

# ANNUAL REVIEW AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

The Royal Academy of Music moves music forward by inspiring successive generations of musicians to connect, collaborate and create.

Charity number 310007

Company registration number RC000438

MARYLEBONE ROAD, LONDON NW1 5HT  
RAM.AC.UK



**UNIVERSITY  
OF LONDON**

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## FOREWORD FROM THE CHAIR OF THE GOVERNING BODY



I am thrilled to have become the Academy's first Chair of its third century. I have a long-standing affection for the Academy and a deep admiration for the work it does and the young people it serves.

My role is to work with the Principal and his senior team as we navigate the challenges facing higher education and the arts – making decisions which directly affect the experience of students and staff – and ensuring the sustainability of the world class education we provide. Now, more than ever, we must work hard to ensure that the finest music education and performance can flourish, and that talented young people are equipped with every opportunity to make music important in people's lives.

Without philanthropy this would be impossible, and the Academy has worked hard to build a community of generous and committed supporters who are enabling us to support so many talented young musicians, to take control of our future as an organisation, and to invest in all sorts of areas that were previously unimaginable. Our Bicentenary year in 2022 provided an opportunity not only to take inspiration from our past but also to focus on the next 200 years, and the Academy's role in shaping the musical world of the future. We were delighted to launch our Campaign in April of that year with a goal of £60m. The Campaign has exceeded our expectations with a level of engagement with our ambitions that has been truly overwhelming, and having exceeded that target, we recently announced our new goal of £100m.

On behalf of the Governing Body, I am pleased to present the financial statements for the year ended 31 July 2024.

**Sir Simon Robey Hon FRAM**  
**Chair**

## FOREWORD FROM THE PRINCIPAL



The Academy is an extraordinary place with extraordinary people. Now in our third century, we are more confident than ever in our ability to shape the future of music by discovering and supporting talent wherever it exists, and by attracting the exceptional teachers and mentors who spark this talent. Our undergraduate and postgraduate programmes have been meticulously designed and developed to support and equip our students with the tools they will need to succeed in a fast-changing world. Musicians need imagination, versatility and resilience as never before, and at the Academy, students' individual talents are matched to the opportunities of the present day and beyond.

We are proud of our long history of collaborations with other institutions, and in particular our founding and leading role in the Sir Elton John Global Exchange Programme, which promotes and facilitates global mobility and international collaboration, and enables our students to take part in education exchanges with top conservatoires across the world.

We know that the music profession has endured difficult times of late, and that general uncertainty will continue to have a disproportionate impact on the industry that students will enter. At the same time, the world is a better, more creative and fulfilling place, with each of our students doing what they love doing, and we must proudly continue to shout from the rooftops about the timeless values of our art form and the glorious musical literature at its heart. The young musicians training here today, especially in this post-pandemic world, need to bring new purpose and focus to the profession and outlooks that are likely to be durable because they are infused with ever broader and more flexible skills. This requires us to constantly revise our thoughts about how musicians lead, take the initiative, exercise imagination through collaboration, and generally become more flexible and employable.

The Governing Body meeting in June was the last to be chaired by Dame Jenny Abramsky after 11 years in post. Jenny's impact on the Academy has had a remarkably wide reach, as ambassador, supporter of initiatives and in her capacity always to place music at the heart of a broad cultural and educational argument. Jenny's successor, Sir Simon Robey, is one of the UK's leading investment bankers and has a deep love of music. He has a long connection to the Academy as a supporter and previous trustee, and we are very pleased to welcome him as our new Chair. The end of the 2023/24 year also marked the retirement of three longstanding trustees, Dame Susie Sainsbury, Lord Sumption and Tim Parker, and we welcomed two new trustees, Dinah Rose KC and Peter Hesketh.

**Professor Jonathan Freeman-Attwood CBE**  
Principal

## ABOUT US

The Royal Academy of Music (the Academy) was established in 1822 and granted a Royal Charter in 1830 (Supplemental Charter granted in 1998). The Academy is a registered charity, number 310007, and a company registered with Companies House, number RC000438. The Academy is registered with the Office for Students as a higher education provider, OfS: 0135532.

PATRON	HM The King
PRESIDENT	HRH The Duchess of Gloucester KG GCVO Hon FRAM
VICE PRESIDENTS	Dame Jenny Abramsky GBE Lord Burns CBE Hon FRAM Sir Elton John CH CBE Hon RAM DMus Sir Curtis Price KBE Hon RAM
HONORARY VICE PRESIDENT	Alfred Brendel

## GOVERNING BODY (TRUSTEES)

CHAIR	Dame Jenny Abramsky GBE	(retired 31 July 2024)
	Sir Simon Robey Hon FRAM	(appointed 1 August 2024)
DEPUTY CHAIR	Dame Susie Sainsbury Hon FRAM	(retired 31 July 2024)
DEPUTY CHAIR	The Rt Hon Lord Sumption OBE Hon FRAM	(retired 31 July 2024)
DEPUTY CHAIR	The Duchess of Wellington OBE Hon FRAM	
	Lord Blackwell	
	John Burgess Hon FRAM	
	Ina De	
	Alexis Ffrench FRAM	
	Hamish Forsyth	(appointed 1 September 2023)
	Professor Jo Fox	(appointed 1 February 2024)
	Peter Hesketh	(appointed 1 August 2024)
	Rehmet Kassim-Lakha	
	Luke Lloyd Davies	(retired 31 March 2024)
	Timothy Parker Hon FRAM	(retired 31 July 2024)
	Dinah Rose KC	(appointed 1 August 2024)
	Professor Irem Tuna	(retired 31 December 2023)
	William de Winton	
	Damian Wisniewski Hon FRAM	
STAFF MEMBERS	Professor Margaret Faultless Hon RAM	(retired 31 July 2024)
	Barbara Law	(retired 31 July 2024)
	Gemma Waring Hon ARAM	
	Dr Christopher White ARAM	(appointed 22 October 2024)
STUDENT UNION PRESIDENT AND STUDENT MEMBER	Tiffany Qiu	
SECRETARY TO GOVERNING BODY	Sandra Green Hon ARAM	

## SENIOR MANAGEMENT TEAM

PRINCIPAL	Professor Jonathan Freeman-Attwood CBE BMus MPhil Hon RAM FKC FRNCM FRCM
DEPUTY PRINCIPAL	Professor Timothy Jones MA DPhil LTCL Hon RAM
DIRECTOR OF FINANCE	Karen Di Lorenzo MBA MA Cantab ACMA
REGISTRAR & DIRECTOR OF STUDENT OPERATIONS	Catherine Jury Hon FRAM
DEAN OF STUDENTS	Professor Elizabeth Kenny MA FRAM
DEPUTY PRINCIPAL (ADVANCEMENT)	Kirsty MacDonald BA MA Oxon Hon FRAM

## ADMINISTRATIVE INFORMATION

REGISTERED OFFICE	Marylebone Road, London NW1 5HT
EXTERNAL AUDITORS	MHA, 6th floor, 2 London Wall Place, London EC2Y 5AU
INTERNAL AUDITORS	Azets, Exchange Place 3, Semple Street, Edinburgh EH3 8BL
BANKERS	Lloyds Bank plc, 25 Gresham Street, London EC2V 7HB
INVESTMENT FUND MANAGERS	Cazenove Capital, 12 Moorgate, London EC2 R 6DA Meridiem (formerly Veritas) Investment Management Ltd, Riverside House, 2a Southwark Bridge Road, London SE1 9HA Pantheon Venture (UK) LLP, 10 Finsbury Square, 4th Floor, London EC2A 1AF
LEGAL ADVISERS	Veale Wasbrough Vizards LLP, Narrow Quay House, Narrow Quay, Bristol BW1 4QA

## COMMITTEE MEMBERSHIP DURING 2023/24

AUDIT COMMITTEE	Damian Wisniewski (Chair) Dame Jenny Abramsky Ina De Hamish Forsyth
FINANCE & GENERAL PURPOSES COMMITTEE	Lord Blackwell (Chair) John Burgess Timothy Parker Professor Irem Tuna William de Winton
GIFT ACCEPTANCE COMMITTEE	Dame Jenny Abramsky (Chair) Lord Sumption Ina De
NOMINATIONS COMMITTEE	Dame Jenny Abramsky (Chair) Dame Susie Sainsbury Lord Sumption Duchess of Wellington
REMUNERATION COMMITTEE	Lord Blackwell (Chair) Dame Jenny Abramsky Rehmet Kassim-Lakha

## HONORARY TRUSTEES

The title of Honorary Trustee is awarded to retired Independent Members of the Governing Body to recognise their distinguished service to the Academy.

Sir Rodrick Braithwaite GCMG Hon FRAM  
 The Rt Hon Lord Carnwath Kt CVO PC Hon FRAM  
 Robin Butler Hon FRAM  
 Sir Howard Davies Hon FRAM  
 Matthew Ferrey Hon FRAM  
 Lesley Garrett CBE FRAM  
 Sam Gordon Clark CBE Hon FRAM  
 Lady Heywood CBE  
 Professor Sir Barry Ife CBE FKC FBbk Hon FRAM FRM FGS  
 Steven Isserlis CBE Hon RAM  
 The Rt Hon Lord Lloyd of Berwick PC DL Hon FRAM  
 Dame Felicity Lott DBE FRAM FRM  
 George Nissen CBE Hon FRAM  
 Timothy Parker Hon FRAM  
 William Robert C Ogden Hon FRAM  
 Professor Roger Parker Hon FRAM  
 Laurel Powers-Freeling Hon FRAM  
 Christopher Purvis CBE  
 Sir John Ritblat Hon FRAM  
 Dame Susie Sainsbury Hon FRAM  
 Lady Becket Smith OBE Hon FRAM  
 Sir Martin Smith Hon FRAM  
 John Suchet OBE Hon FRAM  
 The Rt Hon Lord Sumption OBE, Hon FRAM  
 Professor Sir Richard Trainor KBE BA MA DPhil FKC Hon FRAM  
 Anthony Travis Hon FRAM  
 John Willan FRAM FRSA FCA  
 Julia Yorke Hon FRAM

# TRUSTEES REPORT: OPERATING PLAN AND FINANCIAL REVIEW FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

The Governors and Trustees of the Royal Academy of Music present their Annual Review and audited Financial Statements for the year ended 31 July 2024 and confirm that they comply with the requirements of the Charities Act 2011, the Academy's Royal Charter and the Statement of Recommended Practice 'Accounting for Further and Higher Education' (SORP 2019) and Office for Students Accounts Directions.

## MISSION

The Academy's mission is to provide pre-professional, undergraduate and postgraduate musical training of the highest national and international standards, and to enrich musical culture by training and educating the most talented musicians.

## VISION AND VALUES

Our vision is for the Academy to be the conservatoire of choice for top global talent aspiring to a successful creative professional career.

Quality and equality are at the core of our values, underpinning all of our activities. The Academy operates in a spirit of professionalism, collaboration and openness, and promotes an inclusive learning and working environment in which all students, staff and visitors are welcomed. We support students and staff in challenging and removing any form of prejudice or discrimination, and in promoting equality, diversity and inclusion, which in turn enriches the teaching, learning, artistic and social environment.

## PUBLIC BENEFIT

The Academy operates under the terms of its Royal Charter and its Objects are 'to promote the Cultivation of the Science of Music and to afford facilities for attaining perfection in it by assisting with general instruction of all persons desirous of acquiring a knowledge thereof'.

The Governing Body confirms that careful consideration has been given to the Charity Commission's public benefit guidance when reviewing our missions, aims and objectives, and in planning our activities. In these financially challenging times, charities must continue to show people how they deliver on their purpose, including how every penny makes a positive difference.

The Academy makes a significant contribution to the public benefit via our teaching, research, performances and other activities, in terms of the advancement of education; the advancement of the arts, culture and heritage; and our commitment to access and participation. We have expanded on how we have fulfilled our purposes during the course of these financial statements.

## THE ADVANCEMENT OF EDUCATION

The Academy contributes to the advancement of education through our programmes of study; calendar of publicly accessible performances and research events; outreach events designed to encourage learners from traditionally low-participation sectors of the community to participate in music education and higher education; and the conservation, display, interpretation, and practical use of our collections to educational ends.

We are committed to providing a range of long-term outreach activities targeted at groups that are under-represented in higher education. This includes working collaboratively to raise aspiration to make music more accessible, through recruitment at all levels and the wide-ranging activities of our students, both in the UK and internationally. By taking music out into the community and providing high level musical tuition to children and young people, our Open Academy, Junior Academy and Your Academy departments reach ever further, raising aspirations, making connections and challenging preconceptions via a range of projects delivered with partner schools and organisations.



## THE ADVANCEMENT OF ARTS, CULTURE AND HERITAGE

Our core activities advance arts, culture and heritage by finding the most promising British and international musical talent and nurturing it through the delivery of world-class education and vocational training, producing exceptional artists who will shape the future of music in this country and beyond. We support the UK's cultural infrastructure, generate development in the cultural industries, and provide international leadership in music:

- By collaborating with leading venues and ensembles, supporting musical research, commissioning new music and bringing before the public new and unfamiliar work, the Academy enriches the UK's musical culture.
- Through the preservation, display and use of our collection of musical artefacts, the Academy contributes to the advancement of the UK's musical heritage.

The Academy aims to enrich musical culture by:

- Educating and training students with the most significant potential to attain the highest standards in performance, composition and other music-related disciplines. We offer full-time programmes of study at undergraduate and postgraduate level and ambitious student-centred artistic programmes. In addition, our Junior Academy is a fundamental and integral part of the Academy and continues to provide music education of the highest quality through our First Strings and First Guitar Experiences, and Primary Academy and Junior Academy programmes, to those aged 4 to 18.
- Enabling public engagement through a wide range of public performances, research events and outreach activities designed to enhance pre-tertiary music educational opportunities and encourage wider access to higher education.
- Promoting the creation of new music, original research and scholarship in music through publications, conference and study days, programmes of symposia, recordings and public performances.
- Conserving the significant and globally renowned heritage collections in the field of music that support our educational purposes.
- Enabling research via our Museum collections catalogue which is available for consultation by researchers from outside the Academy.

## OUR COMMITMENT TO WIDENING PARTICIPATION

The Academy is committed to making our educational programmes, facilities and expertise available to the widest possible constituency. Like all conservatoires in the UK, our undergraduate and postgraduate programmes are only accessible to applicants who have already achieved a very high standard in their instrumental discipline or show clear promise of doing so.

We have a proactive programme to identify those who would benefit from participation in the Academy's activities, which includes the work of Open Academy, Junior Academy and Your Academy, and also the work of our faculty in the secondary education sector.

Our auditions processes are designed to give all applicants the opportunity to demonstrate their musical attainment and their approach to learning more broadly, so that we can assess their suitability in the round for their chosen programme of study. We are sensitive to the context of our applicants' prior learning experiences in our decisions to offer places.

## DIVERSITY, EQUITY, INCLUSION AND BELONGING

We want our students, staff and visitors to value not only what we have in common, but also what makes us different. We want the Academy to be a place where everyone feels they belong and this is summed up by the term Diversity, Equity, Inclusion and Belonging (DEIB).

The Academy strives to promote an inclusive learning and working environment in which all students, staff and visitors are welcomed. In 2020 we invited [Blueprint for All](#) to assist us in undertaking a thorough review of our processes, policies and procedures to identify where action could be taken to enhance DEIB. Three years on, we have made significant progress in implementing their recommendations, understanding the impact of these changes, and future areas of work to sustain momentum, as shown in their 2024 evaluation [Review and reflections of the DEIB Journey](#).

Our Equality, Diversity and Inclusion Policy sets out the Academy's values and the framework under which we operate. It also highlights the individual roles we have to play in ensuring the Academy is an inclusive and harmonious place to study and work.

We adhere to the Equality Act 2010 which aims to eliminate discrimination, harassment and victimisation. We believe everyone at the Academy is responsible for:

- Understanding and committing to equality.
- Helping to remove barriers, enabling all to fulfil their potential.
- Challenging or reporting discrimination and harassment, should it occur.

The Academy's primary objectives are to:

- Continue to improve access to our buildings and services.
- Continue to develop our widening participation initiatives (we have regular Widening Participation Committee meetings to address Belonging issues and monitor our progress against our objectives).
- Promote equity and diversity in our procurement procedures and third-party relationships.

We are committed to creating the Academy as a place:

- Which seeks actively to recruit new members who are ethnically and culturally diverse.
- Where students and staff of colour are treated fairly and respectfully at all times.
- Where all students are taught by regular and visiting staff of high professional distinction from a range of backgrounds, including musicians of colour.
- With which alumni of colour are proud to remain associated throughout their lives, long after graduation.

## STRATEGIC PLAN

Our Strategic Plan for the period 2023 to 2026 was developed in consultation with the Governing Body, staff and students, and approved by the Governing Body in March 2023. Progress against deliverables is assessed regularly through the annual monitoring reports submitted by each principal study department and Programme Board, during the annual planning round.

## MEASURING AND REPORTING SUCCESS

We are presenting our annual review based on the three themes of our Strategic Plan, below, and our Educational Strategy:

### 1. Education

Offer each student the opportunity to grow and fulfil their potential.

Contribute to the musical world by providing outstanding education and training in music and promoting creativity and innovation.

### 2. Engagement

Play a leading part in Britain's musical landscape.

Provide appropriate access points from primary to higher education and in continuing professional development.

### 3. People and Resources

Attract and retain the finest teaching and professional services staff.

Provide facilities and technology which enables staff and students to work at the highest level and towards a sustainable future.

Achievement of the strategic priorities is guided by our Education Strategy, which is to contribute to the musical world by providing outstanding education and training in music and promoting creativity and innovation. We aim to:

1. Promote autonomous, independent learning
2. Promote inclusivity of our programmes
3. Enhance our learning environment
4. Enhance opportunities for external professional experience
5. Promote international mobility

Although many activities support more than one strand of our strategic themes and could be included within two or three of them, we have tried to capture them within the most relevant area to avoid repetition.

# 1. Education

The Academy was founded in 1822, and for 200 years we have trained versatile and resourceful musicians with the skills they need to optimise their professional opportunities. We continue to refine our programmes to ensure that students acquire the craft, skills, knowledge and experience to enable them to become independent, creative musicians who can make a significant impact. Alongside this, we foster a research environment that encourages collaboration between students and staff, promoting innovative creative work in all our taught and research degree programmes. Both of these rely heavily on the quality of our teachers, and we will continue to recruit and retain the very best, supporting them with professional development opportunities.

We welcome students from over 50 countries, which contributes to a vibrant and cosmopolitan learning environment, and reflects the global music profession. By continuing to raise our international profile, improving our student recruitment marketing, and building on our relationships with like-minded institutions worldwide, we aim to be the conservatoire of choice for the most talented young musicians. We believe that the mixture of students from different countries is a vital contribution to the experience and training that the Academy offers.

Academy graduates have a very wide range of music-related professional opportunities open to them and our programmes are designed to encourage students to explore their musical horizons to the limit. Successful musicians are those who are also able to make their own opportunities and this is what enables our graduates to make their mark in leading concert halls, opera houses, theatres and recording studios all over the world. Our students benefit from a stimulating curriculum which includes an ambitious range of concerts and events, they work regularly with renowned visiting professors and guests in performances, side-by-side projects and masterclasses. For over 20 years our professional collaboration projects have played a pioneering and indispensable role in high-level musical training; our side-by-side projects, effectively artistic work placements, give students the experience of world-class collaborative music-making, and mentorship provided by professional partners. Side-by-side partners include the London Philharmonic Orchestra, Czech Philharmonic Orchestra, London Sinfonietta, Academy of Ancient Music, Knussen Chamber Orchestra, Riot Ensemble, CHROMA, Nash Ensemble, Septura, and Onyx Brass. Students are given regular opportunities to programme their own events, through the Tuesday and Thursday Lunchtime Series and the Students Create Festival.

