mechanism is meeting its original objectives. The 2020 actuarial valuations will take the report's findings into account. The interim report is complete (restricted) and is currently being finalised with a consultation. Alongside these announcements, the UK Government confirmed that current employer contribution rates would stay in force until 1 April 2024.

It is accepted that the scheme can be treated for accounting purposes as a defined contribution scheme in circumstances where the RCS is unable to identify its share of the underlying assets and liabilities of the scheme.

The RCS's level of participation in the scheme is 0.2% based on the proportion of employer contributions paid in 2023-24.

Strathclyde Pension Fund

The Strathclyde Pension Fund provides benefits on final pensionable salary for employees of local government and some other institutions.

Notes to the Financial Statements (continued)

23 PENSION COMMITMENTS (continued)

The fund is valued every three years by a professionally qualified independent actuary using the projected unit method, with the most recent comprehensive valuation being prepared as at 31 March 2023. The rates of contribution payable are determined by the SPF Board on the advice of the actuaries. In the intervening years the actuaries review the progress of the scheme and prepare an interim valuation for the purposes of reporting under FRS 102 as at the end of July. The employer contribution rate for the period from 1 August 2024 to 31 July 2025 was 6.5% of pay. The employee contribution rate for the period from 1 August 2024 to 31 July 2025 was a variable rate dependent on the level of salary ranging from 5.5% to 11.2%.

Principal actuarial assumptions at the Statement of Financial Position date:

Investment Returns

	2025 %	2024 %
Total Returns from 1 August 2024 to 31 July 2025	7.70	9.00

Financial assumptions

	2025 %	2024 %
Future Pension increases	2.75	2.75
Future Salary increases	3.45	3.45
Discount rate	5.80	5.00

The RCS expects to contribute £702K to its defined benefit pension plans in 2025/26.

Mortality assumptions

The remaining life expectancies used to determine benefit obligations are as follows:

	Male	Female
Current pensioners	20.2 years	20.0 years
Future pensioners	20.6 years	20.4 years

The major categories of plan assets as a percentage of stated plan assets are as follows:

	2025 %	2024 %
Equities	61	62
Bonds	22	25
Property	9	9
Cash	8	4

The fair value of the plan assets and the return on those assets were as follows:

Changes in the fair value of plan assets, defined benefit obligation and net liability

	Assets £'000	Obligations £'000	2025 Net (Liability)/ Asset £'000	2024 Net (Liability)/ Asset £'000
Fair value of employer assets	48,661	-	48,661	43,541
Present value of funded liabilities	-	29,738	(29,738)	(26,925)
Opening Position as at 31 July 2024	48,661	29,738	18,923	16,616
Service Cost	-	-	-	-
Current Service Cost	-	1,129	(1,129)	(1,052)
Past service Cost	-	-	-	-
Total Service Cost	-	1,129	(1,129)	(1,052)
Net Interest	-	-	-	-
Interest income on plan assets	2,438	-	2,438	2,197
Interest Cost on defined benefit obligation	-	1,509	(1,509)	(1,366)
Total Net Interest	2,438	1,509	929	831

Notes to the Financial Statements (continued)

23 PENSION COMMITMENTS (continued)

	Assets £'000	Obligations £'000	2025 Net (Liability)/ Asset £'000	2024 Net (Liability)/ Asset £'000
Total defined benefit cost recognised in income and expenditure	2,438	2,638	(200)	(221)
Cashflows				
Plan participants contributions	437	437	-	-
Employer contributions	462	-	462	985
Benefits paid	(626)	(626)	-	-
Expected closing position	51,372	32,187	19,185	17,380
Re-measurements				
Changes in demographic assumptions	-	(4,767)	4,767	1,314
Changes in financial assumptions	-	73	(73)	859
Other experience	-	(270)	270	(2,394)
Return on assets excluding amounts included in net interest	1,311	-	1,311	1,764
Total re-measurements recognised in other comprehensive income	1,311	(4,964)	6,275	1,543
Fair value of plan assets	52,683	-	52,683	48,661
Present value of funded liabilities	-	27,223	(27,223)	(29,738)
Closing position as at 31 July 2025	52,683	27,223	25,460	18,923

* The defined benefit asset has been restricted to £nil in the Statement of Financial Position as the Conservatoire does not have the rights to a refund or to reduce its payments into the pension scheme

The Universities and Colleges Retirement Savings Scheme

The Universities and Colleges Retirement Savings Scheme provides a defined contribution pension scheme which is open to all employees. The minimum pension contributions for both employer and employee is 5%. The employer will match an employees contribution up to 5%. There is no cap to the level of employee contributions into the scheme.

24 CAPITAL COMMITMENTS

	2025 £'000	2024 £'000
Commitments authorised but not yet contracted at	-	382

The 2024 amount relates to the installation of solar panels to the Wallace Studios campus buildings partially funded by an external grant and a set of timpani.

25 CONTINGENT LIABILITIES

The Royal Conservatoire of Scotland is in the process of seeking clarification around the classification of pensionable pay. At this stage it is not possible to quantify the potential liability, nor is there certainty that it would fall due.

