



St Catherine's BRAMLEY

Patron: Her Majesty The Queen

Chief Operating Officer: Mrs Chloe Stoneham

15th October 2024

Dear Parents and Guardians of Full Boarders

You are by now aware that we have been analysing very closely the implications of the Labour Government's proposed imposition of Value Added Tax (VAT) on school fees, due to be effective from January 2025, with softening this taxation blow to parents being at the forefront of our minds. Our aim has always been to position ourselves so that parents do not bear the full burden of VAT on school fees and we can now confirm that we are able to limit the increase caused by the Government's addition of VAT to 11.5%, rather than the full 20%. To achieve this, the fees already announced from January 2025 will be reduced.

The majority of School income is invested directly into the girls' education. As a result we do not have a large operating surplus or vast cash reserves. The level of mitigation for VAT we have achieved has therefore been managed by streamlining non-student facing activities such as our Enterprise function, in-depth analysis on our VAT recovery position and passing this recovery direct to parents, as well as by judicious budgeting and planning which had already accounted for the very significant loss of Charitable Business Rate relief. Please see the fee schedule below which shows a detailed breakdown of this adjustment.

School fees will of course continue to be considered in the usual way as part of the governors' annual review in June with any uplifts applied the following January. As always, we will continue to work hard to keep any increases as low as possible.

We must emphasise that the details of the effect of the VAT charge will not be finalised until the Chancellor's Budget announcement on the 30th October and the subsequent passing of the Finance Act. Therefore, in order to give parents and guardians as much notice as possible we have based our assumptions on the initial government announcements. Should there be any material changes in the Finance Act from those announcements, such as the level of VAT or the timing of the introduction, we will contact you as soon as possible with updated figures and information.

At the heart of our School is the objective of the advancement of girls and young women through education. We achieve this by providing the highest standards of education, pastoral care and extracurricular activities at excellent value for money. It is crucial to us that this is not diminished.

We would also like to offer further reassurance about this summer's investments in the School's facilities. Our capital projects, such as the refurbishment of the School Dining Room, Prep School Digital Den IT Suite, the CATalyst Phase 1 science laboratory refurbishments in the Senior School and the refurbished/relocated

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Drama Studio are focused on improvements that directly impact the girls' experience and are funded in part by generous donations to our Development Campaign launched in 2016: *Create the Future*.

How your bill will look for the Spring Term

Previously our fee structure was all inclusive and included everything required for the term. Going forward we will need to separate items on your bill to show which elements have VAT applied and which are exempt. This will help minimise further VAT costs to parents.

The swift way in which the government plans to implement this change has not allowed for the usual notice period we would have liked to give parents. Therefore, as you know, we have waived the usual full term's notice required. Now that we can publish our fees with the VAT details as well, the deadline for withdrawing your daughter for the January term has been set as the end of the October half term (2nd November 2024). However, we would always urge you to come and speak to us first if you are considering withdrawing your daughter from St Catherine's for financial reasons. Every family at St Catherine's is important to us and we would wish to explore all options, and talk to you in person, before such a decision was made to leave, particularly if it is a direct result of VAT being applied to fees.

I am grateful to the executive and in particular the Finance Team for their meticulous attention to detail in preparing these figures, and my fellow Governors for their work confirming our plan.

Our Auditors who have been in School this month conducting the annual audit continue to be assured of our ongoing financial stability which I hope you will also find reassuring.

Finally, I would like to thank you all for your commitment to St Catherine's and for entrusting your daughter's education to us. We take this responsibility very seriously as we do our ethos of providing an exceptional standard of education and a School experience that creates confident young women who acquire self-belief, excellent achievements – both academically and in many other areas of School life – and go on to achieve and succeed for the rest of their lives.

With best wishes

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mr. M. Lowe', with a horizontal line underneath.

Mr Matthew Lowe
Chair of Governors

January 2025 Fee Schedule Attachment

Please note this schedule *excludes* those with existing Fees in Advance contracts or Annual invoices paid before 29th July 2024 who will be receiving a separate letter.

Fees per term at January 2025	As already announced £	Revised (reduced fee) Excluding VAT £	*Revised including VAT £
PPI	4,390	3,829 300 (Compulsory lunch)	4,595 300 (Compulsory lunch)
PPII	4,685	4,103 300 (Compulsory lunch)	4,924 300 (Compulsory lunch)
PPIII	5,540	4,898 300 (Compulsory lunch)	5,878 300 (Compulsory lunch)
Prep School	6,535	5,822 300 (Compulsory lunch)	6,986 300 (Compulsory lunch)
Senior Day	7,915	7,042 375 (Compulsory lunch)	8,450 375 (Compulsory lunch)
Senior Boarding	13,410	12,148 375 (Compulsory lunch)	14,578 375 (Compulsory lunch)

Fees are reviewed annually by the Governing Body.

*These VAT inclusive fees are based on the announcements previously made by the Government and are subject to any changes that may be made in the Finance Act when it comes into legislation.