In February 2024 we announced the launch of a bold new contemporary music programme, 'SIDE-BY-SIDE: Developing the Next Generation of Composers and Performers in London' in collaboration with Riot Ensemble, with support from the Art Mentor Foundation Lucerne, which will allow our students to perform with Riot Ensemble in concerts across the UK. The programme will culminate in January 2027 with a conference led by the Academy's Research Department, reflecting on the project and investigating the future of mentorship and sustainability in new music.

Music making is at the heart of everything that we do at the Academy. A key part of the student experience is the range and quality of artistic projects in which they work intensively with leading professionals. Our roster of visiting professors and visiting artists continues to be expanded and refined to enrich our students' education and to ensure that our graduates leave with experience of the professional realities of a high-level career in music. Every year the Academy creates performance opportunities that are second to none, from our renowned Piano Festivals to new music programmes, operas and musicals, to late night jazz; a rich showcase of the next generation of musical talent. Our busy diary of events of over 100 public events each term provides plenty of opportunities for students to gain ensemble experience and perform publicly, not only at the Academy but also in world-famous venues such as the Royal Albert Hall, Royal Festival Hall, Wigmore Hall and Southbank Centre.

Across all departments, masterclasses and workshops are delivered by artists at the top of their profession, providing our students with inspirational learning opportunities. Regular guest conductors include Semyon Bychkov, Sir Mark Elder, Barbara Hannigan, Edward Gardner, Trevor Pinnock and Alice Farnham. During 2023/24 we welcomed visits from Dame Imelda Staunton, Sheku Kanneh-Mason, Ingrid Jensen, the BBC Singers and Susan Bullock, among others.

A key component of the professional skills our students need is in developing the reach and quality of their work in the public domain. We therefore develop their skills in curating their digital presence on social media and we provide them with training and professional level opportunities in studio recording. We believe taking part in recording experiences allows our students to chronicle their work, think independently for themselves and appreciate how their unique role can refresh the art form and communicate it as wide as possible. Many graduates take the studio skills they have learnt into their careers and form alliances with major labels - we want students to see this as an endless journey of discovery.

Since 2012 we have partnered with world-renowned independent label Linn Records in producing exceptional recordings of some of the world's most talented young performers, including notable work under Trevor Pinnock and Oliver Knussen. Releases this year were Bach Partitas in September 2023, and Barbara Hannigan and students from both the Academy and The Juilliard School who collaborated on an all-Stravinsky recording. Our Bicentenary

Scholarships, launched in 2017, afford students the opportunity to become part of a special group of highly talented and trained musicians; they are accompanied by an ambitious and innovative creative partnership with Linn Records, offering industry-level experience of high-level recording and the chance for Scholars to release their music under the Bicentenary Series.

## PROGRAMMES OF STUDY

Our Artist Development programme, designed to develop our students' entrepreneurship in relation to their artistic USP, shifted up a gear in this year. This strand covers all taught programmes of study and saw 12 new initiatives, ranging from new student work presented at the Tete-a-Tete Opera London to residences in collaboration with the Southbank Centre, workshops at Glyndebourne Festival Opera, and most significantly, the three-day Students' Create Festival, in which students were enabled to present innovative and experimental work to sell-out public audiences at the Academy.

The undergraduate programme continues in good health, with buoyant recruitment and excellent retention of students, and standards of work in electives are high. Feedback has been positive, both internally and via the National Student Survey, and suggests that students are generally engaged with the programme and committed to their personal development.

The two-year cycle for the core postgraduate programmes means that the effects of the pandemic are now in the past, and students have again been more much active externally as well as internally. Postgraduate portfolios reveal an astonishingly wide range of enterprising self-directed work externally, as well as many placements and opportunities with major ensembles in London and throughout the UK. This year also sees the completion of PhDs, with students whose outputs were delayed by the pandemic issues (commercial CDs, performance opportunities, etc) now able to make their final submissions.

External Examiners commented very positively on the balance and integration of practical and academic work across the programmes and the consistently excellent feedback provided in reports. The broader and more diverse repertoire being presented in final assessments was also welcomed.

We are in the process of developing and approving a range of revisions to programme content and assessment criteria to take account of the new opportunities provided by AI. This is being done in conjunction with revisions to areas of the Regulations, and in cross-programme discussions with members of the undergraduate and postgraduate teams. The marked rise in student engagement with AI tools has prompted a more nuanced awareness of the importance of 'ownership' and individuality that will be woven into teaching and assessment. New and continuing students will be required to develop awareness of the potential benefits and critical dangers of using the currently available tools and directed to appropriate strategies for communicating this in assessments, and in material published publicly.

## RESEARCH

A non-recurrent grant from Research England enabled us to invest strategically in professionalising the support for our research community. The employment of two experienced experts in research governance management to our new Research Office has had an immediate and transformative effect on our ability to capture and trace research data and increase the number of external grant applications. It has also enabled us to review and revise our research policies to ensure that they are fit for purpose over the next decade. The work of the Research Office includes:

- Internal funding: Academy staff undertaking research can apply to the Research Committee for a small grant to support their research activity if their research aligns with our Research Strategy and does not meet the criteria for external funding sources.
- External funding: Assistance to identify potential funding opportunities for projects, and prepare and submit applications to external organisations.
- Research Strategies and Policies to support the work of Academy researchers and enable research to benefit the student experience and wider society.
- Public research events: Staff and students can propose public engagement events ranging from workshops, demonstrations and interviews to lecture recitals and more formally delivered presentations.
- UK research landscape: A central resource contextualising the UK research landscape.
- PrestoArchive: The Academy's open access repository which houses research by staff.

## KNOWLEDGE EXCHANGE

Throughout its history the Academy has had deep and wide connections throughout the music industry and knowledge exchange has therefore been part of our DNA for 200 years. Following the establishment of a Knowledge Exchange (KE) Committee in 2022/23, we have continued to formalise data gathering activities and the training of academic staff in identifying KE potential in all areas of delivery.

A highlight of this year's KE activities has been the Viotti Lecturer in Performance's large collaborative project with the Metropolitan Museum in New York and the Library of Congress in Washington DC, developing radical innovations to their approach to audience engagement with their collections of historical musical instruments.

New KE projects announced in 2023/24 include a collaboration with the British Film Institute for Academy students to improvise and compose music for a large number of silent Sherlock Holmes films, to be released commercially from 2025 onwards.

We continue to work closely with the Associated Board of the Royal Schools of Music (ABRSM) in refining their educational offerings.

## STUDENT WELLBEING

Pastoral care is built into the fabric of a conservatoire and must respond to the evolving needs of students. Our series of student wellbeing sessions include mental and physical health, performance-related issues, drugs, alcohol, and sexual consent. The postgraduate provision is organised around themes and issues, in collaboration with the Students' Union. Sessions include negotiating contracts and relationships with promoters and sponsors, sexual harassment, alcohol and other topics.

The Counselling team has maintained a hybrid working pattern which enables students to access their services online, by telephone or in person. This can be valuable for students in isolation or in challenging home situations, and for keeping international students supported.

Many students rely on income from professional engagements and other work to support their studies. The Philanthropy team launched a fundraising campaign, the Response Fund, during 2019/20, which continues to distribute funds to students experiencing financial hardship.

Since 2007 the Academy has been working with the London South Bank University on a long-term project to address concerns about students' hearing which involves hearing tests and instrument-specific advice on hearing protection. This work has been broadened to incorporate staff. The Academy provides earplugs free of charge to students and factors sound exposure and noise issues into room scheduling.

Financial support in the form of bursaries and merit-based scholarships is provided to enable the very best students to study at the Academy, regardless of their background. Academy students received £6.0m in financial support during 2023/24 (£5.8m 2022/23).

## STUDENT UNION

The Royal Academy of Music Students' Union (RAMSU) is an unincorporated association, an independent group run by and for our students, funded by an annual grant from the Academy for its working in supporting students. RAMSU plays a key role in Academy life by supporting and advancing the wellbeing of all our students, offering advice and representation, and maintaining the inclusive community for which the Academy is known, through social events, activities and collaborative projects.

The President of the Students' Union's membership of the Governing Body and a range of committees, initiatives, and the Business Continuity Group, is vital for understanding and addressing our students' needs, and in improving communication.

## SENIOR ACADEMY

Recruitment to all the Academy's programmes remains strong, with a far larger number of high-quality applicants than there are places on offer. Entrance is via a combination of competitive auditions (performers and conductors) or interview/portfolio submission (composers) and the fulfilment of relevant academic entry requirements. Although our admissions procedures are highly competitive, at undergraduate level we audition every candidate who applies without exception. We offer live auditions in London and at some international centres and accept video auditions from candidates who are unable to travel to those centres to audition. The Academic Board oversees the process to ensure that all applicants receive a fair hearing regardless of the means by which the audition takes place.

Offer-making decisions are undertaken by experienced and suitably trained professionals who understand and are invested in our institutional strategy regarding widening participation.

We do not hold Open Days in the traditional sense; during the autumn term we have ‘Discovery Events’ where prospective students can gain an insight into the area of study that interests them, attend performances and masterclasses or consultation lessons, and meet staff and students.

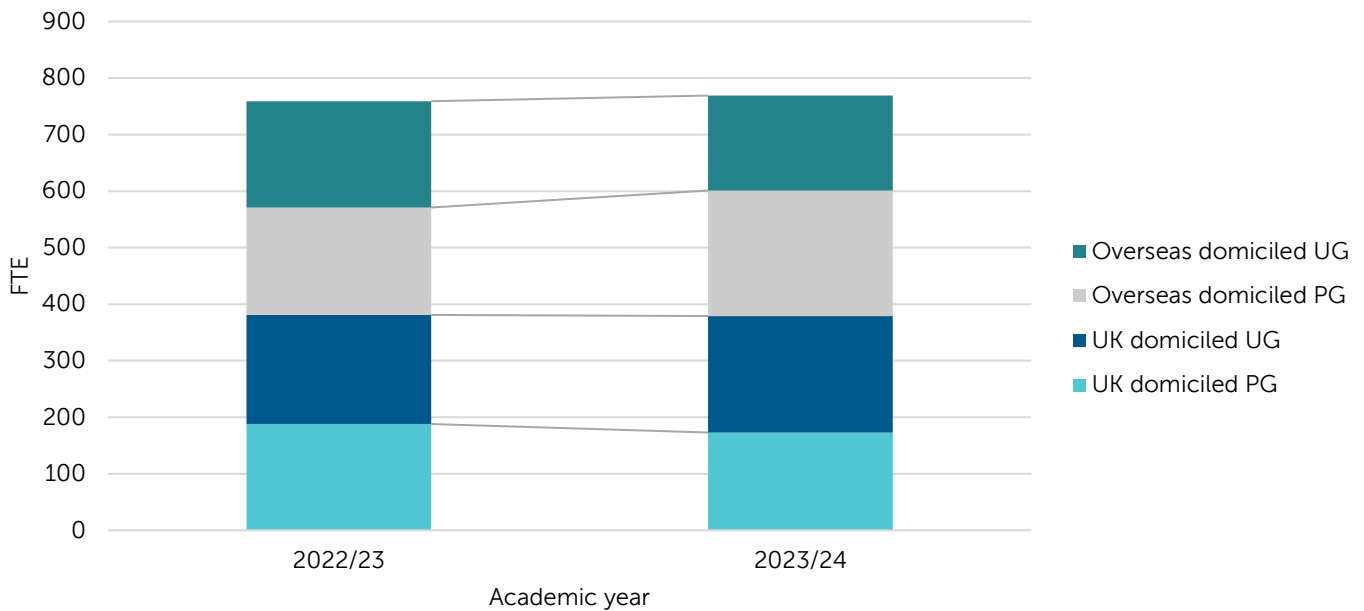
## STUDENT NUMBERS

Entrance standards to our programmes are at a level of international excellence which enables us to train and educate our students intensively to reach professional levels of achievement by the end of their programme. The combination of world-leading talent, outstanding teachers, and globally significant resources is reflected in the standards achieved by our students at the end of the programme and the classification of the awards that we make. To assure ourselves that we are setting appropriate standards on our programmes, we have a double system of external scrutiny: external examiners who oversee the standards and operations of the assessment processes as a whole, and specialist external assessors who sit on final assessment panels to scrutinise the quality and standards of students’ playing, singing or composition. Additionally, all written work is blind double-marked.

The Academy attracts applicants from around 82 countries and over 50 countries are represented in our student population, with just over 49% from the UK, 14% from the EU and 37% from other countries (50%, 15% and 35% respectively 2022/23). Applications and recruitment have remained strong despite national and international uncertainties and challenges, and we have developed our recruitment strategy and tactics to accommodate this rapidly changing environment. We are proud of the cosmopolitan and healthy cultural breadth of our student body.

As the following chart shows, our full-time equivalent student numbers have overall remained just under 800, and we intend to maintain similar student numbers going forward. Undergraduate student numbers have remained constant over the last three years, with a small increase in numbers of students paying overseas fee rates (including non-resident EU students starting courses from autumn 2022) and a small decrease in domestic student numbers.

Student Numbers (Full Time Equivalent)



## STUDENT RESULTS FOR 2023/24

Our academic, tutorial, professorial, professional services and estates colleagues again worked tirelessly to draw the 2023/24 year to a successful close. All students were given the opportunity to have their Final Recitals livestreamed so that family and friends could hear them wherever they were in the world, and most took up this opportunity.

Results for the year are very good: interim results are shown below as some awards have yet to be agreed by Examination Boards. We remain committed to preserving the standards and quality of our programmes; our exceptional ‘double’ external assessor project involving Specialist External Examiners for each principal study discipline, as well as External Assessors for overall programmes, gives us confidence that our programmes remain world-leading in the standards that we set and the professional discipline we enable our students to develop.

BMus Awards	2023/24		2022/23*		MA/Mus Awards	2023/24		2022/23*	
	No	(%)	No	(%)		No	(%)	No	(%)
First Class	41	57	60	(58)	Distinction	100	69	133	(67)
Upper Second	24	33	34	(33)	Merit	36	25	47	(24)
Lower Second	6	8	9	(9)	Pass	9	6	19	(9)
Third/Pass	1	2	0	(0)	Pending	46		1	
Pending	7		0						

\* Results for 2022/23 have been restated because some awards may be pending and final results for MA/MMus students are not available when the financial statements are prepared in November.

Under the powers of the Academy's Royal Charter, the Examinations Board may award a Dip RAM to any postgraduate student who particularly excelled in their final recital and conventionally the award has been made to the elite cohort who achieve a mark of 80% or above in their recital. This year 45 such awards were made (65 2022/23). Post Masters awards were also made by the Examinations Board, including 23 Advanced Diplomas and 12 Professional Diplomas [6 pending] (20 and 10 2022/23).

During 2023/24 there were 17 research students (17 2022/23) and 9 PhDs were awarded (4 2022/23).

The Licentiate of the Royal Academy of Music (LRAM) is a practical course exploring music teaching in the context of a principal study discipline, informed and supported by pedagogical theory, which gives students an understanding of current national teaching practices, promotes reflective teaching and aligns with national standards. The course is open to our 3rd and 4th year BMus undergraduate and postgraduate students and emphasises employability through a range of skills relevant to state and independent education contexts. During 2023/24, 99 students were awarded the LRAM (93 2022/23).

## 2. Engagement

Our annual programme of public events plays two key functions: it gives our students experience of professional-level work and showcases their achievements, and it enables us to engage with a broad section of the public and give them access to high-quality music making.

As the Academy enters its third century, we continue to embrace the wealth of repertoire from the past, to inform the music of the future. The breadth of talent at the Academy was celebrated this year with performances of operatic works, musical theatre productions, jazz, historical performance and new music, and much more.

Performance highlights during the autumn term included orchestral concerts with Sir Mark Elder of Sibelius, Ravel and Bax, Trevor Pinnock conducting Schubert's Great Symphony No 9, Edward Gardner conducting the Academy Symphony Orchestra, Royal Academy Opera's production of Handel's *Ariodante*, and Musical Theatre's tribute to Cy Coleman. During the spring term John Wilson conducted Rachmaninov's Piano Concerto No 2 and Rimsky Korsakov's *Scheherazade*, and Barbara Hannigan conducted arrangements by Hans Abrahamsen of Nielson's Symphony No 6 and *Commotion*, which was recorded for release on Linn Records in 2025.

Major side-by-side performances included a programme at the Royal Festival Hall with the London Philharmonic Orchestra and the LPO Future Firsts and Edward Gardner, and another with Riot Ensemble with Fabian Panisello at the Academy in February. The spring term Royal Academy of Opera production was Britten's *Albert Herring* conducted by Geoffrey Paterson and directed by Orpha Phelan. Also in February, 8 students travelled to Prague to join the Czech Philharmonic and Jakub Hrusa for a side-by-side concert, playing Maher and Honneger.

The Academy's successful Sunday series of Bach cantatas came to an end in December 2023, after 15 years and nearly 300 performances. In January 2024, a new performance series *Resounding Shores* commenced which celebrates Purcell and the legacy of a golden age for music in England. *Resounding Shores* explores English masterpieces from the late Elizabethan era to the end of the 17th century and will present a chance to experience the extraordinary range and depth of expression of Henry Purcell, and to re-evaluate his work alongside his forebears and contemporaries. This series also includes side-by-side opportunities for Academy musicians, with leading visiting artists joining students in rehearsals and performances, bringing a fresh vocational experience and collaborative engagement from which all parties benefit.

The Academy Piano Series at Wigmore Hall continued in January, February and March, and Academy Song Circle gave their annual Sunday afternoon concert at Wigmore Hall in January.

The annual Students Create Festival (15-17 January) saw our students fill performance venues from lunchtime into the evening over the course of three days of sensational demonstrations of talent and creative imagination, often representing the very best kind of artistic risk.

The annual cycle of festivals at the Academy continued with 'Music and the Persistence of Memory' (23-25 April) a three-day festival which explored the rich world of music and memory with new music by Academy composers, also including video and art installations. Celebrating the creativity and boldness of Academy's pianists, the annual Summer Piano Festival returned for its 10th anniversary (12-14 June) and included film improvisation, rarely performed pieces by The Forgotten Melodies Society and a day immersively devoted to György Kurtág. Completing the festival season was the return of the Seen and Heard festival (25 and 27 June); now in its fourth year, this festival celebrates diversity in classical music and students from across the Academy united to perform work by underrepresented composers.

String Principals from the Berlin Philharmonic Orchestra worked with string students in masterclasses and a side-by-side workshop on the original version of Strauss' *Metamorphosen*, and wind players from the Los Angeles Philharmonic worked with wind players.

Following a recent series of critically acclaimed productions, Royal Academy Opera performed a double bill of Bohuslav Martinů's *Comedy on the Bridge* and *Twice Alexander* (8 and 10 May) including a brand-new English translation of *Alexandra Bis* which has been adopted by the International Martinu Society as the standard libretto text for this work. These two comic operas were directed by Rachael Hewer and conducted by Lada Valesova. The Musical Theatre Company presented *Spring Awakening* (6-9 June) by Duncan Sheik and Steven Sater, and Stephen Sondheim and James Lapine's *Into the Woods* (27-30 June).

Throughout the year the next generation of music makers performed alongside leading musicians in the profession. In April, audiences heard Academy students play Frank Sinatra's hit songs alongside Mike Lovatt, Derek Watkins Professor of Trumpet (26 April). From the King of Swing to the Sun King, the Academy Baroque Soloists were joined by the Academy of Ancient Music to pay homage to Louis XIV of France (1 May). Vimbayi Kaziboni conducted the Manson Ensemble for the first time on 27 June in a programme featuring Bára Gísladóttir, our summer term Composer in Residence, working with Academy composers and performers.



Rounding off a packed programme of performances, in June Academy jazz musicians were heard performing *Kenny Wheeler's Lost Scores* at the Vortex Club, marking 10 years since Wheeler's death. Students from the Academy performed alongside vocalist Norma Winstone, who was part of the original Kenny Wheeler big band sessions. After this performance, the ensemble followed in the footsteps of musical legends to record this music at Abbey Road Studios.

Our engagement has global reach through our live streaming, which provides an opportunity to disseminate our work to broader constituencies, especially highly popular events.