Notes to the Financial Statements (continued)

26 RELATED PARTY TRANSACTIONS

Due to the nature of the RCS's operations and the composition of the Board of Governors (being drawn from public and private sector organisations in Scotland) it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving organisations in which a member of the Board of Governors may have an interest are conducted at arm's length and in accordance with the RCS's financial regulations and normal procurement procedures. All members of The Board of Governors are required to complete a register of interests to record any areas of potential conflict with the interests of the Conservatoire. A register of interests is maintained for members of the Board of Governors and reviewed by management in advance of preparing the financial statements for the year. Management identified no related party transactions within the definition of the SORP during or at the year end that required to be disclosed.

27 DISCRETIONARY AND CHILDCARE FUNDS

	Childcare £	Discretionary £	International Student Emergency Fund £	Total £
Balance unspent at 1 August 2024	1,383	3,718	692	5,793
Repaid during the year	(1,383)	(3,718)	(692)	(5,793)
Allocation received in year	8,121	33,101	897	42,119
Expenditure	(5,348)	(25,700)	-	(31,048)
Balance unspent at 31 July 2025	<u>2,773</u>	<u>7,401</u>	<u>897</u>	<u>11,071</u>
Repayable as claw back	2,773	7,401	897	11,071

Grants for discretionary and childcare funds are available solely for students: the RCS acts only as paying agent. The grants and related disbursements are therefore excluded from the comprehensive income and expenditure account.

Notes to the Financial Statements (continued)

28 US DEPARTMENT OF EDUCATION - FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

In satisfaction of its obligations to facilitate students' access to US federal financial aid, RCS is required, by the US Department of Education, to present the following Supplemental Schedule in a prescribed format. The amounts presented within the schedules have been: • prepared under the historical cost convention, subject to the revaluation of certain fixed assets; • prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition); • presented in pounds sterling. The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America. The aim of the schedules is to support RCS in meeting the requirements of the US Department of Education's Federal Loan scheme, and not the requirements of the SORP; the schedule does not form part of the SORP.

Primary Reserve Ratio:

Page	Note	Financial Statement reference		2025 £'000	2024 £'000
			Expendable Net Assets		
56	No note	Statement of financial position	Net Assets without donor restrictions:	28,368	26,357
71+72	19+20	Endowment funds - Permanent and endowment funds - expendable	Net Assets with donor restrictions:	3,194	3,125
71+72	19+20	Endowment funds - Permanent and endowment funds - expendable	Term Endowments with donor restrictions:	2,520	2,491
72	20	Restricted funds	Net Assets with donor restrictions: restricted in perpetuity:	-	-
			Net Assets with donor restrictions: Other for purpose or time:	674	634
68	11	Tangible Fixed Assets	Property, plant and equipment, net (includes Construction in progress and Capital leases):	33,300	32,913
			Property, plant and equipment - pre-implementation (includes Capital Leases):	32,117	32,429
68	11	Tangible Fixed Assets	Property, plant and equipment- post-implementation without outstanding debt for original purchase:	1,183	484
74	23	Pension Commitments	Post-employment and pension liabilities:	-	-
70	17	Public Benefit Entity Concessionary Loans	Long-term debt - for long term purposes:	1,088	1,154
			Long-term debt - for long term purposes pre-implementation:	1,088	1,154
70	17	Public Benefit Entity Concessionary Loans	Long-term debt - for long term purposes post-implementation:	-	-
			Total Expenses and Losses:		
		See below	Total Expenses and Losses without donor restrictions:	30,538	29,539
54	No note	Statement of Comprehensive Income -Total Expenditure	Total Expenses without donor restrictions - taken directly from Statement of Activities:	30,356	28,768
76	23	Pension Commitments	Other components of net periodic pension costs:	262	764
54	No note	Statement of Comprehensive Income -Loss on disposal of fixed assets	Other Losses:	(80)	7

Notes to the Financial Statements (continued)

28 US DEPARTMENT OF EDUCATION - FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE (continued)

Equity Ratio:			2025 £'000		2024 £'000	
			Modified Net Assets:			
56	No note	Statement of Financial Position - Total reserves less restricted reserves noted below	*Net Assets without donor restrictions:	28,368	26,357	
56	No note	Statement of Financial Position - restricted reserves	*Net Assets with donor restrictions:	3,194	3,125	
			Modified Assets:			
56	No note	Statement of Financial Position -non current assets + current assets	Total Assets:	52,347	49,872	
Net Income Ratio:			Change in Net Assets Without Donor Restrictions:			
56	No note	Statement of Financial Position - Total net assets less restricted reserves 2025 vs 2024	Change in Net Assets Without Donor Restrictions:	2,011	1,170	
			Total Revenues and Gains:			
54	No note	Statement of Comprehensive Income - Total Income less restricted comprehensive income for the year+gains on realised and unrealised investments	Total Revenues and Gains without donor restrictions:	32,331	31,050	
54	No note	Statement of Comprehensive Income - Total Income	Total Operating Revenue and Other Additions (Gains):	32,273	30,713	
			Investment return appropriated for spending:			
54	No note	Gains on realised and unrealised investments	Non-Operating Revenue and Other Gains:	58	371	