## WIDENING PARTICIPATION

Reaching the level of musicianship required for conservatoire entry takes years of hard work and, in most cases, significant financial commitment. Although we already offer millions of pounds in financial support for students every year, we are aware that this does not redress inequalities in earlier education.

The Academy is committed to making our educational programmes, facilities and expertise available to the widest possible constituency. Like all conservatoires in the UK, our undergraduate and postgraduate programmes are only accessible to applicants who have already achieved a very high standard in their instrumental discipline or show clear promise of doing so.

Our strategic measures to increase the pool of talented applicants from under-represented groups fall into three broad initiatives: Open Academy, Junior Academy, and Your Academy.

## OPEN ACADEMY

Open Academy is the Academy's Learning, Participation and Community initiative, which reached nearly 9,000 people beyond our enrolled students and staff this year.

Open Academy enables participants from schools, local authorities and a variety of community groups to work creatively alongside our students and world-class artists, making music at the highest level. We work closely with artistic and community partners to produce creative projects in which our students and project participants can explore making music together in a wide range of contexts. Open Academy aims to raise aspirations, make connections, challenge preconceptions and creative new possibility through a range of activities delivered with partner schools and organisations. All of our projects are led and supported by skilled professionals, ensuring the quality of the experience for everyone involved. These include workshops with children and young people in mainstream schools, special education needs and disability (SEND) settings, people receiving treatment in hospital, residents and staff of care homes, and people attending day centres.

As the importance of participatory music programmes in areas including education, health and wellbeing continues to grow, it is crucial that our students have the opportunity to obtain skills and experience in this exciting and expanding area of work. Open Academy electives at undergraduate and postgraduate level are available to all students, offering seminars and workshops alongside hands-on experience in the field. We also offer fellowships to graduating students who will be the future leaders of this work.

During the 2023/24 academic year our annual participant total was 4,140 which is lower than in previous years due to a focus on deeper engagement with smaller groups of participants, the need to re-establish partnerships projects following the pandemic, a small number of cancelled projects due to partners no longer being able to deliver on pre-arranged dates, and partner organisations scaling back their engagement offers due to the challenging financial environment.

Open Academy projects with	Participants
Adults with learning disabilities	148
Dementias	380 plus 4,855 online*
Early years	2,064
Hospitals	183
Older people	30
People experiencing homelessness	264
Primary school	933
Special needs	66
Young people outside of school	72
<b>Total</b>	<b>4,140</b>

\* An additional 4,855 people viewed our monthly *Music for the Moment* concerts online via the Wigmore Hall's livestream service.

Inspiring projects included Open Academy's partnership with the Academy of St Martin in the Fields on their continuing work with people experiencing homelessness to create 'A City Full of Stories', a SoundWalk in central London which was launched in April. Open Academy's artistic partners are Wigmore Hall, Glyndebourne Opera, English National Opera, English Touring Opera, Spitalfields Music, City of London Sinfonia and The Academy of St Martin in the Fields. Our community partners include Camden Music Hub, Tri-borough Music Hub, Resonate Arts, Royal London Hospital, Chelsea and Westminster Hospital, City Lit, Awards for Young Musicians and The Connection at St Martin's.

## JUNIOR ACADEMY

Junior Academy provides opportunities for young musicians from all backgrounds to develop all aspects of their musicianship in a creative learning environment, and to be challenged and inspired through their music-making. We operate a range of targeted initiatives to encourage children from under-represented groups to engage with this and have invested heavily in and seen a significant expansion of our widening participation and community-focused activity in recent years.

Our main challenge, and key strategic priority, is in relation to access. Our aim is to identify and implement effective ways to enable potential candidates from underrepresented groups with significant natural talent to regard the Academy as an obvious place in which they can study, and to put provision and support in place to enable them to gain entry.

On Saturdays the Royal Academy of Music transforms into Junior Academy, with young musicians aged between 12 and 18 travelling from all over the UK to be part of our creative learning environment. Intensive one-to-one lessons, specialist classes and a variety of performance opportunities all add to the musical vibrancy. The programmes under its umbrella are First Strings and Guitar Experiences; Primary Academy; Junior Academy; Junior Jazz; and the Junior Academy Musical Theatre (JAMT) course for 13- to 18-year-olds, launched in September 2022. In 2023/24 71% of Junior Academy leavers went on to study music.

Our Junior Academy teachers are successful performing musicians and educators; they combine active careers with the reward of helping young performers and composers fulfil their potential. Many also teach on the Academy's undergraduate and postgraduate programmes.

Applications for places continues to be strong and the academic year began with 347 Junior Academy students including 53 JAMT, 41 Jazz and 51 Primary Academy students.

We provided 88 bursaries for 2023/24 (75 2022/23), including 34 Music and Dance Scheme government funded places. We are grateful for the continuing support of the Wolfson Foundation, Leverhulme Trust, Sir Elton John and a number of individual benefactors. We were also grateful to receive a legacy from the Estate of the late Clare Helen Redfarn during 2021/22 for the benefit of Junior Academy, which will continue to benefit students during the coming years, and the invaluable assistance from an anonymous donor in providing a hardship fund.

Student wellbeing is a core value that informs every area of our Junior programmes. Our Confident Young Musician course helps our musicians to approach performance growth in an effective and healthy way. Our aim is to build calm, confident and coordinated young musicians who can make good choices about how to look after themselves, both physically and mentally, and apply these skills not only to being a musician but to all aspects of their lives, now and into the future. We also run a weekly one-to-one active listening service which allows students to share any worries they have, music related or otherwise, and to signpost them to a range of resources to ensure that all students are supported both inside and outside the Academy. All performance classes relate to how students feel and react from a confidence point of view where encouragement is key. Repertoire does not have to be complete or perfect, as long as the art of performance has been.

Performance highlights during the year were a public concert in November, a joint concert with Symphonic Wind and Musical Theatre, three lunchtime concerts at St James's Piccadilly, and two side-by-side projects with the Royal Philharmonic Orchestra to help students with orchestra skills.

On 30 September 2023 we celebrated 20 years of Junior Jazz with a concert and workshops for young musicians. Three bands made up of Junior Academy world-class alumni including Dan Higham (trombone), Rosie Frater-Taylor (guitar/vocals), Josh Blackmore (drums) and many more, generously gave their time and played for free, with all the proceeds of ticket sales going towards Junior Academy bursaries for young musicians from all backgrounds.

## YOUR ACADEMY

Your Academy is the annual programme of events, projects and support for 14- to 17-year-old musicians which comprises the main body of our Widening Participation work. In addition, the Widening Participation department runs early the years strings programme Community First Strings Experience (CFSE), support for new entrants, and is researching a foundation year.

During the 2023/24 academic year, the Widening Participation team worked with participants to provide access to a supportive musical environment where they can develop their skills and broaden awareness of the opportunities available through advanced musical study. Activities took place at the Academy, as well as outreach activities in schools and community spaces, and the introduction of remote learning online.

The number of participants engaging with Widening Participation projects has increased significantly with 694 unique participant interactions this year (620 2022/23). There was a total of 1,571 participant interactions (800 2023/24) with many participants returning to the Academy for multiple activities.

As part of our Access and Participation Plan, to inspire, encourage, and support talented young musicians to progress to higher education, we offer Academy Clubs and Collectives to provide opportunities for state-educated secondary school pupils to study with our teachers and students.

	Project	Participants
	CFSE	270
	<b>Composers, Percussion, Jazz, Audition, Mentor, Music Theory Clubs</b>	<b>307</b>
	Alexis Ffrench Masterclass	32
	Musical Theatre Outreach Workshops	21
	<b>Junior Jazz 20 Year Celebrations:</b> workshops, tours, watching rehearsals, talks, and a final concert	<b>13</b>
	<b>St Mark's Sundays:</b> three-day programme for young musicians to work with professional musicians for Woodwind, Brass, Strings	<b>53</b>
	<b>Beyond the Dots:</b> core musicianship skills that pave the way towards confident improvising	<b>41</b>
	LRAM Workshops and Masterclass	23
	Composing for Voice	7
	Composers Showcase	43
	Widening Participation Takeover Day	38
	<b>Summer schools:</b> five-day programmes Inner Ear Summer Programme and Springboard to Grade 5 Theory & Beyond	<b>34</b>

Participants learnt key skills for their ABRSM exam and worked together to produce and perform their own group composition, with many composing for the first time. We followed this up with a larger programme incorporating Springboard and ensemble activity, and one-to-one tuition on instruments.

In August 2024, we celebrated three years of CFSE, welcoming over 200 students from local primary schools, Corpus Christi in Brixton and St John's in Rotherhithe for a celebration of their achievements. Based on our Junior Academy First Strings Experience (FSE), which provides early years string training from the age of four, this programme is managed by the Academy's Widening Participation Department in local primary schools. During 2023/24 270 children across three school year groups took part in this initiative and five of the graduating students successfully auditioned to join the new FSE Year 4 course at the Academy for 7- to 8-year-olds. In addition, all students who took part in CFSE will be given advice on how to continue lessons at school or in their local area. The creation of CFSE and the new FSE for Year 4 pupils has been made possible thanks to philanthropic support.

The Academy is aware of the need to ensure that people from all backgrounds can benefit from our activities and that those in financial hardship are not excluded. As a joint proprietor of the ABRSM, the Academy is both strategically and financially committed to providing bursaries at both junior and senior levels, as well as co-contributing to regional schemes to identify and support young musicians who are under-represented within conservatoire students.

Our [Access and Participation Plan](#) is subject to regular approval by the OfS, and is published on our website.

As well as funding from the OfS, we receive generous philanthropic support which is targeted in order to help us achieve our goals in this area. We are grateful for the continuing support of the Alex and William de Winton Trust, Thompson Family Charitable Trust, Q Charitable Trust, The Mila Charitable Organisation, The Karlsson Játiva Charitable Foundation and The Mackintosh Foundation.

## ALUMNI

The Academy's alumni community permeates all areas of the music profession and is an integral part of the Academy family. We tell our alumni stories to inspire the next generation of musicians, alongside actively engaging our wider alumni community through focused communications and content.

We continue to develop a programme of engagement opportunities and access points to support our mission to provide lifelong value to our alumni, while in turn cultivating their ongoing support for the Academy and its strategic aims.

In 2024 we made a strategic decision to include alumni from our Junior Academy programmes into wider alumni recognition. This included interviewing Junior Academy alumni for our monthly newsletters and celebrating them in our annual Honours.

We held our annual Honours Ceremony in April 2024 to recognise the achievements of alumni who have made a significant contribution to the music industry, and celebrated 68, largely early-career, alumni, conferring Associate memberships (ARAM) on them, along with Honorary Associates (Hon ARAM) to 11 long-standing staff and other individuals who have played important roles in developing the Academy's work and outreach. Major Honours were awarded at Graduation in July 2024, with recipients including Es Devlin and Alexis Ffrench, who attended Junior Academy, as well as Senior Academy alumni Dame Evelyn Glennie and Peter Holder.

## INTERNATIONAL COLLABORATIONS

Further key aspects of the Academy's identity are our global outlook, reach, and strong connections with the music industry.

The Academy leads an extraordinary programme with the world's great conservatoires. Together, we offer unique exchange opportunities for young musicians to collaborate and learn. These range from high-profile creative projects to student and staff exchange schemes and teaching/research projects between individual members of staff.

The Sir Elton John Global Exchange Programme promotes and facilitates global mobility and international collaboration and enables Academy students to take part in educational exchanges with top conservatoires across the world. Our exchange institutions are:

- Conservatoire National Superior de Musique et de Danse de Paris
- Glenn Gould School of the Royal Conservatory of Music, Toronto
- Hanns Eisler Academy, Berlin
- Hong Kong Academy for Performing Arts
- The Juilliard School, New York
- Reine Sofia School of Music, Madrid
- Shanghai Conservatory of Music
- Sibelius Academy of the University of the Arts, Helsinki
- Sydney Conservatorium of Music
- Tokyo University of the Arts
- mdw - University of Music and Performing Arts Vienna
- University of Music and Performing Arts, Munich

2023/24 was the programme's second year of operations. Highlights included three trumpet students who travelled to Paris to participate in a performance of Bach's Christmas Oratorio directed by Lionel Meunier at the Église Saint-Eustache. This was a joint production with the Maîtrise Notre-Dame de Paris, featuring an orchestra made up of students from the Paris and Lyon conservatoires plus the three Academy trumpets. Other opportunities for Academy students were a string quartet spending a week at the Hong Kong Academy for Performing Arts, learning from visiting chamber musicians from the Lincoln Center as well as HKAPA faculty and students. For the first time, we had four students from three different partners simultaneously at the Academy, with two in the same orchestral project. Two pianists from The Glenn Gould School, a violist from mdw Vienna, and a violinist from the Reina Sofia School spent one week immersing themselves in life in London and at the Academy. We are looking forward to continuing to develop the programme, strengthening the Academy's many connections around the world and enabling meaningful experiences for young musicians.

Work continues outside the programme, both to facilitate more traditional student exchanges and to nurture new kinds of collaboration and partnerships. Outside of the Sir Elton John Global Exchange Programme, we have exchange agreements with:

- Lübeck Academy of Music
- University of Mannheim
- University of Miami (for Jazz Students)
- Conservatoire National Supérieur Musique et Danse de Lyon
- Melbourne Symphony Orchestra Academy

In 2023/24 we signed a Memorandum of Understanding with the Hasdrubal Foundation, Tunisia. This Foundation works with the Paris Conservatoire and mdw Vienna to bring together staff and students from those institutions for short educational programmes in Tunisia, working with Tunisian music students to share practice and knowledge about both Western classical music traditions and the musics of Tunisia. We are looking forward to the first scheduled project in Tunisia in autumn 2024.

## MUSEUM AND COLLECTIONS

The Academy's collections of instruments, art, photography, manuscripts and scores offer valuable insights into the creative processes of great musicians. Items on permanent display include stringed instruments by Stradivari and the Amati family, historic keyboards by Broadwood, Pleyel and Erard, and scores and memorabilia that belonged to significant figures from the world of music. The collections expand beyond the Museum spaces and can be found throughout the Academy: teaching rooms, corridors, offices, performance venues, curated spaces, the Library, and online. The extensive archives offer students, staff and members of the public unique insights into the creative processes of great musicians, as well as informing our knowledge of performance practice.

During 2023/24, we received 26 objects to the Museum collections and one archive was acquired for the Library, all donations. The Library made 369 new purchases (student-driven purchases of sheet music, books, and digital resources) which are not registered under collections.

Bach III, by Alexander Polzin, an extraordinary bronze sculpture, is currently on display in the foyer and is also loan to the Academy.

In addition to the collections owned by the Academy, we are grateful for the extraordinary Calleva Collection, on loan to and managed by the Curator of Instruments. This Collection continues to grow by commissioning instruments from today's finest luthiers and makers, and in 2023/24 9 new instruments were added to the Collection. Students may be offered the use of many of these instruments, providing an important boost to their musical development.

In January 2024 we submitted the Museum Accreditation Return application to the Arts Council England (ACE) and were successfully awarded Full Accreditation by the ACE in July 2024. The previous submission had taken place in 2014/15. These revisions are periodic and necessary as they ensure an alignment with both the Academy's strategic plan and the UK Museum Accreditation Scheme.

The current Museum Forward Plan (2023 to 2026) aligns five strategic aims with the Museum's mission and core aims:

- Interpretation and access
- Audience development
- Creatively developing collection-based opportunities to actively connect with other institutions, individuals and communities
- Improvement of documentation and information
- Improvement of collections care

Digitisation is a priority for the Collections as a way of increasing access and engagement, and this service also generates some income. During 2023/24 we created 17,683 digital images from the Museum and Library and archive collections. Among these are 98 documents (6,400 pages) from the Library collections that correspond to 61 items for external researchers, one for internal researchers, and 36 volumes from institutional archives. We took steps to improve the digitisation space so it can accommodate volunteers, and aim to increase the number of digital images and information available online.

The Museum issued 215 long-term or special or loan contracts (new loans and renewals) and 11 heritage loans during the year, relating to 251 instruments (bowed, plucked and wind) and 174 bows. Two exhibition loans were included in the heritage loans; the Viotti ex Bruce Stradivari violin was on loan to the Viotti Foundation in Vercelli in April 2024, and the Theatre Royal Playbills from our collections, featuring Julia Grissi, are currently on loan to the Historic Royal Palaces (Kensington Palace).

The Museum and Collections team continues to respond to internal and external enquiries: the Library dealt with 364 external enquiries, while the Museum dealt with 209 (excluding tour enquiries).

The Museum is open to the public on Fridays from 11am to 6pm and by appointment or through collaboration with Widening Participation and Open Academy, and preliminary numbers indicate 1,180 Friday visitors. We offered 23 Museum tours to a total of 502 visitors, of which 404 were children and teenagers. Most tours include a performance aspect through instrument demonstrations by Academy students, offering an insight into the collection and Academy life. Several education providers find our collection a good resource for the history and development of musical instruments, and they also refer to the importance of our students in inspiring younger audiences. Additionally, the Museum hosted 16 Academy classes (approximately 155 users), including a day with Junior Academy students.

The Museum and Collections team, with the collaboration of students and staff, curated 9 monthly displays in the Lionel Tertis Memorial display case, and 12 objects were featured via the Object of the Month [see [Museum and Collections | Royal Academy of Music](#)]. We hosted 15 Gallery events with an estimated 245 attendees.

We continue to acknowledge and celebrate diversity and minorities through our displays and events. In October 2023, Black History Month was celebrated with 'Moving through time', a display in the Tertis Memorial display case and a gallery event, both curated by Zara Williams, a piano student. International Women's Day in March was celebrated with 'Demystifying the Diva', a gallery event curated by Victoria Hodgkinson, a PhD student, and a display and Object of the Month featuring Marjorie Hayward, created by Maho Harada, a PhD student.

The Collections Documentation and Care Officer conducted a full audit of the onsite collection on display, and about 60% of the collection stored onsite. This audit was accompanied by a revision and standardisation of the reference locations in the Museum data (Emu), for consistency. There is an ongoing project to digitise object acquisition files, which is being undertaken with the help of Museum placement.

Museum Collections are accessible via the Academy website and any of the objects on display can be viewed on our website [ram.ac.uk/museum](http://ram.ac.uk/museum). Library Special Collections are accessible via [lib.ram.ac.uk](http://lib.ram.ac.uk).

### 3. People and Resources

Attracting and retaining outstanding teaching and professional services staff, developing our world-class facilities, embracing new technologies and carefully managing our financial resources secures the future of the Academy, ensuring it thrives in an ever-evolving cultural and social landscape.

Over the past year we have scaled up our commitment to staff wellbeing through the implementation of a staff wellbeing week and various staff social events, and activities with a wellbeing theme. We continue to improve transparency around pay and reward and hope to develop some clear commitments on this following the staff survey undertaken in 2023/24.

Staff numbers include part-time teachers paid on an hourly basis. The overall full-time equivalent numbers were 248 on average across the year (260 2022/23), of which 57% are teaching and teaching support staff (57% 2022/23).

#### ESTATES

The Academy is situated on the Marylebone Road, retains practice rooms at Cross Keys and uses St Mark's Church mainly for recording and rehearsals. During 2023/24 we continued to invest in capital refurbishment in line with our five-year estates plan; significant projects included repairs to the roof at York Terrace East; the installation of a new fire alarm system across the entire main building, as well as further refreshment of our electrical infrastructure.

Our main building on the Marylebone Road provides five performance spaces, multiple classrooms and other facilities, but only limited space for ensemble rehearsals and larger group teaching. We have been searching for some time to find a venue to provide additional and affordable space on a long-term basis, and subsequent to year end we entered into an Agreement to Lease for a property at City Island.

#### INFORMATION SYSTEMS AND INFORMATION TECHNOLOGY

Business systems and processes continue to be reviewed to ensure that we are working as effectively as possible. Technology touches all aspects of Academy life and plays a vital role in the increasingly interdependent activities of the organisation and a new digital strategy has been developed to ensure a coherent approach to technology in the future.

After implementation of the new combined HR/Payroll system, iTrent, in May 2022, work has continued to implement the time sheet function and streamline payment workflows for part-time staff, which were piloted successfully in 2022/23, and has since been rolled out to all senior Academy teaching staff in 2023/24.

Procurement for a new finance system started in spring 2023, and the project to redesign our finance processes and implement Xledger was completed successfully and on time to achieve the go-live date of April 2024. Our finance operational processes have been modernised and streamlined and are improving reporting and analysis capabilities. Work will continue during 2024/25 to implement further changes and training.

#### ENVIRONMENTAL, SUSTAINABILITY AND GOVERNANCE (ESG)

Our aim is to limit our overall environmental impact and reduce our carbon footprint and carbon emissions, within the constraints of our listed buildings.

From the social perspective, our Human Resources processes recognise, acknowledge and are compliant with a range of initiatives, directives and good practice frameworks that support fairness, rights and staff wellbeing. The Governing Body has delegated oversight of ESG matters to the Audit Committee; strategic responsibility rests with the ESG lead on behalf of the Senior Management Team and operational responsibilities with the ESG Committee and other teams such as Estates.

The Environmental Committee was relaunched as the ESG Committee in March 2024 and comprises voluntary staff committee members from across the Academy and student representatives from the student-led Environmental Committee, which was established in September 2024. Committee members have all completed the Academy's online training module on climate change and sustainability and this was rolled out to all staff in June 2024. We include a sustainability policy briefing as part of new staff induction and onboarding, and in September 2024 introduced a session on sustainability and engagement in student enrolment week. The online climate change and sustainability training module was also made available to students.

The ESG Committee is currently developing the Academy's first ESG Strategy, to be approved and published during the 2024/25 academic year, and following an assessment period and priority setting exercise. The Senior Management Team approved an annual central budget for staff and student engagement towards ESG in April 2024, and capital spend on fixed assets to improve sustainability is delegated to budgets in departments such as Estates and IT.

A number of initiatives and activities took place during 2023/24 to raise awareness of environmental matters, to increase staff and student engagement and to celebrate nature. These included an ESG-themed staff quiz, institution-wide engagement comprising workshops, training, and varied activities as part of the Great Big Green Week. We aim to make more connections with Regent's Park given its proximity to the Academy.

The ESG Committee will continue to interrogate current practice, progress and relevant metrics to assess the gap between our current position and examples of good practice from across the sector, and benchmark against similar institutions. We will continue our dialogue with People and Planet and begin to set targets once we have completed our research and agreed a reliable, robust and consistent approach to data collection in areas such as waste reduction and emissions monitoring. A Carbon Footprint Report and Gap Analysis was commissioned in September 2023 which identifies areas where we are missing primary data, for example in respect of use of transport for business travel.

A new 10-credit BMus elective 'Music and the Environment' is available to students for the 2024/25 academic year. Students will engage with music and case studies that relate to different historical and geographical locations, and that incorporate a variety of practices and approaches to music and environment.

## FINANCIAL OVERVIEW

We were pleased to end the financial year 2023/24 with an operating surplus of £7.2m (£3.1m 2022/23), and an overall growth in balance sheet reserves to £236.7m (£221.3m 2022/23).

This positive position is primarily due to another extremely successful year of fundraising with £4.0m donations (£4.4m 2022/23) received for long-term endowments and £8.3m (£5.1m 2022/23) for shorter term use, including £5m towards capital projects. These generous donations have allowed us to grow our financial awards to students to support their studies at the Academy, to invest in teaching and performance activities and to make essential improvements to our Estates infrastructure, with commensurate increases in expenditure.

This has led to an overall deficit in unrestricted comprehensive income; this was anticipated for the year, and was in line with budget expectations; however, we recognise that this is not a sustainable position in the long-term and are working to identify additional sources of income to secure future operations.

	2023/24	2022/23
	£000	£000
<b>Summary of income and expenditure</b>		
Income before donations and endowments	22,606	21,343
Donations and endowments	14,900	11,182
Expenditure	(30,331)	(29,472)
<b>Operating surplus before other gains or losses</b>	<b>7,175</b>	<b>3,053</b>
Gain on disposal of fixed assets	66	12
Gain on investments	7,898	1,236
Actuarial gain in respect of RAM1967 pension scheme	234	2,117
Revaluation of instruments	-	-
<b>Total comprehensive income</b>	<b>15,373</b>	<b>5,418</b>
Represented by:		
Endowment comprehensive income for the year	10,307	5,249
Restricted comprehensive income for the year	5,484	449
<b>Unrestricted comprehensive (deficit) for the year</b>	<b>(1,683)</b>	<b>(548)</b>
Revaluation reserve comprehensive income*	1,265	258
	<b>15,373</b>	<b>5,418</b>

\* Revaluation of the fixed asset investment and instruments

Total comprehensive income includes a number of unrealised movements in the value of our investment, heritage and pension assets as well as income from endowment and restricted donations received in the year, which cannot be used for general purposes. It is also stated after charges for depreciation of assets which were funded by external donations held in reserve.

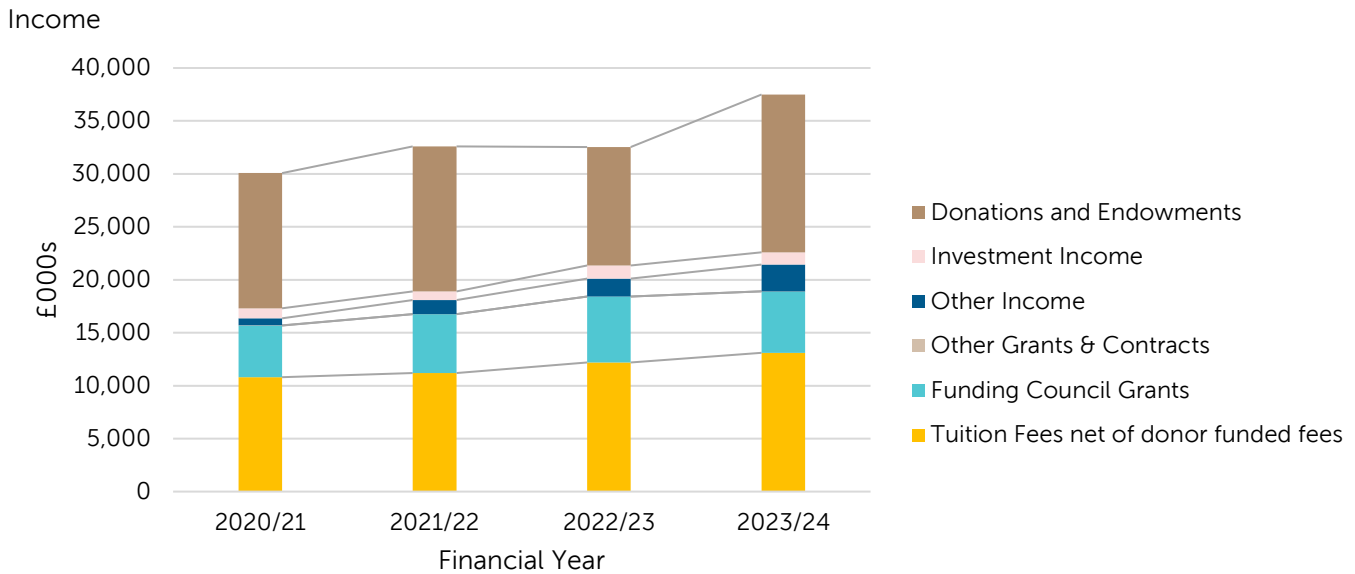
To understand the underlying operational financial outturn, the table below excludes these specific purpose income streams, as well as the unrealised income amounts, since these cannot be used for general purposes. It also excludes the element of depreciation costs which are funded from previous donations. This shows that the underlying operational position was a deficit of £1.2m in-year (deficit £0.5m 2022/23).

	2023/24	2022/23
	£000	£000
<b>Breakdown of unrestricted comprehensive income for the year</b>		
<b>Operating (deficit)</b>	<b>(170)</b>	<b>(918)</b>
Actuarial gain on RAM1967 pension scheme	234	1,117
Depreciation funded by external donations	(747)	(747)
<b>Unrestricted comprehensive (deficit) for the year</b>	<b>(1,683)</b>	<b>(548)</b>



## INCOME

Overall income increased to £37.5m (£32.5m 2022/23), with donations, tuition fees and funding council grants remaining the major revenue streams.



To avoid double counting, and in line with accounting requirements, tuition fees are stated in the accounts net of donations funding fee awards to students; in 2023/24, £13.1m income net of donations for fees formed 35% of income, up from £12.2m, which formed 37% in 2022/23, while gross tuition fee income, before donations, grew to £15.4m (£13.9m 2021/22). Fee levels for home status undergraduate students are regulated and fixed at £9,250, although we have applied inflationary increases to fees for other students. Students from EU countries who started courses from September 2022 pay international student fees. Together, these changes mean that the share of tuition fee income from international fees has continued to grow.

At £5.8m, funding grants remain a key revenue stream (£6.2m 2022/23). The OfS provided £5.0m (£5.2m 2022/23), including £4.9m to support the additional costs of providing teaching to a world-class level in a small specialist institution, and we received £596k (£983k 2022/23) from UKRI in support of our research and innovation work, as well as £164k (£164k 2022/23) to support our Museum and Collections.

As the costs for students of studying at the Academy and the costs to the Academy of providing world-class teaching grow while other income sources have remained static, donations and endowments have become a core part of our income, and we are extremely grateful to all individuals and funding bodies who have provided us with funds.

The Philanthropy team is responsible for raising philanthropic funds, primarily from individuals (including alumni), companies, trusts and foundations. Donations were received to fund our students through scholarships and bursaries as well as general funds to offset the high cost of educating students. Philanthropic funds were also raised to support widening access programmes, to support students experiencing financial hardship, and to support student wellbeing and mental health. In 2023/24 we were also very grateful to receive £5m as a donation towards our future capital projects; please see our fundraising section below for further information.

Total donations and endowments received during 2023/24 amounted to £14.9m (£11.2m 2022/23). Over the last 6 years we have seen a significant growth in total donations, and a particular growth in endowment gifts as a result of our campaign, The Royal Academy of Music's Future, which we have invested for long-term growth in line with the intentions of donors.

In 2023/24 we also benefited from £8.3m in donations and legacies for specific purposes (£2.5m 2023/24), which we have classified as restricted funds. These are predominantly donated for capital projects (£5m) and student financial support (see below). In addition we received £1.4m other donations (£0.9m 2022/23) which we have classified as unrestricted.

Income distributed to the Academy as a Member of the ABRSM totalled £500k (£500k 2022/23).

This financial year also saw stable or increased levels of commercial income; we earned £0.5m (£0.5m 2022/23) from sales in our bar and canteen, and £0.6m (£0.3m 2022/23) from ticket sales and space rentals. We received £274k (£247k 2022/23) as Orchestra and Theatre tax relief against the costs of our productions and concerts.

We have applied £1,158k (£1,235k 2022/23) as investment income from our long-term and current asset portfolio income.

## EXPENDITURE

The 2023/24 financial year saw a planned growth in expenditure to £29.99m (£29.47m 2021/22), with particular investment in teaching and student financial support.

Student teaching remains at the core of our operations. Staff costs continued to be our largest expenditure area with gross expenditure of £15.4m in 2023/24 (£15.2m 2022/23); overall costs were partly offset by the release of our pension provision (£571k). Teaching and related staff costs at £9.1m (£8.9m 2022/23) directly absorbed 63% of our staff expenditure. Employment costs of teaching staff include pension costs; from April 2024 employer's contributions to the Teacher's Pension Scheme (TPS), to which the majority of our teaching staff belong, rose to 28.68% of salary from 23.68%, which will increase overall costs of employment for members. This has been partially offset by reductions in employer's contributions to the Universities Superannuation Scheme (USS) to 16.4%; however, as there are only 8 members of the USS at the Academy, the impact is limited.

Operating costs grew to £13.4m in 2023/24, an increase of £1.0m from 2022/23. Within the category we term 'General Education', which at £4.5m absorbs the largest share of non-pay expenditure, the largest single item remains student financial support (excluding donor funded fee awards) £3.6m (£3.8m 2022/23). The General Education category includes the Academy funded share of awards for both fees and maintenance together with donation funded maintenance awards. Donation funded fees £2.3m 2023/24 (£1.7m 2022/23) are shown as a reduction in fee income rather than an expense, in line with accounting regulations.

Premises costs increased by £276k (9%) to £3.4m (£3.1m 2022/23) excluding depreciation, as a result of an additional spend on building maintenance.

## BALANCE SHEET POSITION

Our balance sheet position has improved to a net asset position of £236.7m (£221.3m 2022/23), reflecting an appreciation in value of investments of £7.9m as well as increased working capital generated from our positive financial performance in year, and further gains on revaluation of our pension schemes.

Our invested assets are managed through Cazenove and Meridiam in a mixed portfolio of bonds, equities and private equity investments. They performed well over the year in line with the global markets. We ended the year with long-term asset investment portfolio values of £75.7m (£58.3m 2022/23) and £17.8m in cash and cash equivalents (£12.2m 31 July 2023).

Our cash position remained stable, ending the year at £10.1m (2022/23 £10.2m). We invested surplus cash in a liquidity fund via Cazenove, which is instant access; current investments, including this fund, grew to £7.7m (£2.0m 2022/23).

As the majority of our in-year surplus was for restricted purposes, our restricted and endowment reserves increased to £78.4m (£62.9m 2022/23) reflecting the new donations received in year and accumulated returns.

Unrestricted reserves reduced to £129.7m (£130.9m 2022/23) in line with the underlying deficit in unrestricted comprehensive income offset by positive movements in designated funds held for capital projects.

## FUNDRAISING

Philanthropic gifts regularly provide over a third of the Academy's annual income. Donors are integral to the Academy's ongoing success and their support impacts on all aspects of our students' experience while they are studying with us. The top priority for fundraising is to raise budget-relieving funds, which form just over 60% of the annual fundraising target. These include funding for the Awards programme (scholarships and bursaries), support for flagship public performances, and gifts towards general funds. The overarching focus is to ensure that no student with the talent and potential to succeed at the top of the global music profession is denied the chance of studying at the Academy.

In 2023/24 we passed a significant milestone in our ongoing 'Royal Academy of Music's Future' campaign, launched in 2022 to coincide with our Bicentenary. This comprehensive campaign encompasses core priorities for the Academy, including endowed teaching posts, widening participation and student support. Having initially set an overall fundraising goal of £60m – the most ambitious ever campaign by a conservatoire outside the USA – we exceeded this target in 2023/24 with £69m now raised.

Notable commitments this year included a £1m gift to endow two scholarships in perpetuity, reflecting our mission to attract the very best young musicians and help them realise their potential, now and for generations to come. A £500k commitment provided a challenge fund whereby all gifts up to the value of £35k were matched pound for pound, offering a powerful incentive for lower level giving. This year also saw the launch of our Royal Academy Opera production syndicates which, for the first time, enabled groups of donors to join together in support of our world-class opera productions. Performance sits at the heart of an Academy musician's training and donors can now play an integral role in making these opportunities possible.

Much of our fundraising success can be attributed to the vital work of the Philanthropy Board (previously named the Bicentenary Development Board). Philanthropy Board members continue to help expand our network of supporters and provide valuable guidance in all aspects of our fundraising. The Board will be essential in shaping the next phase of the campaign, to be revealed in 2024/25.

As the Academy's ambitions grow, our need for larger and highly equipped spaces has become a top priority. Thanks to an extraordinary £5m anchor gift made this year, we intend to commence one of the most significant expansions to the Academy's capital footprint in our history, with details to be announced in due course.

The majority of philanthropic income continues to come from individuals and trusts, with a lesser amount from companies overall. The 2023/24 annual Spring Appeal saw a 77% increase in money raised compared with our 2022/23 Appeal. Our community of friends and supporters in the USA also grew again this year, with fundraising staff continuing to make regular visits, host events and make new connections stateside.

Legacies regularly constitute a substantial proportion of philanthropic income received each year, with many alumni and friends choosing to include the Academy in their estate plans. Many of these bequests are expendable or permanent endowments and therefore add to the Academy's endowed funds. Legacy gifts have impacted various areas of Academy life in 2023/24 from endowing new scholarships, to upgrading facilities, to supporting the coaching of string quartets and fellowships.

In 2023/24, the team delivered a return of 12:1 (9:1 2022/23), well above the sector average. The Academy routinely performs strongly against peers in annual benchmarking surveys by the Council for the Advancement and Support of Education (CASE). In particular, the Academy typically raises the most fundraising income in the conservatoire sector of the UK.

## CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement and Statement on Internal Control and Risks relate to the financial year 1 August 2023 to 31 July 2024, and up to 18 November 2024 when the Annual Report and end-of-year Financial Statements were approved by the Governing Body.

The powers, duties and responsibilities of the Governing Body are laid down by the Royal Charter and its Bye-Laws. The Governing Body is also required, where appropriate, to conduct its business in line with the Statutes and Ordinances of the University of London of which the Academy is a member and, in their capacity as trustees, with the Academy's charitable objects.

The Academy is a higher education institution, part funded by the OfS and subject to its Terms and conditions of funding for higher education institutions. The Governing Body confirms that due regard has been given to the OfS public interest governance principles in respect of:

- I. Academic freedom
- II. Accountability
- III. Student engagement
- IV. Academic governance
- V. Risk management
- VI. Value for money
- VII. Freedom of speech
- VIII. The size, composition, diversity, skills mix and terms of office of the Governing Body
- IX. The appointment of fit and proper persons as members of the Governing Body and Senior Management Team

The Academy endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life and complies with the guidance provided by the Committee of University of Chairs (CUC) in The Higher Education Code of Governance and the HE Audit Committee Code of Practice. The Governing Body has had regard to the Charity Governance Code and adopted the CUC Higher Education Senior Staff Remuneration Code.

Under the terms of the Supplemental Charter dated 1998 and its Bye-Laws, the direction of the Academy is the responsibility of the Governing Body, which makes rules, orders and regulations deemed useful and necessary for the regulation and management of the institution.

Following a recruitment process overseen by three senior members of the Governing Body, assisted by an executive search firm, members of the Governing Body unanimously agreed to appoint Sir Simon Robey as Chair, to succeed Dame Jenny Abramsky at the end of the 2023/24 academic year. In addition, three other long-serving and much valued members of the Governing Body retired: Dame Susie Sainsbury; The Rt Hon Lord Sumption; and Tim Parker. New members appointed during 2023/24 were Hamish Forsyth, Professor Jo Fox, Peter Hesketh, and Dinah Rose KC. The Duchess of Wellington was appointed Deputy Chair for 2024/25.

The Academy registered with the Fundraising Regulator in October 2017, displaying the badge to demonstrate adherence to the Code of Fundraising Practice. The Academy is a member of CASE and benchmarks its fundraising activities against UK universities and specialist institutions. The Academy works sensitively to protect vulnerable people and members of the public to ensure that no undue pressure is placed on a person to give money or other property. The Academy maintains a complaints log, and in the last year there were zero complaints in response to the organisation's fundraising activities. The Academy has not worked with commercial participators or professional fundraisers in the last year.

The Governing Body is responsible for overseeing and managing the general business, finances and investments of the Academy, safeguarding its assets, setting its general strategic direction and determining its educational character and mission. It is also responsible for ensuring that academic governance is operating effectively, encouraging student engagement in academic governance; that Academy students receive a high-quality education, value for money, and that adequate provision has been made for their welfare and wellbeing.

The Governing Body comprises the President, the Principal, and the trustees: 10 to 15 independent members from whom its Chair and Deputy Chairs are drawn, and up to five representative members elected by the staff and students.

None of the independent members receive any payment for work they do for the Academy. A Register of Interests is maintained for members of the Governing Body, and senior officers of the Academy.

The Governing Body meets four times each academic year and much of its detailed work is delegated to senior committees, in particular the Academic Board, Audit Committee, Finance and General Purposes Committee,

Nominations Committee, Remuneration Committee and Gift Acceptance Committee, which are formally constituted as Committees of the Governing Body with written terms of reference and reporting structures. In addition, working groups are constituted as required. With the exception of the Academic Board, membership of these Committees includes a significant proportion of independent members of the Governing Body, from whom the chair is selected.

Members of the Governing Body meet with the Principal and Senior Management Team at least annually to review the Academy's strategic direction and measure progress against strategic aims.

Corporate Governance arrangements are reviewed annually and amended as the Governing Body sees fit.

As previously reported, a review of effectiveness of the Governing Body was undertaken during 2022/23, led by the Senior Independent Governor. Members confirmed that overall they believed the Governing Body was effective, they were comfortable with their role as trustees and had no major concerns. Internal controls and governance were believed to be good, the Board was a strong entity, the committees worked well and members were confident in the quality of their work. There was significant trust and confidence in the Chair, and in the Principal and Senior Management Team's abilities, resourcefulness, experience and leadership. There were a few areas where effectiveness could be improved around creating more opportunities for in-depth discussion on topics of interest and information sharing. This, and other recommendations arising from the review, were implemented during 2023/24 and the appointment of the new Chair will provide further opportunities for review.

## GOVERNANCE

The **Academic Board** is the main academic committee of the Governing Body and draws its members from the academic staff and the students of the institution. It is the body responsible for the academic and academic governance work of the Academy in teaching, examining and in research, and recommending and implementing strategic academic, artistic and policy initiatives. It is responsible for the Academy's Quality Assurance procedures which outline the principles, procedures and processes involved in our quality assurance and enhancement activities, which have been developed in accordance with the expectations set out in the UK Quality Code for Higher Education. These procedures are monitored annually to ensure they remain appropriate and robust for a small specialist institution.

The **Audit Committee** is responsible for overseeing internal controls, risk management, compliance, and the integrity of the annual financial statements. The Committee meets with the external auditors to discuss audit findings, and with the internal auditors to consider internal audit reports and recommendations for the improvement of the Academy's systems of internal control, together with management's response and implementation plans. The Committee receives reports from the OfS and monitors adherence with regulatory requirements. It provides the Governing Body and the Principal with an Annual Report on its key activities and an opinion on arrangements for risk management, safeguarding, GDPR, value for money and data integrity, environmental, social and governance (ESG) matters, among others.

The Audit Committee benefits from the appointment of an independent external member, Linda Peka, Deputy Registrar and Executive Divisional Director of Education and Academic Services at Exeter University, who provides additional expertise and scrutiny of the Academy's operations.

The **Finance and General Purposes Committee** oversees the management and control of the financial and general affairs of the Academy to ensure its short- and long-term viability. It recommends to the Governing Body the annual budget and elements of the end-of-year Financial Statements, advises on financial strategy, monitors financial performance and ensures that systems are in place for the effective and efficient management of resources and financial operations. The Investment Committee reports to and advises the Committee and the Governing Body on performance of the Academy's investment portfolio and strategic direction.

The **Gift Acceptance Committee** is responsible for advising the Governing Body about whether the sources and purposes of prospective donations, fundraising, and other funded activities are ethically acceptable.

The **Nominations Committee** is responsible for identifying fit and proper persons for nomination as independent members to ensure that the Governing Body has appropriate expertise to meet its short- and long-term needs. The priorities for recruitment are to widen the diversity of members and enhance the financial, business, professional, and fundraising expertise of the Governing Body.

The **Remuneration Committee** is responsible for the terms of employment and remuneration of the Principal, members of the Senior Management Team and other senior staff. The Academy adopted the CUC's Higher Education Senior Staff Remuneration Code, and presents an annual report to the Governing Body (page 34).

The Principal is the Chief Executive Officer of the Academy, who reports to the Governing Body and is responsible for implementing its decisions and for maintaining and promoting the efficiency and good order of the Academy.

Under the OfS's Terms and conditions of funding for higher education institutions for the period to 31 July 2024, the Principal is the designated Accountable Officer of the Academy.

The Senior Management Team is the Principal's advisory group and comprises the Deputy Principal, Director of Finance, Deputy Principal (Advancement), Dean of Students, and Registrar and Director of Student Operations.

## STATEMENT OF INTERNAL CONTROL AND RISK

The Governing Body has, in accordance with its Royal Charter and Bye-Laws and the OfS Terms and conditions of funding for higher education institutions for the period to 31 July 2024, responsibility for maintaining a sound system of internal control that supports the achievement of strategic aims and objectives while safeguarding public and other funds and assets for which the Academy is responsible. The system of internal control is designed to manage rather than eliminate risk and can, therefore, only provide reasonable, and not absolute, assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks, to evaluate the nature and extent of those risks, and to manage them efficiently and effectively. This process has been in place for the financial year ended 31 July 2024 and up to the date of approval of the Financial Statements, and accords with OfS guidance.

The following internal control processes have been established:

- The Governing Body considers the plans and strategic direction of the Academy on an annual basis.
- The Governing Body has delegated to the Audit Committee responsibility for reviewing the effectiveness of internal control systems and the risk management process and for ensuring suitable processes are in place for monitoring and managing the risks.
- The Governing Body receives an annual report from the Audit Committee concerning issues of risk, internal controls and their effectiveness, which are informed by reports from the Senior Management Team and internal auditors on the steps being taken to manage risks.
- The Audit Committee receives reports from the internal auditors, which include its independent opinion on the adequacy and the effectiveness of internal controls based on work undertaken in accordance with its approved audit plan.
- The Academy maintains an Academy-wide risk register, which is monitored by the Senior Management Team and reviewed by the Audit Committee. Changes in risk assessments are reported to the Audit Committee. This is reviewed by the Governing Body on an annual basis.
- Our approach to risk management is risk based and the Governing Body reviews risk appetite in key areas annually.
- Heads of departments are required to identify and keep up to date the record of risks facing the Academy. These are discussed on at least an annual basis.

The highest rated risks currently on the register include:

- Government policy changes, including fee reduction and student number cap, and grant reductions
- Difficulty in keeping within cost envelope due to inflationary and fiscal increases
- Difficulty in keeping costs of bursaries and scholarships within budget
- Cyber security
- Failure of key hardware and software
- Non-compliance with estates health and safety and regulatory requirements

All risks listed are discussed by the Senior Management Team on a regular basis with mitigating actions in place, and are reviewed termly by the Audit Committee.

The Academy continues to review data management with external consultation and legal and marketing experts, to minimise the GDPR-related risks in all our activities.

The Academy is subject to review by internal audit which, for 2023/24, was carried out by Azets. The internal auditors operate to standards defined in the Audit Code of Practice set out in the OfS Terms and conditions of funding for higher education institutions for the period to 31 July 2024 and report on the adequacy and effectiveness of the Academy's system of internal control, make recommendations for improvement and monitor implementation. No significant weaknesses in internal control were identified during the year.

The Corporate Governance Statement and Statement on Internal Control and Risks was approved by the Governing Body and the Principal on 5 December 2024, and signed on its behalf by



Sir Simon Robey  
Chair of Governing Body



Professor Jonathan Freeman-Attwood  
Principal

## RESPONSIBILITIES OF THE GOVERNING BODY

The Governing Body oversees the Academy's activities, determines its future direction, and fosters an environment in which the Academy's mission can be achieved.

In accordance with its Royal Charter, the Governing Body is responsible for the administration and management of the Academy's affairs and is required to present an Annual Report and audited Financial Statements each financial year.

The Governing Body is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, the financial position of the Academy and enable it to ensure that the Financial Statements are prepared in accordance with the Statement of Recommended Practice: 'Accounting for Further and Higher Education' and other relevant accounting standards. In addition, within the OfS Terms and conditions of funding for higher education institutions, for the period to 31 July 2024, the Governing Body, through its designated Accountable Officer, is required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Academy and of the surplus or deficit and cash flows for that year.

In causing the Financial Statements to be prepared, the Governing Body ensures that:

- Suitable accounting policies are selected and applied consistently.
- Judgements and estimates are made which are reasonable and prudent.
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.
- Financial Statements are prepared on a going concern basis unless it is inappropriate to presume that the Academy will continue in operation.

The Governing Body is satisfied that the Academy has adequate resources to continue in operation for the foreseeable future despite reporting a loss on Total Comprehensive Income for the year. For this reason, the going concern basis continues to be adopted in the preparation of the Financial Statements.

The Governing Body is also responsible for:

- Ensuring there is a robust and comprehensive system of management, control and corporate governance, including prevention and detection of corruption, fraud, bribery and irregularities, and GDPR compliance.
- Obtaining regular, reliable, timely and adequate information to monitor performance and track the use of public and other funds it receives.
- Planning and managing activities to remain sustainable and financially viable.
- Informing the OfS of any significant changes in its circumstances and incidents that could impact on the mutual interests of the Academy and the OfS.
- Using public funds for their proper purpose and seeking to achieve value for money from public funds.
- Complying with mandatory requirements relating to audit and financial reporting.
- Delivering its charitable purpose for the public benefit including:
  - Sending required returns and information to the OfS.
  - Ensuring there are effective arrangements in place for managing and quality assurance of data submitted to funding and regulatory bodies.
  - Ensuring an effective framework to manage the quality of learning and teaching and to maintain academic standards.

The key elements of the Academy's system of internal control, which is designed to discharge the responsibilities set out above, include the following:

- Clear definitions of the responsibilities of, and the authority delegated to, heads of academic and professional services departments.
- A comprehensive medium- and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets.
- Regular reviews of academic performance 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 Governing Body.
- A treasury management policy.
- Comprehensive Financial Regulations, detailing financial controls and procedures, approved by the Finance and General Purposes Committee.
- A professional internal audit provider, whose annual programme is approved by the Audit Committee.



- An ongoing process designed to identify the principal risks (whether business, operational, compliance, financial or educational) to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.
- The existence of committees reporting to the Governing Body, particularly the Academic Board, Finance and General Purposes Committee and Audit Committee.

Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

The Governing Body is responsible for the oversight and integrity of the Academy's website.

# SENIOR STAFF REMUNERATION ANNUAL REPORT 2023/24

## THE HIGHER EDUCATION SENIOR STAFF REMUNERATION CODE

The Governing Body adopted the HE Senior Staff Remuneration Code in June 2018 and is committed to fair and appropriate remuneration for all staff.

The Senior Staff Remuneration Code advises that there are three key elements to adopt when setting senior staff remuneration:

- i. A fair, appropriate and justifiable level of remuneration
- ii. Procedural fairness
- iii. Transparency and accountability

### The Remuneration Committee

The Remuneration Committee's terms of reference state that the Committee is responsible for matters relating to the remuneration of the Principal as Head of Institution (HoI), the Senior Management Team, senior staff with remuneration over £100,000, and other pertinent matters relating to senior staff. It also scrutinises the annual Gender Pay Gap Report.

Members of the Remuneration Committee, including its Chair, are appointed by the Governing Body. The Committee comprises three Independent Members and the Director of Human Resources: Lord Blackwell as Chair; Dame Jenny Abramsky and Sir Simon Robey; Rehmet Kassim-Lakha; and Cengiz Ali, Director of Human Resources. The Principal is not a member of the Committee but may be invited to attend to discuss matters relating to the remuneration of senior members of staff, but not his own.

The Committee reports its business to the Governing Body and presents an annual report which forms the basis of the Senior Staff Remuneration Report in the financial statements.

The Committee met three times during the reporting period, on 25 September 2023, and 3 June and 7 November 2024.

### Approach to Senior Staff Remuneration

The Academy is recognised as a world-class institution, welcoming students from nearly 55 countries, which contributes to a vibrant and cosmopolitan learning environment, and reflects the global music profession. We are dedicated to offering the very best education to students from all over the world; we train versatile and resourceful musicians with the skills they need in the continually changing profession and to enable them to become independent and creative musicians. We foster a research environment that encourages collaboration between students and staff, promoting innovative creative work in all our taught and research degree programmes. Both of these rely heavily on the quality of our teachers, and we aim to recruit and retain the very best, supporting them with professional development opportunities. The Academy also relies on an infrastructure of talented and committed professional services staff.

A number of factors will be considered when determining reward for senior staff:

- The finite number of specialist musical educators and leaders in the UK and globally.
- A key facet of the Academy's mission is to widen access to music education.
- We are committed to equality and diversity in employment and all our activities.
- Benchmarking against comparative UK conservatoires.
- Complexity, scale and scope of the Senior Management Team positions and impact of the role, on students, staff, visitors, donors, research, resources and finances, the Academy, and the conservatoire sector.
- Discretion, level of accountability, degree of autonomy and decision-making authority.
- Reputation and academic or professional credibility.
- Performance in support of the Academy's strategic objectives.
- Management and leadership of staff.
- Strategic partnerships and external relations internationally and nationally.
- The HE Senior Staff Remuneration Code.
- The Academy's annual Gender Pay Gap Report.
- Value for money, affordability, and the Academy's financial sustainability.

## Sources of data for the Remuneration Committee

Sources of comparative data include:

- a. Higher Education Statistics Agency (HESA) data.
- b. The Universities and Colleges Employer Association's (UCEA) Senior Staff Remuneration Survey.
- c. The CUC Vice-Chancellor Salary Survey.
- d. Reports and reviews from external experts commissioned by the Committee.
- e. Internal analysis of salary distributions and the Higher Education Role Analysis (HERA) system.

## Pay awards

The Academy subscribes to the Universities & Colleges Employers Association (UCEA), which negotiates the nationally agreed annual cost-of-living pay award with unions, on behalf of its members. Once agreed, the cost-of-living pay award is applied to all staff.

The pay award for 2023/24 was implemented with effect from 1 August 2023 and varied between 3-9%, with workers on lower points of the pay scale receiving a larger percentage to recognise that the effect of inflation impacts the lower paid disproportionately.

The pay award for 2024/25 is 2.5 to 5.7%, again weighted to the lower end of the pay spine, with all staff receiving 2.5% from 1 August 2024, with the remainder payable from 1 March 2025. The Academy decided to implement the increase in full from 1 August 2024, ensuring that all employees benefited from the uplift in their salaries with immediate effect.

## Non-Senior Management Team remuneration

For non-Senior Management Team roles, the Academy subscribes to the HERA system, through which all roles are evaluated and assessed to determine the pay grade and salary range against the national pay scales, based on transparent criteria and to ensure pay equity and the elimination of discrimination.

Market forces supplements may be applied, where necessary, to attract and retain staff, upon provision of evidence of external market rates.

Additional staff pay awards, including incremental awards and one-off payments for exceptional work are evaluated on a termly basis by the Salary Review Group and its recommendations are scrutinised by the Senior Management Team.

## Pay Multiples

The pay multiple of the HoI basic salary against the median of all staff is 5.39 for 2023/24 (5.47 2022/23). During the last five years the pay multiple has varied between 4.76 and 5.65.

## External appointments

The Academy has some of the world's finest teachers who provide inspiring tuition to our students and we encourage and support staff to continue their professional performance careers and to develop links with other institutions through flexible working arrangements. Staff who have visiting professorships or fellowships and other positions raise the profile of the Academy, and this is a useful means of identifying and sharing good practice in the sector. In addition, a significant number of our staff work as Special External Assessors and External Examiners at other institutions which benefits the Academy by adding an extra layer of externality in our ongoing monitoring and review of the quality and standards of our principal study disciplines, programmes and awards. This externality is also valuable in providing reassurance in respect of standards across the conservatoire sector. We do not therefore have a policy on the retention of income generated from external bodies but ask staff to inform us of any potential conflict of interest.

## Expenses

All staff are expected to adhere to principles of seeking value for money, in hospitality, business travel, accommodation or otherwise. Expenses are expected to be reasonable and not excessive.

The expenses of the Principal are authorised by the Chair of the Governing Body. The expenses of the Director of Finance are authorised by the Principal. All other staff expenses are authorised by the Director of Finance.

The Principal's contract was renewed during the period and extended to 2028. Information about the Principal's remuneration is published on page 50.

# INDEPENDENT AUDITORS' REPORT TO THE ACADEMY'S GOVERNING BODY

## Opinion

We have audited the financial statements of Royal Academy of Music (the 'Academy') and its subsidiaries ('the Group') for the year ended 31 July 2024 which comprise the Consolidated and Academy Statement of Comprehensive Income and Expenditure, Consolidated and Academy Statement of Changes in Reserves, Consolidated and Academy Statement of Financial Position, Consolidated Cash Flow Statement and the related notes, including a summary statement of accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Statement of Recommended Practice Accounting for Further and Higher Education 2019 in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations, The Charities (Accounts and Reports) Regulations 2008.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015. In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 July 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

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

## Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Academy'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 Governing Body with respect to going concern are described in the relevant sections of this report.

## Other information

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

We have nothing to report in this regard.

## Responsibilities of the Governing Body

As explained more fully in the Responsibilities Statement of the Governing Body, the Governing Body are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Governing Body 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 Governing Body are responsible for assessing the Group and Academy'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 Governing Body either intend to liquidate the Group 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 144 of the Charities Act 2011 and report in accordance with the Act 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. The specific procedures for this engagement and the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

## Report on other legal and regulatory

We are required to report on the following matters by the Accounts Direction dated 25 October 2019 issued by the Office for Students ('the Accounts Direction').

In our opinion, in all material respects:

- funds from whatever source administered by the Academy for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by OfS and UK Research and Innovation (including Research England) have been applied in accordance with the relevant terms and conditions;
- Expenditure on access and participation disclosed in the financial statements is not materially misstated; and
- the financial statements meet the requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students.

We are also required by the Accounts Direction to report where the results of our audit work indicate that the Academy's grant and fee income, as disclosed in the notes to the financial statements, has been materially misstated. We have nothing to report in these respects.

**Use of our report**

This report is made solely to the Governing Body, as a body, in accordance with Part 4 of the Charities

(Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Governing Body those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and Academy and its Governing Body, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA  
Statutory Auditor  
London, United Kingdom

**Date**

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

MHA MacIntyre Hudson is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# CONSOLIDATED AND ACADEMY STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

	Note	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
<b>Income</b>					
Tuition fees	1	13,104	13,104	12,188	12,188
OfS and Funding Council grants	2	5,806	5,806	6,222	6,222
Research grants and contracts	3	1	1	-	-
Other income	4	2,537	2,537	1,698	1,698
Investment income	5	1,158	1,158	1,235	1,235
<b>Total income before donations and endowments</b>		<b>22,606</b>	<b>22,606</b>	<b>21,343</b>	<b>21,343</b>
Donations and endowments	6	14,900	14,900	11,182	11,182
<b>Total income</b>		<b>37,506</b>	<b>37,506</b>	<b>32,525</b>	<b>32,525</b>
<b>Expenditure</b>					
Staff costs	7	15,114	15,114	15,240	15,240
Other operating expenses		13,357	13,357	12,442	12,442
Depreciation	10	1,860	1,830	1,728	1,698
Interest and other finance costs	8	-	-	62	62
<b>Total expenditure</b>	9	<b>30,331</b>	<b>30,301</b>	<b>29,472</b>	<b>29,442</b>
<b>Operating surplus before other gains or losses</b>		<b>7,175</b>	<b>7,205</b>	<b>3,053</b>	<b>3,083</b>
Gain on disposal of fixed assets		66	66	12	12
Gain on investments		7,898	7,898	1,236	1,236
<b>Surplus for the year</b>		<b>15,139</b>	<b>15,169</b>	<b>4,301</b>	<b>4,331</b>
Unrealised surplus on revaluation of tangible assets		-	-	-	-
Actuarial (loss)/gain in respect of RAM1967 Pension Scheme		234	234	1,117	1,117
<b>Total comprehensive income for the year</b>		<b>15,373</b>	<b>15,403</b>	<b>5,418</b>	<b>5,448</b>
Represented by:					
Endowment comprehensive income for the year		10,307	10,307	5,259	5,259
Restricted comprehensive income for the year		5,484	5,484	449	450
Unrestricted comprehensive income for the year		(1,683)	(1,653)	(548)	(518)
Revaluation reserve comprehensive income for the year		1,265	1,265	258	258
		<b>15,373</b>	<b>15,403</b>	<b>5,418</b>	<b>5,449</b>

## CONSOLIDATED AND ACADEMY STATEMENT OF CHANGES IN RESERVES

CONSOLIDATED	INCOME AND EXPENDITURE ACCOUNT			Revaluation reserve £000	Total £000
	Endowment £000	Restricted £000	Unrestricted £000		
<b>Balance as at 1 August 2022</b>	<b>53,001</b>	<b>4,697</b>	<b>130,745</b>	<b>27,439</b>	<b>215,882</b>
Surplus/(deficit) from the income and expenditure statement	5,259	449	(548)	258	5,418
Transfers between revaluation and income and expenditure reserve	-	-	167	(167)	-
Transfer between endowment and restricted reserves	-	-	-	-	-
Release of restricted capital funds spent in year	-	(544)	544	-	-
<b>Balance as at 1 August 2023</b>	<b>58,260</b>	<b>4,602</b>	<b>130,908</b>	<b>27,530</b>	<b>221,300</b>
Surplus/(deficit) from the income and expenditure statement	10,307	5,484	(1,683)	1,265	15,373
Transfers between revaluation and income and expenditure reserve	-	-	274	(274)	-
Transfer between endowment and restricted reserve	(59)	55	-	4	-
Release of restricted capital funds spent in year	-	(201)	201	-	-
<b>Balance at 31 July 2024</b>	<b>68,508</b>	<b>9,940</b>	<b>129,700</b>	<b>28,525</b>	<b>236,673</b>

ACADEMY	INCOME AND EXPENDITURE ACCOUNT			Revaluation reserve £000	Total £000
	Endowment £000	Restricted £000	Unrestricted £000		
<b>Balance as at 1 August 2022</b>	<b>53,001</b>	<b>4,697</b>	<b>130,115</b>	<b>27,439</b>	<b>215,252</b>
Surplus/(deficit) from the income and expenditure statement	5,259	449	(518)	258	5,448
Transfer between endowment and restricted reserves	-	-	-	-	-
Release of restricted capital funds spent in year	-	(544)	711	(167)	-
<b>Balance as at 1 August 2023</b>	<b>58,260</b>	<b>4,602</b>	<b>130,308</b>	<b>27,530</b>	<b>220,700</b>
Surplus/(deficit) from the income and expenditure statement	10,307	5,484	(1,653)	1,265	15,403
Transfers between revaluation and income and expenditure reserve	-	-	274	(274)	-
Transfer between endowment and restricted reserve	(59)	55	-	4	-
Release of restricted capital funds spent in year	-	(201)	201	-	-
<b>Balance at 31 July 2024</b>	<b>68,508</b>	<b>9,940</b>	<b>129,130</b>	<b>28,525</b>	<b>236,103</b>



# CONSOLIDATED AND ACADEMY STATEMENT OF FINANCIAL POSITION

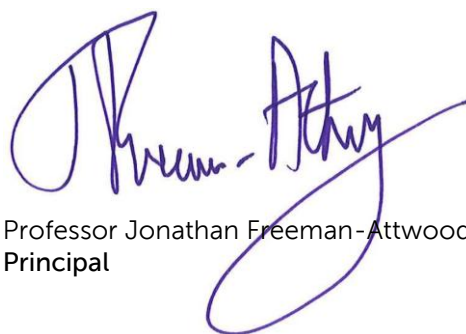
	Note	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
<b>Non-Current Assets</b>					
Fixed Assets:					
Heritage	10a	91,148	90,578	91,198	90,598
Operational	10a	53,325	53,325	53,165	53,165
		144,473	143,903	144,363	143,763
Non-Current Investments	11	75,693	75,693	67,742	67,742
		220,166	219,596	212,105	211,505
<b>Current Assets</b>					
Trade and other receivables	12	2,863	2,863	1,719	1,719
Current Investments	13	7,681	7,681	2,030	2,030
Cash and Cash Equivalents		10,115	10,115	10,162	10,162
		20,659	20,659	13,911	13,911
<b>Creditors:</b> Amounts falling due within one year	14a	(4,152)	(4,152)	(3,801)	(3,801)
Net Current Assets		16,507	16,507	10,110	10,110
Total Assets less Current Liabilities		236,673	236,103	222,215	221,615
<b>Provisions</b>					
Pension Provisions	15	-	-	(572)	(572)
Other Provisions	15	-	-	(343)	(343)
<b>Total Net Assets</b>		<b>236,673</b>	<b>236,103</b>	<b>221,300</b>	<b>220,700</b>
<b>Restricted Reserves</b>					
Income and Expenditure Reserve – Endowment	16	68,508	68,508	58,260	58,260
Income and Expenditure Reserve – Restricted	17	9,940	9,940	4,602	4,602
		78,448	78,448	62,862	62,862
<b>Unrestricted Reserves</b>					
Income and Expenditure Reserve – Unrestricted		129,700	129,130	130,908	130,308
Revaluation Reserve		28,525	28,525	27,530	27,530
		158,225	157,655	158,438	158,438
<b>Total Funds</b>		<b>236,673</b>	<b>236,103</b>	<b>221,300</b>	<b>220,700</b>

The Notes on pages 49 to 66 form part of these Financial Statements.

The Financial Statements were approved by the Governing Body and authorised for issue on 5 December 2024.



Sir Simon Robey  
Chair of Governing Body



Professor Jonathan Freeman-Attwood  
Principal

## CONSOLIDATED CASH FLOW STATEMENT

	Note	2024 £000	2023 £000
<b>Cash flow from operating activities</b>			
Surplus for the year		15,139	4,301
<b>Adjustments for non-cash items</b>			
Depreciation/Impair of fixed assets	10a	1,859	1,728
(Gain) on investments	11	(7,898)	(1,236)
(Increase in debtors)	12	(1,144)	(690)
Increase in creditors	14	351	377
Increase/(decrease) in pension provisions	15	(867)	(181)
Increase in other provisions	15	(343)	1
Receipt of donated equipment	6	(102)	(235)
<b>Adjustment for investing or financing activities</b>			
Investment income	5	(1,158)	(1,235)
New endowments	16	(4,003)	(4,442)
(Profit) on sale of fixed assets		(31)	(12)
Capital grant income		(5,117)	(313)
Net cash inflow from operating activities		<u>(3,314)</u>	<u>(1,937)</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of operational tangible assets		66	26
Capital grant receipts		5,117	313
Disposal of non-current asset investments		35,662	29,351
Withdrawal of current asset investments deposits		519	1,026
Investment income		1,158	1,235
Purchase of operational tangible fixed assets		(1,902)	(1,884)
New non-current asset investments		(35,705)	(44,588)
New current asset investment deposits		(5,651)	(18)
		<u>(736)</u>	<u>(14,539)</u>
<b>Cash flows from financing activities</b>			
New endowments received	16	4,003	4,442
		<u>4,003</u>	<u>4,442</u>
Decrease in cash and cash equivalents in the year		<u>(47)</u>	<u>(12,034)</u>
Cash and cash equivalents at 1 August 2023		10,162	22,196
Cash and cash equivalents at 31 July 2024		<u>10,115</u>	<u>10,162</u>

The Group has not included an analysis of movement of net debt table as it did not have any net debt during the year.

# STATEMENT OF ACCOUNTING POLICIES

FRS 102 is the single comprehensive Financial Reporting Standard and SORP 2019 is the education sector's interpretation of FRS 102.

## 1. Accounting Convention

The Financial Statements have been prepared under the historical cost convention, modified for the revaluation of the Academy's listed investments, in accordance with applicable Accounting Standards and the Statement of Recommended Practice: 'Accounting for Further and Higher Education' (SORP), published in October 2018. The institution is a public benefit entity and has therefore applied the relevant public benefit requirement of the applicable accounting standards.

The Governing Body has reviewed the financial position of the Academy and its plans for the future as set out in the Operating and Financial review, outturn in 2023/24 as set out in the planned operation and activities of the Academy, and is satisfied that it has adequate resources to continue in operation for the foreseeable future.

The Governing Body reviews the annual budgets and plans which the Academy prepares as part of its annual planning cycle; these reflect the aims and objectives of the Strategic Plan 2023 to 2026, and feed into the five-year forecast. The budgets, plans and forecasts show that the Academy is expected to be able to continue to meet its working capital requirements from cash and liquid investments. The budgets and forecasts consider the impact of key external factors including the impact of Brexit on student recruitment as well as possible changes in government funding. The Senior Management Team and Governing Body consider the impact of changes in assumptions in these key areas before approving budgets and forecasts.

For this reason, the Governing Body considers that the Academy has adequate resources to continue in operational existence for the foreseeable future and is not aware of any material uncertainties which would prevent the Academy from continuing as a going concern. These financial statements have therefore been prepared on a going concern basis.

## 2. Basis of Consolidation

The consolidated Financial Statements comprise the Academy's activities and those of its charitable subsidiary undertaking, the RAM Collections Trust. RAM Collections Trust is a registered charity established in 2004. It makes available the Foyle Menuhin collection for the Royal Academy of Music, which nominates its two Directors. RAM Development Company Limited was dormant during the year. The consolidated Financial Statements do not include those of the Students' Union because the Academy does not control those activities as it is a separate entity. Intra-group transactions are eliminated on consolidation.

## 3. Recognition of Income

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is credited to income over the period in which students are studying. Bursaries funded from external donations or endowment income are omitted from expenditure and fee income and recognised as donations or interest receivable accordingly. Bursaries funded from general or designated funds are included within bursary expenditure and fee income.

Funds the Academy receives and disburses as paying agent on behalf of a funding body are excluded from income and expenditure where the Academy is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

### Grants and Donations

A Performance Related Condition (PRC) is a condition that requires the performance of a particular level of service or units of output to be delivered with payment of, or entitlement to, the resources conditional on that performance.

Grants and donations without PRC or any other type of restriction are recognised in full within the Consolidated Statement of Comprehensive Income and Expenditure on entitlement to the income. This includes donations of assets.

Government and non-government grants with PRCs include annual grants such as OfS or UKRI teaching and research grants and bursary grants where the academic year and/or students to whom the grants relate are stipulated. They may also include grants for specific research projects to fund academic posts over a number of

years. These grants are deferred on the balance sheet until the PRC has been met, at which point the grant is released to income.

Where no PRC attaches to a government or non-government grant but there are nevertheless restrictions imposed on the use of funds, the grant income is recognised in full when the Academy is entitled to the income. It is retained within a restricted reserve until being used in line with the restriction, at which point a reserve transfer is made to release the reserve to general funds.

Capital grants are treated in the same way as revenue grants.

### **Endowments**

An endowment fund is a form of charitable trust retained for the benefit of the Academy for the long-term and is subdivided into a capital and accumulated income element. A donation to establish an endowment fund which prohibits conversion of capital to income creates a 'permanent' endowment fund and such funds must generally be held indefinitely. If the Academy has power to use the capital then the endowment fund is 'expendable' although the Academy would be unlikely to use this power in the short-term.

The investment income from permanent endowment funds may be restricted or unrestricted in use depending on the requirements of the donor whereas investment income from expendable endowment funds will always be restricted in use.

New endowment funds are credited to the Consolidated Statement of Comprehensive Income and Expenditure on entitlement and then transferred to an endowment fund within the Balance Sheet. Investment income is credited to the Consolidated Statement of Comprehensive Income and Expenditure and, if restricted, reserved within the endowment fund for future spend in accordance with restrictions. Expenditure against the restricted endowment fund is debited to the Consolidated Statement of Comprehensive Income and Expenditure and charged to the endowment fund.

Appreciation/depreciation of endowment investments is recorded within the Consolidated Statement of Comprehensive Income and Expenditure and then transferred to the capital element of the endowment funds.

### **Other Investment Income**

Other investment income is credited to the Consolidated Statement of Comprehensive Income and Expenditure on a receivable basis. Appreciation/depreciation of investments is credited/debited to the Consolidated Statement of Comprehensive Income and Expenditure and then transferred to the General Fund or Endowment funds, as appropriate.

## **4. Accounting for Retirement Benefits**

The Academy contributes to four different pension schemes for current employees: the TPS; a Group Personal Pension Scheme (GPPS); the National Employment Savings Trust (NEST); and the Universities Superannuation Scheme (USS). The TPS and USS are defined benefit schemes and each fund is valued every three years by professionally qualified independent actuaries. The GPPS and NEST are defined contribution schemes.

The assets of the TPS are held in separate trustee-administered funds. Because of the nature of the Scheme, its assets are not hypothecated to individual institutions and Scheme-wide contributions are set. The Academy is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the Scheme on a consistent and reasonable basis. Therefore, it accounts for the Scheme as if it were a defined contribution scheme. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the Scheme in respect of the accounting period.

The USS is a multi-employer hybrid scheme, providing defined benefits (for all members) as well as defined contribution benefits. The assets of the Scheme are held in a separate trustee-administered fund. Because of the mutual nature of the Scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Academy is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the Academy therefore accounts for the Scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the contributions payable to the Scheme. Since the Academy has entered into an agreement (the recovery plan) that determines how each employer within the Scheme will fund the overall deficit, a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised. The Academy had 8 members in the USS at the end of 2023/24.

The Academy also operates a defined benefit pension scheme, The Royal Academy of Music Pension Scheme 1967 (RAM1967), which is closed to new members, and which provides retirement benefits based on the length of service and final pensionable salary for certain employees. The operating and financing costs of the Scheme are recognised separately in the income and expenditure account. Service costs are spread over the service lives of the employees and financing costs are recognised in the period in which they arise. The cost of past service benefit enhancements, settlements and curtailments are also recognised in the period in which they arise. The differences between actual and expected returns during the year, including changes in actuarial assumptions are recognised in the Statement of Comprehensive Income and Expenditure. The Academy's net obligation in respect of the RAM1967 Scheme is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods: that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) and any unrecognised past service costs are deducted. Any resulting surplus is subject to an impairment charge.

## 5. Employment Benefits

Short-term employment benefits such as salaries and compensated absences, in particular annual leave, are recognised as an expense in the year in which the employees render service to the Academy. Any unused benefits are accrued and measured as the additional amount the Academy expects to pay as a result of the unused entitlement.

## 6. Leases

Rental costs under operating leases are charged to expenditure in equal annual amounts over the term of the lease. Any lease premiums or incentives are spread over the lease term.

## 7. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where components of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Musical Instrument Collection assets which were revalued to fair value prior to 1 August 2014, the date of transition to the revised SORP, are measured on the basis of deemed cost, being the revalued amount at the transition date.

Impairment reviews are carried out if changes in conditions or events indicate the carrying amount of a fixed asset may not be recoverable.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each balance sheet.

Donations received towards the cost of buildings or other assets are released to income on entitlement or when PRCs, if they exist, have been met (refer to income recognition policy for further details). The income is then transferred to a restricted reserve to fund remaining asset purchase costs.

### Land and Buildings

Expenditure that adds value to the main Academy property is capitalised and depreciated over 40 years on a straight line basis.

Academy buildings are being depreciated over 90 years, in line with the length of the lease.

A componentisation approach has been applied to the completed Susie Sainsbury Theatre and Angela Burgess Recital Hall. The structures are being depreciated over 50 years but other components are being depreciated over between 10 and 25 years.

The York Gate building was acquired with the aid of a specific grant from The National Lottery Heritage Fund and was subsequently refurbished. The refurbishment costs of the York Gate building and the cost of the David Josefowitz Recital Hall have also been capitalised and are being depreciated over 71 and 28 years respectively. Fit-out costs for York Gate are being depreciated over 13 years. The depreciation for the York Gate buildings was recalculated on transfer of the assets to the Academy in 2013.

The fit-out costs of the Cross Keys practice rooms are being depreciated over 10 years, this being the length of the lease.

Buildings under construction within the Academy are accounted for at cost based on the value of architects' certificates and other direct costs incurred to 31 July. They are not depreciated until they are brought into use.

### Equipment and Collection of Musical Instruments

Expenditure on the purchase of equipment and other items is depreciated on a straight line basis as follows:

- Equipment/working instruments/artefacts: Between 5 and 40 years or not depreciated.
- Collection of Prestigious Musical Instruments: Not depreciated as their long economic life and high residual value mean depreciation is not material.
- Assets in excess of £10k and refurbishments in excess of £25k are capitalised. All other equipment is written off in the year of acquisition.

### Donated Assets

Donated fixed assets are capitalised on donation and included in the balance sheet at fair value, this being insurance value of the cost to the donor.

## 8. Heritage Assets

Since its foundation in 1822, the Academy has acquired important collections of instruments, manuscripts, paintings, photographs, busts, drawings, teaching aids and artefacts, batons, furnishings, memorabilia and other objects which have been bought or donated over the years. The majority of the instruments have been valued and are recorded in the Balance Sheet, most as working assets but a few, primarily stringed instruments made by Stradivari and Amati, are considered to be of such cultural international importance that they are not generally used for educational or musical purposes but are on display in the Academy's Museum, which is open to the public. Consequently they fall to be treated as heritage assets as they are held primarily for their contribution to knowledge and culture. The Spencer Collection and the Menuhin Collection were both purchased by the Academy and are also included in the Balance Sheet as heritage assets. The other items of the type described above are numerous and many have relatively low intrinsic values, however many of them have unique associations with their original owner or with the Academy. These assets are not considered to be of a heritage nature but are nevertheless an important part of the Academy's history and assist in preserving its reputation and attraction to current and potential students and teachers. Full details of the collections, which are fully catalogued and include both heritage and non-heritage assets, together with opening times for the Museum and Access policy, are given on the Academy's website at [www.ram.ac.uk/Museum](http://www.ram.ac.uk/Museum).

The key stringed instruments that are held as heritage assets are included in the Balance Sheet at fair value as at 1 August 2014, the date of transition to the SORP, and are no longer generally revalued. The ten most valuable instruments were revalued in 2020/21, as they account for 95% of the heritage assets. The carrying amounts are reviewed annually for impairment. Donated heritage assets are not depreciated as, given their long economic life and high residual value, depreciation would not be material. Heritage assets purchased by the Academy are included in the Financial Statements at cost and are depreciated over 40 years. Costs in connection with the preservation and conservation of heritage assets are charged to the Income and Expenditure Account as they are incurred.

## 9. Investments

Listed investments held within Non-Current investments are stated at fair value at the Balance Sheet date. Gains or losses are attributed to the appropriate fund.

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are continuously measured at fair value with changes recognised in 'net gains/(losses) on investments' in the Statement of Financial Activities, if the shares are publicly traded or their fair value can otherwise be measured reliably. As investments are continuously revalued there are no realised gains or losses recorded.

Current asset investments are held at fair value with movements recognised in the Consolidated Statement of Comprehensive Income and Expenditure. They include bank and building society deposits with a deposit term greater than 90 days.

## 10. Financial Instruments

The Academy has considered FRS 102 sections 11 and 12, identifying and classifying financial instruments as 'basic' and 'other'. The Academy only has financial assets and liabilities of a kind that qualify as basic financial instruments. The financial assets and financial liabilities of the Academy are as follows:

- Debtors – trade and other receivables (including accrue income) are financial instruments and are debt instruments measured at amortised cost as detailed in Note 12. Prepayments are not financial instruments.
- Cash at bank – is classified as a basic financial instrument and is measured at face value.
- Liabilities – trade creditors, accruals and other creditors are classified as financial instruments, and are measured at amortised cost as detailed in Note 14. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver services rather than cash or another financial instrument.

**11. Cash and Cash Equivalents**

Cash flows comprise increases or decreases in cash. Cash includes cash in hand and cash deposits repayable on demand. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. No investments, however liquid, are included as cash.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. They include building society deposits with a deposit term less than 90 days and no material penalty for early withdrawal.

**12. Stock**

The majority of the stock held used to relate to the Academy Chimes music shop with minor amounts for canteen and bar stock. Stock is stated at the lower of cost and net realisable value.

**13. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when:

- a. The Academy has a present legal or constructive obligation as a result of a past event.
- b. It is probable that an outflow of economic benefits will be required to settle the obligation.
- c. A reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the Academy a possible obligation whose existence will only be confirmed by the occurrence of otherwise uncertain future events not wholly within the control of the Academy. Contingent liabilities also arise in circumstances where a provision would otherwise be made, but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the Academy a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within its control.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the Notes.

**Maintenance of Premises**

The Academy has a provision for the maintenance of its buildings which it is required to carry out in accordance with the terms of its lease. This is based on a 15-year maintenance plan which is reviewed on an annual basis. The provision represents the estimated cost, at the Balance Sheet date, of maintenance work falling due within the cyclical programme under the lease.

The cost of routine corrective maintenance is charged to the Income and Expenditure Account as incurred.

**14. Taxation Status**

As a registered charity the Academy is exempt from taxation in respect of income received within categories covered by Part II of the Corporation Tax Act 2010, to the extent that such income is applied exclusively for charitable purposes. The Academy is partially exempt in respect of Value Added Tax (VAT) so it can only recover a minor element of VAT charged on its inputs.

**15. Reserves**

Reserves are allocated between restricted and unrestricted reserves. Restricted reserves include endowments (see Note 16) and non-endowment funds which the donor has designated for a specific purpose.

**16. Significant Estimates and Accounting Judgements**

In the preparation of the 2024 consolidated Financial Statements, it is the responsibility of management to make informed judgements and estimates that affect the reported values for assets, liabilities, income and expenditure.

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The following key assumptions concerning the future and other key sources of estimation and uncertainty at the reporting date of 31 July 2024, are listed as follows:

## Deferred Benefit Scheme Pension Provision

The Academy is the sole member of the RAM1967 Pension Scheme which is a defined benefit scheme, and for which a provision is recorded within the balance sheet. The recognised liability is based on the valuation provided by professionally qualified independent actuaries which is based on a number of assumptions. These include the future cash flows of the Scheme, the discount rate used (which is based on average AA rated UK corporate bond rates that reflect the duration of our liability), the pensionable salary growth going forward and proposed price inflation (which is based on the RPI). Further details can be found in Note 18.

Management review the assumptions made to derive the provisions recorded within the Balance Sheet to ensure that they are reasonable.

## 17. Post Balance Sheet Events

There are no post balance sheet events to report.

On 22 November 2024 the Royal Academy of Music signed an Agreement to Lease in relation to a property in City Island. This will provide the Academy with additional space for teaching and learning. The Academy will fit out the property at its own cost and will depreciate those costs over the expected lifetime of the assets. Full costs of operating the building will be finalised once the planning and build stage is more developed; the initial projection is that the net costs of operation will be at a similar level to current costs of renting space in other buildings after taking account of expected rental income.



## NOTES TO THE FINANCIAL STATEMENTS

	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
<b>1. Tuition fees net of fees paid by donors</b>				
Full-time UK and EU	4,560	4,560	4,675	4,675
Full-time international	7,414	7,414	6,499	6,499
Junior and intermediate	1,130	1,130	1,014	1,014
	<u>13,104</u>	<u>13,104</u>	<u>12,188</u>	<u>12,188</u>
<b>2. OfS and funding council grants</b>				
Recurrent teaching grant	4,995	4,995	5,137	5,137
Recurrent research grant	597	597	625	625
Other special funding	164	164	358	358
Capital grant	50	50	100	100
Other grants	-	-	2	2
	<u>5,806</u>	<u>5,806</u>	<u>6,222</u>	<u>6,222</u>
We are satisfied that we meet the performance conditions set out in the grants above.				
<b>3. Research grants and contracts</b>				
Other grants and contracts	1	1	-	-
	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>
The source of grant and fee income, included in Notes 1 to 2 is as follows:				
<b>Grant and fee income</b>				
Grant income from the OfS	5,045	5,045	5,239	5,239
Grant income from other bodies	761	761	983	983
Fee income for research awards (exclusive of VAT)	219	219	154	154
Fee income from non-qualifying courses (exclusive of VAT)	1,130	1,130	1,014	1,014
Fee income for taught awards (exclusive of VAT)	11,755	11,755	11,020	11,020
	<u>18,910</u>	<u>18,910</u>	<u>18,410</u>	<u>18,410</u>
<b>4. Other income</b>				
Residences and catering	528	528	463	463
Other operating income *	2,009	2,009	1,235	1,235
	<u>2,537</u>	<u>2,537</u>	<u>1,698</u>	<u>1,698</u>
<b>5. Investment income</b>				
Investment income	818	818	957	957
Other interest receivable	340	340	278	278
	<u>1,158</u>	<u>1,158</u>	<u>1,235</u>	<u>1,235</u>
<b>6. Donations and endowments</b>				
New endowments	4,003	4,003	4,442	4,442
Performance Related Condition income utilised	1,557	1,557	1,431	1,431
Restricted donations	8,275	8,275	2,488	2,488
Unrestricted donations *	963	963	2,586	2,586
Donation of assets (non-cash)	102	102	235	235
	<u>14,900</u>	<u>14,900</u>	<u>11,182</u>	<u>11,182</u>

\* During the year the treatment of distributions from the ABRSM were reconsidered and included in other operating income 2023/24 £500k (£500k 2022/23 included in unrestricted donations)

	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
<b>7. Staff</b>				
<b>Staff costs</b>				
Wages and salaries *	12,408	12,408	12,378	12,378
Social Security costs	1,165	1,165	1,102	1,102
Pension costs net of pension provision adjustment	1,541	1,541	1,760	1,760
	<u>15,114</u>	<u>15,114</u>	<u>15,240</u>	<u>15,240</u>

\* These figures include the following amounts paid to freelance workers: £nil 2023/24 (£416,482 2022/23).

Members of Governing Body do not receive remuneration for their work as Trustees.

Principal's emoluments	£	£
Salary	209,842	201,151
Benefits	5,102	4,397
Pension contributions and pay in lieu of pension contributions	36,911	35,856
Compensation for change in tax treatment of accommodation **	14,778	16,703
Accommodation – taxable	24,592	21,643
	<u>291,225</u>	<u>279,750</u>

\*\* Compensation to reflect changes in tax treatment of accommodation, provided to enable him to perform his role, recognising the contractual obligations arising from changes in HMRC regulations.

The Principal is not a member of a pension scheme therefore his salary contains a pension equivalent, now rolled into a single sum. This is shown separately above.

The Principal is required as part of his contract to live on the Academy premises. The premises are an integral part of the main Academy building and the apportioned costs associated with the Principal's use of the residence are £24,592 (£21,642 2022/23). The space is also used by chamber groups for rehearsal and coaching, for visiting performers, for cataloguing by the Library staff and for quiet working.

The Principal's remuneration is set by the Remuneration Committee (of which he is not a member) after consideration of his performance over time, his success in meeting strategic objectives, and of salaries at other comparable Higher Education institutions, nationally and internationally. This includes particular reference to other conservatoires and specialist institutions. He has continued to strengthen the quality of student and staff recruitment, achieving high rankings in relevant league tables, as well as attracting additional philanthropic income. He has also generated an international profile, as reflected in the Sir Elton John Global Exchange Programme. The salary does not reflect a corporate-world equivalent but rather takes into account the skills required to run a high-level and complex institution, with long working hours. The Principal's contract and remuneration were reviewed in 2023.

The Principal's basic salary is 5.39 times (5.47 times 2022/23) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the Academy to its staff.

The Principal's total remuneration is 6.50 times (6.01 times 2022/23) the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the Academy to its staff.

Severance payments of £26,075 were made to 2 members of staff in 2023/24, of which £10,000 was non-contractual (2 members of staff £69k of which £46k was non-contractual 2022/23).

The Academy adheres to the CUC Higher Education Senior Staff Remuneration Code.

There were 5 members of staff, including the Principal, who received emoluments (including taxable benefits and allowances but excluding employer's pension contributions) in excess of £100,000, in the following ranges:

Range	2024	2023
£105,000-£109,999	2	-
£120,000-£124,999	-	1
£125,000-£125,999	1	-
£140,000-£144,999	-	1
£150,000-£154,999	1	-
£240,000-£244,999	-	-
£250,000-£254,999	1	1

The average number of persons employed by the Academy and the Group during the year, expressed as full-time equivalents (FTE), are shown in the table below:

	2024	Recategorised 2023*
Staff numbers	FTE	FTE
Teaching and academic provision*	142	136
Student projects, performances and wellbeing	44	47
Central administration and services	47	50
Premises	15	15
	<b>248</b>	<b>260</b>

\* The figures above include the following Junior Academy teaching staff

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### Key Management Personnel

Key Management Personnel comprises the Senior Management Team, including the Principal, being those persons having authority and responsibility for planning, directing and controlling the activities of the Academy.

	2024	2023
	£000	£000
Key management personnel compensation	964	969
Headcount	6	6

### Widening Participation Staffing costs

	2024	2023
	£000	£000
Access investment	164	185
Financial support	-	-
Disability support (excluding expenditure included in the 2 categories above)	148	67
Research and evaluation	13	29
	<b>324</b>	<b>281</b>

### Public Sector Trade Union Facility Time

The Academy is required to report on the paid time off during working hours for trade union representatives to carry out trade union duties. This data covers the period 1 August 2023 to 31 July 2024.

Total number and FTE of union officials employed	0 no and 0 FTE
Percentage of time spent on facility time	0%
Total cost of facility time	£0
Total pay bill	£12,408k
Percentage of pay bill spent on facility time	0%
Time spent on paid trade union activities as a percentage of total paid facility hours	0%

**8. Interest and other finance costs**

	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
Net charge on pension schemes	-	-	62	62

**9. Total expenditure by activity**

	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
Teaching	11,263	11,263	10,529	10,529
Support	336	336	486	486
Other academic services	632	632	719	719
Central administration and services	4,853	4,853	4,578	4,578
General education	5,893	5,893	6,184	6,184
Student/staff facilities	369	369	452	452
Premises	6,037	6,007	5,617	5,587
Long-term maintenance	-	-	-	-
Catering and residence	938	938	845	845
Research grants and contracts	-	-	-	-
Other expenses	10	10	62	62
	<b>30,331</b>	<b>30,301</b>	<b>29,472</b>	<b>29,442</b>

Other operating expenses include:

External auditors' remuneration in respect of audit services	70	99
External auditors' remuneration in respect of non-audit services	-	-
Internal auditors' remuneration	24	29
Operating lease rentals:		
Land and buildings	723	945
Other	20	15

	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
<b>Widening Participation</b>				
Access investment	234	234	228	228
Financial support	338	338	469	469
Disability support (excluding expenditure included in the two categories above)	152	152	121	121
Research and evaluation	13	13	44	44
	<b>738</b>	<b>738</b>	<b>862</b>	<b>862</b>

£325,000 (£81,000 2022/23) of these costs are included in the overall staff costs figures in the financial statements, see Note 7.

Link to the Academy's Access and Participation Plan: [Access and Participation Plan 2022/23 to 2026/26](#).

**10. Fixed assets****a) Consolidated**

Cost or valuation	OPERATIONAL					HERITAGE			TOTAL
	Long leasehold land and buildings	Assets in the course of construction	Equipment	Instrument collection	Operational			Subtotal	Grand total
					Operational assets	Heritage instrument collection	Spencer collections	Heritage assets	
					Valuation	Valuation	Cost	£000	
Cost	Cost	Cost	£000	£000	£000	£000	£000	£000	
At 1 August 2023	56,147	486	9,939	7,525	74,097	90,145	2,103	92,248	166,345
Additions	24	1,635	246	100	2,004	-	-	-	2,004
Disposals	-	-	(282)	(32)	(314)	-	-	-	(314)
Transfer	542	(542)	-	-	-	-	-	-	-
At 31 July 2024	56,713	1,579	9,903	7,593	75,787	90,145	2,103	92,248	168,035
<b>Depreciation</b>									
As at 1 August 2023	15,853	-	5,079	-	20,932	-	1,050	1,050	21,982
Disposals	-	-	(279)	-	(279)	-	-	-	(279)
Charge for the year	1,565	-	244	-	1,809	-	50	50	1,859
At 31 July 2024	17,418	-	5,044	-	22,462	-	1,100	1,100	23,563
<b>Net book value</b>									
At 31 July 2024	39,295	1,579	4,859	7,593	53,325	90,145	1,003	91,148	144,473
At 31 July 2023	40,294	486	4,860	7,525	52,165	90,145	1,053	91,198	144,363

99% of the value of instruments held as heritage assets is represented by 22 stringed instruments.

There were no disposals of heritage assets during the year (nil 2022/23).

During the year there were 22 donated items, due to their unique nature and minimal market value, these heritage items have not been included in the financial statements. While they are of significant cultural value, their fair market value is considered minimal and therefore do not affect the financial statements.

**b) Academy**

Cost or valuation	OPERATIONAL					HERITAGE			TOTAL
	Long leasehold land and buildings	Assets in the course of construction	Equipment	Instrument collection	Operational			Subtotal	Grand total
					Operational assets	Heritage instrument collection	Spencer collections	Heritage assets	
					Valuation	Valuation	Cost	£000	
Cost	Cost	Cost	£000	£000	£000	£000	£000	£000	
At 1 August 2023	53,375	486	9,939	7,525	71,325	90,145	905	91,050	162,375
Additions	24	1,635	246	100	2,004	-	-	-	2,004
Disposals	-	-	(282)	(32)	(314)	-	-	-	(314)
Transfer	542	(542)	-	-	-	-	-	-	-
At 31 July 2024	53,941	1,579	9,903	7,593	73,015	90,145	905	91,050	164,065
<b>Depreciation</b>									
At 1 August 2023	13,081	-	5,079	-	18,160	-	452	452	18,612
Disposals	-	-	(279)	-	(279)	-	-	-	(279)
Charge for the year	1,565	-	244	-	1,809	-	20	20	1,829
At 31 July 2024	14,646	-	5,044	-	19,690	-	472	472	20,162
<b>Net book value</b>									
At 31 July 2024	39,295	1,579	4,859	7,593	53,325	90,145	433	90,578	143,903
At 31 July 2023	40,294	486	4,860	7,525	53,165	90,145	453	90,598	143,763

**11. Non-current investments**

	Consolidated and Academy total investments £000
<b>At market value</b>	
<b>At 1 August 2023</b>	67,742
Purchases of investments	35,705
Proceeds from sales of investments	(35,662)
Gains on disposal/revaluation	7,908
<b>At 31 July 2024</b>	<b>75,693</b>
<b>Represented by:</b>	
Equities	50,067
Fixed interest stocks	10,562
Property and alternatives	12,164
Other	2,900
	<b>75,693</b>

**12. Trade and other receivables**

	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
<b>Amounts falling due within one year:</b>				
Trade debtors	559	559	315	315
Prepayments and accrued income	2,304	2,304	1,404	1,404
	<b>2,863</b>	<b>2,863</b>	<b>1,719</b>	<b>1,719</b>

**13. Current investments**

	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
Short-term deposits	7,681	7,681	2,030	2,030

During the 2022/23 financial year deposits were held with banks and building societies operating in the London market and licensed by the Financial Conduct Authority. During the 2023/24 financial year the Investment Committee decided to consolidate all our investments under Cazenove Capital. As a result, a £7m Working Capital Liquidity Fund has been set up with Cazenove Capital.

**14. Creditors**

	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
<b>Amounts falling due within one year:</b>				
Trade creditors	593	593	244	244
Fees in advance	779	779	867	867
Deferred revenue (Performance Related Conditions)	1,803	1,803	1,187	1,187
Taxation and social security	389	389	331	331
Other creditors and accruals	588	588	1,172	1,172
	<b>4,152</b>	<b>4,152</b>	<b>3,801</b>	<b>3,801</b>

Deferred revenue includes the following items of income which are deferred until specific performance related conditions are met:

Teaching grants	1,768	1,768	1,167	1,167
Other grants	35	35	20	20
	<b>1,803</b>	<b>1,803</b>	<b>1,187</b>	<b>1,187</b>

**15. Provisions**

	CONSOLIDATED AND ACADEMY			
	USS deficit funding obligation £000	RAM1967 defined benefit obligation £000	Total pension provisions £000	Other provisions - leasehold dilapidations £000
At 1 August 2023	572	-	572	343
Transfer from income and expenditure account	11	269	280	-
Utilised in year	(583)	(269)	(852)	(343)
At 31 July 2024	-	-	-	-

USS deficit funding obligation: at the start of 2023/24, the provision represents agreed contributions payable to satisfy the Academy's net liabilities based on the 2020 valuation (see note 18). The 2023 valuation led to a write-down of this provision, as it is no longer needed due to a surplus asset position.

RAM1967 defined benefit obligation: the provision represents contributions from the Academy to fund the deficit in the RAM1967 pension scheme, based on the 2023 valuation. At the end of the year the actuarial valuation in respect of this scheme resulted in a net asset position. Since the asset recognition does not meet the requirements of FRS102, it has been impaired to £nil

Other provisions – leasehold dilapidations: the provision is held to fund essential leasehold maintenance obligations, and utilised fully during 2023/24.

**16. Endowment Reserve**

	CONSOLIDATED AND ACADEMY					2023
	Unrestricted permanent £000	Restricted permanent £000	Subtotal permanent £000	Restricted expendable £000	Grand total £000	Grand total £000
<b>Capital</b>						
<b>At 1 August 2023</b>	6,218	30,816	37,034	20,083	57,117	52,151
Reclassification of funds on 1 August 2023 *	-	-	-	-	-	-
Transfer to restricted reserves (Note 17)	-	-	-	-	-	-
Increase/(decrease) in market value of investment	682	3,161	3,843	2,701	6,544	958
New endowments received	-	836	836	3,167	4,003	4,442
Capital applied for distribution	-	-	-	(377)	(377)	(434)
<b>At 31 July 2024</b>	<b>6,900</b>	<b>34,813</b>	<b>41,713</b>	<b>25,574</b>	<b>67,287</b>	<b>57,117</b>
<b>Accumulated Income</b>						
<b>At 1 August 2023</b>	-	612	612	531	1,143	850
Reclassification of funds on 1 August 2023	-	-	-	-	-	-
Transfer to restricted reserves (Note 17)	-	-	-	-	-	-
Capital applied for distribution	-	-	-	377	377	434
Investment income	137	632	769	139	908	944
Expenditure	(137)	(639)	(776)	(431)	(1,207)	(1,085)
Net income accumulated/(utilised) in current year	-	(7)	(7)	(292)	(299)	(141)
<b>At 31 July 2024</b>	<b>-</b>	<b>605</b>	<b>605</b>	<b>616</b>	<b>1,221</b>	<b>1,143</b>
<b>Total Funds</b>						
<b>At 1 August 2023</b>	6,218	31,428	37,646	20,614	58,260	53,001
<b>At 31 July 2024</b>	<b>6,900</b>	<b>35,418</b>	<b>42,318</b>	<b>26,190</b>	<b>68,508</b>	<b>58,260</b>
<b>Analysis by fund-type</b>						
Bursary and prize funds	1,423	27,807	29,230	8,043	37,273	31,455
Teaching and masterclass funds	-	7,611	7,611	13,119	20,730	17,340
Development funds	5,466	-	5,466	-	5,466	4,926
Other funds	11	-	11	5,028	5,039	4,539
	<b>6,900</b>	<b>35,418</b>	<b>42,318</b>	<b>26,190</b>	<b>68,508</b>	<b>58,260</b>
<b>Analysis by asset</b>						
Investments					65,895	56,151
Cash					2,186	2,106
Other current assets/liabilities					427	3
					<b>68,508</b>	<b>58,260</b>

There are no deficit balances on any endowment fund.



	CONSOLIDATED AND ACADEMY PRIOR YEAR					2022
	Unrestricted permanent £000	Restricted permanent £000	Subtotal permanent £000	Restricted expendable £000	Grand total £000	Grand total £000
<b>Capital</b>						
<b>At 1 August 2022</b>	6,137	30,119	36,256	15,895	52,151	47,851
Reclassification of funds on 1 August 2021	-	-	-	-	-	(206)
Transfer to restricted reserves (Note 17)	-	-	-	-	-	(16)
Increase/(decrease) in market value of investments	81	397	478	480	958	302
New endowments received	-	300	300	4,142	4,442	4,220
Capital applied for distribution	-	-	-	(434)	(434)	-
<b>At 31 July 2023</b>	<b>6,218</b>	<b>30,816</b>	<b>37,034</b>	<b>20,083</b>	<b>57,117</b>	<b>52,151</b>
<b>Accumulated income</b>						
<b>At 1 August 2022</b>	-	511	511	339	850	931
Reclassification of funds on 1 August 2021	-	-	-	-	-	206
Transfer to restricted reserves (Note 17)	-	-	-	-	-	(1)
Capital applied for distribution	-	-	-	434	434	-
Investment income	137	685	822	122	944	753
Expenditure	(137)	(584)	(721)	(364)	(1,085)	(1,039)
Net income accumulated/(utilised) in current year	-	101	101	(242)	(141)	(286)
<b>At 31 July 2023</b>	<b>-</b>	<b>612</b>	<b>612</b>	<b>531</b>	<b>1,143</b>	<b>850</b>
<b>Total funds</b>						
<b>At 1 August 2022</b>	6,137	30,630	36,767	16,234	53,001	48,782
<b>At 31 July 2023</b>	<b>6,218</b>	<b>31,428</b>	<b>37,646</b>	<b>20,614</b>	<b>58,260</b>	<b>53,001</b>
<b>Analysis by fund-type</b>						
Bursary and prize funds	1,282	24,614	25,896	5,559	31,455	30,338
Teaching and masterclass funds	-	6,814	6,814	10,526	17,340	13,301
Development funds	4,926	-	4,926	-	4,926	4,862
Other funds	10	-	10	4,529	4,539	4,500
	<b>6,218</b>	<b>31,428</b>	<b>37,646</b>	<b>20,614</b>	<b>58,260</b>	<b>53,001</b>
<b>Analysis by asset</b>						
Investments					56,151	42,155
Cash					2,106	4,722
Other current assets/liabilities					3	6,124
					<b>58,260</b>	<b>53,001</b>

There are no deficit balances on any endowment fund.

## ENDOWMENT FUNDS – CONSOLIDATED AND ACADEMY

Details of the major funds (income or balances over £500,000) are as follows:

Fund Name	Fund type	Fund purpose	At 1 August 2023 £000	Market revaluation and donations £000	Investment income £000	Expenditure £000	At 31 July 2024 £000
Christopher Hogwood Scholarship	Unrestricted Permanent	Income designated for postgraduate student awards	1,322	128	27	(54)	1,423
Development Fund	Unrestricted Permanent	In support of general operations	4,926	505	102	(56)	5,477
Derek Butler Scholarship	Restricted Permanent	To supply scholarships for students	631	62	13	(13)	693
Elton John Scholarship (senior academy fund)	Restricted Permanent	A scholarship fund for UK students	1,755	173	36	(35)	1,929
Sir Lawrence Robson Award	Restricted Permanent	To supply awards for students of exceptional merit or in financial need	767	75	16	(15)	843
Alec Rowley Memorial Fund	Restricted Permanent	To supply awards for students intending to pursue a career in classical music	566	56	11	(12)	621
Academy Permanent Endowment Awards	Restricted Permanent	To support deserving Academy Students	6,768	711	138	(144)	7,473
Academy Permanent Endowment Bursary	Restricted Permanent	To support Academy students in financial need	5,492	540	112	(113)	6,031
Academy Permanent Endowment Scholarship	Restricted Permanent	To make awards to Academy students for exceptional merit	3,835	377	78	(76)	4,214
San Martino Trust	Restricted Permanent	To provide scholarships for musical education	890	88	18	(18)	978
The Gatsby Chair of Musical Theatre	Restricted Permanent	To support the Gatsby chair of Musical Theatre	6,713	672	139	(139)	7,385
Albert Butler Memorial Scholarship	Restricted Permanent	To supply award to UK home piano students	-	759	1	(0)	760

Academy Expendable Endowment Awards	Restricted Expendable	To supply awards for deserving Academy students	1,798	353	11	(56)	2,106
Expendable Endowment Junior Academy awards	Restricted Expendable	To supply awards for Junior Academy students	881	102	5	(23)	965
Alexander Technique Fund	Restricted Expendable	To support operational costs of the Alexander Technique department	531	65	3	(9)	590
Junior Academy Fund	Restricted Expendable	To support operational costs of the Junior Academy department	1,360	134	6	(33)	1,467
York Gate Fund	Restricted Expendable	To support the running costs of the York Gate estate	4,505	545	26	(75)	5,001
Aud Jebsen Endowed Professorship of Piano	Restricted Expendable	To support a professorship of piano	851	570	5	(19)	1,407
William Lawes Endowed Chair of Chamber Music	Restricted Expendable	To support the Chair of Chamber Music and Head of Strings	2,702	328	16	(45)	3,001
Dame Myra Hess Chair of Piano	Restricted Expendable	To support the Chair of Piano	2,709	329	16	(45)	3,009
John Baker Opera Scholarship	Restricted Expendable	To supply awards to PG opera students	-	733	2	(9)	726
Suresh & Richard McMillan Scholarship for Opera and Music	Restricted Expendable	To supply awards to opera and clarinet students	-	1,121	0	(11)	1,110
Sulamita Aronovsky Piano Department/Piano students	Restricted Expendable	To support Piano Department and Piano students	-	875	-	-	875
Nina Drucker, Strings, fellows, masterclasses and competition prize	Restricted Expendable	To support the Strings Department	3,227	503	19	(47)	3,702
			<b>52,229</b>	<b>9,804</b>	<b>800</b>	<b>(1,047)</b>	<b>61,786</b>

Each of the individually material endowment funds detailed above represents non-current investment assets only, and are each of sufficient value and liquidity to enable them to be applied in accordance with their associated restrictions.

**17. Restricted Reserves**

	CONSOLIDATED AND ACADEMY			
	Unspent capital grants £000	Other restricted funds £000	2024 Total £000	2023 Total £000
	<b>At 1 August 2023</b>	176	4,426	4,602
*Transfer from endowments (Note 16)	-	59	59	-
Donations	5,117	3,171	8,288	2,948
Investment income	-	5	5	6
Appreciation of restricted investments	-	43	43	20
Capital grants utilised	(201)	-	(201)	(544)
Expenditure	-	(2,854)	(2,854)	(2,525)
<b>At 31 July 2024</b>	<b>5,092</b>	<b>4,850</b>	<b>9,942</b>	<b>4,602</b>
<b>Analysis of other restricted funds by type of purpose:</b>				
Bursary and prize funds		2,198		2,066
Teaching funds		711		376
Other funds		1,941		1,984
		<b>4,850</b>		<b>4,426</b>

	CONSOLIDATED AND ACADEMY			
	Unspent capital grants £000	Other restricted funds £000	2023 Total £000	2022 Total £000
	<b>At 1 August 2022</b>	407	4,290	4,697
*Transfer from endowments (Note 16)	-	-	-	17
Donations	313	2,635	2,948	3,563
Investment income	-	6	6	4
Appreciation of restricted investments	-	20	20	20
Capital grants utilised	(544)	-	(544)	(213)
Expenditure	-	(2,525)	(2,525)	(2,188)
<b>At 31 July 2023</b>	<b>176</b>	<b>4,426</b>	<b>4,602</b>	<b>4,697</b>
<b>Analysis of other restricted funds by type of purpose:</b>				
Bursary and prize funds		2,066		1,822
Teaching funds		376		326
Other funds		1,984		2,142
		<b>4,426</b>		<b>4,290</b>

## 18. Pension Scheme costs

Superannuation contributions are paid to the Teachers' Pension Scheme (TPS) for teaching staff, to the USS for a small number of staff, to a GPPS for administrative staff or to the NEST for those not eligible for other schemes. The assets of these schemes are held separately from the assets of the Academy in independently administered funds.

The Royal Academy of Music Pension Scheme 1967 (RAM1967) for administrative staff was closed to future accruals of pension benefit on 31 March 2005, however the Scheme continues to be operated by the Prudential Assurance Company and the Academy is undertaking deficit funding.

	2024	2023
	£000	£000
<b>Total pension cost for the year was:</b>		
TPS: employer's contributions paid	1,117	987
GPPS: employer's contributions paid*	557	499
USS: (gross including deficit recovery portion)	124	147
NEST: employer's contributions paid	23	19
<b>Total pension cost</b>	<b>1,821</b>	<b>1,652</b>

\* Includes salary sacrifice element.

### TEACHERS PENSION SCHEME

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

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

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

The 2020 valuation of the TPS was under way at 31 July 2023 and has now been published. TPS employers paid a contribution rate of 23.68%, including the administration levy of 0.8% during the first 8 months of 2023/24. This rose to 28.68% from 1 April 2024, on the basis of the 2020 valuation.

<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>.

### UNIVERSITIES SUPERANNUATION SCHEME

The USS is a contributory, defined benefit scheme. At the end of the year the Academy had nine members.

The Scheme is a multi-employer scheme and given the mutual nature of the scheme, is unable to identify individual employers' shares of assets and liabilities. Consequently, individual employers are unable to apply defined benefit accounting. Section 28 of FRS 102 states that if sufficient information is not available to use defined benefit accounting for a multi-employer plan that is a defined benefit arrangement, an entity shall account for the plan as if it was a defined contribution arrangement.

The total cost charged to the profit and loss account is £124,000 (£147,000 2023) as shown above.

Deficit recovery contributions due within one year for the institution are £nil (£43,120 2023).

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the 7th valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical

provisions. At the valuation date, the value of the assets of the scheme was £73.1bn and the value of the scheme's technical provisions was £65.7bn indicating a surplus of £7.4bn and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles (<https://www.uss.co.uk/fundprinciples-sfs>).

A deficit recovery plan was put in place as part of the 2020 valuation, which requires payments of 6.2% of salaries over the period 1 April 2022 until 13 March 2024, at which point the rate will increase to 6.3%. However, as the 2023 valuation moved to a surplus position, the deficit contribution ceased from January 2024. Deficit contributions in the financial year were £14,763.64.

	As at 31 March 2024	As at 31 March 2023
Discount rate	6.20%	5.92%
Pensionable salary growth	n/a	n/a

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

CPI assumption	3%pa (based on a long term average expected level of CPI, broadly consistent with long term market expectations)
Pension increases (CPI)	Increases linked to CPI: Benefits with no cap: CPI + 3bs Benefits with a 'soft cap' of 5% (providing inflationary increases up to 5% and half of any excess inflation over 5% up to a maximum increase of 10%). CPI assumption – 3bps. Increases capped at 2.5% (where applicable). CPI assumption – 96bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% pa Post retirement: 0.9%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2023 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% pa, 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females

	As at 31 July 2024	As at 31 July 2023
<b>The current life expectancies on retirement at age 65 are:</b>		
Males currently aged 65 (years)	23.70	24.00
Females currently aged 65 (years)	25.60	25.60
Males currently aged 45 (years)	25.40	26.00
Females currently aged 45 (years)	27.20	27.40

	As at 31 July 2024 valuation	As at 31 July 2023 valuation
Scheme assets	£73.1bn	£66.5bn
Total scheme liabilities	£65.7bn	£80.6bn
FRS 102 total scheme deficit	£7.4bn	£14.1bn
FRS 102 total funding level	111.0%	83.0%

## GROUP PERSONAL PENSION SCHEME

A GPPS was started on 1 April 2005 for all administrative staff. This Scheme is a defined contribution scheme with employee and employer contributions based on length of service. £48,592 of contributions were outstanding at the balance sheet date and the amount of employer contributions paid during the year was £557k (£499k 2023/24).

## ROYAL ACADEMY OF MUSIC PENSION SCHEME 1967

The Academy operates a defined benefit scheme which is managed by the Prudential Assurance Company Ltd and was closed to future accruals of pension benefit on 31 March 2005. A formal actuarial valuation was carried out as at 31 December 2021. Following the actuarial valuation, the Employer agreed to make contributions to the Scheme at the rate of £418,504 pa from 2 February 2023 to 28 February 2023, followed by £273,035 pa from 1 March 2023 to 21 October 2026, with an inflationary increment.

	As at 31 July 2024	As at 31 July 2023
<b>Main assumptions used to value RAM1967 Scheme liabilities under FRS 102:</b>		
Discount rate	5.05%	5.20%
Inflation assumption – RPI pre 2030	3.35%	3.45%
Inflation assumption – CPI post 2030	3.15%	3.25%
Rate of increase in salaries	5.00%	5.00%
Increases to deferred pensions in excess of GMP before retirement	5.00%	5.00%
Increases to pensions in payment for all members in respect of service up to 31 December 2003	In line with RPI assumptions	5.00%

	As at 31 July 2024	As at 31 July 2023
<b>Demographic assumptions:</b>		
Mortality base table	S4PA	S3PA
Adjustment to mortality base tables	100% (M/F)	101% (M) 104%(F)
Projection to mortality rates	CMI 2023 1.2% M/F	CMI 2022 1.25% M/F
Commutation	No allowance	No allowance
Retirement age	Normal retirement age	Normal retirement age
Proportion married	80%	80%
Spouse age difference	Females are 3 years younger than males	Females are 3 years younger than males
GMP equalisation	1.5% liabilities	1.5% liabilities

		As at 31 July 2024	As at 31 July 2023
Retiring today	Males	86.30	86.30
	Females	88.70	88.60
Retiring in 20 years	Males	87.50	87.60
	Females	90.10	90.00

	2024 £000	2023 £000
<b>Analysis of amount charged to operating profit</b>		
Past service cost	-	(150)

The total current service cost represents the expenses incurred in running the Scheme.

	2024 £000	2023 £000
<b>Analysis of amount credited/(charged) to other finance income</b>		
Expected return on pension scheme assets	474	369
Interest on pension scheme liabilities	(448)	(411)
Net charge to other finance income (Note 8)	26	(42)
<b>Analysis of other comprehensive income/(loss)</b>		
Actual return less expected return on pension scheme assets	255	(1,759)
Experience gains and losses arising on scheme liabilities	(231)	3,247
Impairment charge	(319)	(371)
Total other comprehensive income	(295)	1,117
<b>Amounts recognised in the statement of financial position</b>		
Present value of scheme liabilities	9,101	(8,792)
Fair value of scheme assets	9,791	9,163
Impairment charge	(690)	(371)
Deficit in scheme - net pension liability	-	-

Reconciliation of scheme assets and liabilities	2024				2023		
	Assets £000	Liabilities £000	Impairment £000	Net £000	Assets £000	Liabilities £000	Net £000
Deficit in scheme at beginning of the year	9,163	(8,792)	(371)	-	10,555	(11,831)	(1,276)
<b>Movement in year:</b>							
Contributions	269	-	-	269	351	-	351
Past service cost	-	-	-	-	-	(150)	-
Other finance income/(charge)	474	(448)	-	26	369	(411)	(42)
Benefits paid	(370)	370	-	-	353	-	-
Actuarial gain/(loss)	255	(231)	(319)	(295)	(1,759)	3,247	1,117
Deficit in scheme at end of the year	9,791	(9,101)	(690)	-	9,163	(8,792)	-

	2024 £000	2023 £000
<b>Actual return on scheme assets</b>		
Expected return on pension scheme assets	474	369
Actuarial gain/(loss)	255	(1,759)
Actual return on scheme assets	729	(1,390)

	Long term ROR expected (incl annuities)	Long term ROR expected (incl annuities)
<b>Analysis of scheme assets</b>		
Equities	1,148	1,197
Bonds	5,118	4,361
Property	279	270
Cash	37	71
Total market value of invested assets	6,582	5,899
Secured pensions in payment	3,209	3,264
	9,791	9,163
Long term ROR expected (excluding annuities)	5.2%	5.2%



History of experience gains and losses	2024	2023	2022	2021	2020
<b>Experience adjustments on scheme assets</b>					
Amount (£000)	255	(1,759)	(1,752)	-	826
Percentage of scheme assets	2.6%	-19.2%	-16.6%	0.0%	6.9%
<b>Experience adjustments on scheme liabilities</b>					
Amount (£000)	231	(3,247)	(3,923)	(799)	2,788
Percentage of scheme liabilities	-2.5%	36.9%	33.2%	5.0%	-16.6%
<b>Actuarial gain/(loss) recognised in other comprehensive income</b>					
Amount (£000)	(295)	1,488	2,171	799	(1,962)
Percentage of scheme liabilities	3.2%	-16.9%	-18.4%	-5.0%	11.7%
Cumulative actuarial loss recognised in other comprehensive income	(4,868)	(4,202)	(5,690)	(7,861)	(8,660)
<b>History of defined benefit scheme</b>					
Present value of defined benefit obligation	(9,101)	(8,792)	(11,831)	(15,933)	(16,811)
Fair value of scheme assets	9,791	9,163	10,555	12,152	11,923
Impairment	(3690)	(371)	-	-	-
Deficit arising in the scheme	-	-	(1,276)	(3,781)	(4,888)

## 19. Capital Commitments

Provision has been made for the following capital commitments at 31 July 2024:

	Consolidated 2024 £000	Academy 2024 £000	Consolidated 2023 £000	Academy 2023 £000
Capital commitments contracted for	1,048	1,048	559	559

## 20. Lease obligations

Total rentals payable under operating leases:

	Land and buildings £000	Plant and machinery £000	2024 Total £000	2023 Total £000
Payable during the year	723	20	743	883
Future minimum lease payments due:				
Not later than 1 year	908	9	917	910
Later than 1 year and not later than 5 years	3,193	92	3,285	3,234
Later than 5 years	28,143	2	28,145	28,145
Total lease payments due	32,967	123	33,090	33,172

## 21. Contingent Asset

The Academy has been notified of 14 legacies to the Academy with a potential total value of £4,473,508 which have not been recognised as income during the year, on the basis that amounts to be received may vary from the estimated values. The Academy has also been notified of 14 legacies which it cannot attribute a potential value due to a lack of reliable documentation

## 22. Contingent Liability

There are no contingent liabilities to report.

## 23. Related Party Transactions

The Independent Members of the Academy's Governing Body and the staff and student members are the Trustees for charitable purposes. Due to the nature of the Academy's operations and the members of the Governing Body being drawn from large public and private sector organisations, it is inevitable that transactions may take place with organisations in which a member of the Governing Body may have an interest. A Register of Interests is maintained for members of the Governing Body, senior officers of the Academy and directors of fully owned subsidiaries. The Register of Interests has been reviewed by the Director of Finance and is published on the Academy's website. All

transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm's length and in accordance with the Academy's Financial Regulations and usual procurement procedures.

No Trustee (member of the Governing Body) received any remuneration for their work during the year. The Academy paid a total of £0 (£187.99 2022/23) to Governors in reimbursement of travel expenses. On occasions Trustees may make donations for specific purposes but they receive nothing in exchange. The value of such donations from Trustees and related parties was £6,268k (£1,257k 2022/23).

The Chair and 3 trustees retired on 31 July 2024 and were presented with small gifts amounting to £705 (£0 2022/23).

The RAM Student Union is an unincorporated association which is classed as a related party for the purposes of these financial statements. The Student Union is a separate entity, an independent group run by and for our students, funded by an annual grant from the Academy for its work in supporting students.

In accordance with the Charter, the Governing Body reviews the RAM SU Constitution at least five-yearly and receives regular reports on activities as part of its overall responsibility for the welfare of students.

A grant of £44.7k (£42.6k 2022/23) was paid to the RAM SU for their work in supporting students during the year.

The ABRSM is a registered charity (no 292182) and a company limited by guarantee (no 1926395) established by four Royal Schools of Music for the benefit of music education. The ABRSM makes an annual distribution which is divided equally between the four Royal Schools. The Board of the ABRSM includes members of the Governing Body of the Royal Academy of Music.

The value of the distribution from the ABRSM to the Academy in 2023/24 was £500k (£500k 2023).

There were no other related party transactions.

#### **24. Events after the reporting period**

On 22 November 2024 the Royal Academy of Music exchanged on an Agreement to Lease in relation to a property in City Island. This will provide the Academy with additional space for teaching and learning. The Academy will fit out the property at its own cost and will depreciate those costs over the expected lifetime of the assets. Full costs of operating the building will be finalised once the planning and build stage is more developed; the initial projection is that the net costs of operation will be at a similar level to current costs of renting space in other buildings after taking account of expected rental income.