

Independent Schools Management Survey 2011



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foreword

Welcome to the 27th edition of the haysmacintyre Independent Schools Management Survey, the first one for which I have been responsible. As before, this survey is intended to provide school Bursars, Heads and Governors with information which will help them to improve their school's financial performance and to understand how it compares with the sector as a whole.

There are three elements to this report. The first is an executive summary in which we summarise the results of the survey and comment on the trends identified.

In the second we publish a selection of short papers discussing topics related to the information gathered and which are relevant to the management of school finances. The intention being that these brief commentaries will be of interest to our readers.

The third section of the report comprises the results of the survey.

We have kept the focus for the survey on the recommended expenditure headings used for the SORP accounts and the averages of each of the seven categories of schools are again printed in this publication.

The data in the survey is in respect of the schools' 2009/10 financial years, most ending in July or August 2010, and reflects the returns completed by participating schools either online or by post. All these schools received a customised report comparing their own statistics with the average of those in the relevant category. They receive more comprehensive information on both income and expenditure than is published here, as well as information for the current financial year in connection with fees, salaries and pupil and teacher numbers.

I am grateful to all those schools which have participated and to my colleagues Tracey Young for her assistance and Malcolm Ison for his IT support.

The independent schools sector remains a priority for haysmacintyre and our education team continues to expand the range of services that we provide. I am grateful to Noble Hanlon for his past leadership and am pleased that following his retirement at the end of last year that he will still be involved as a consultant to the firm. I am delighted to now be heading up our team and I am supported in our work with schools by colleagues Tracey Young, Kathryn Burton, Adam Halsey and Richard Weaver together with ten specialist audit managers and by Anne Gregory-Jones and Graham Elliott with their expert teams on direct taxes and VAT.

I hope that this publication is useful to you and that it will continue to be of use to the sector and do let me know if you have any suggestions for the future.



David Sewell
haysmacintyre
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objectives

The haysmacintyre Independent Schools Management Survey is designed to help schools improve their efficiency and performance and to provide a better understanding of the effect of existing policies on costs.

In particular the objectives are to:

- Highlight the divergencies of a school's costs from the average of similar or comparable schools.
- Indicate particular costs where divergencies from average must either be justified in terms of the overall policy or educational objectives of the school, or where detailed examination is needed to ascertain whether cost savings can be made.
- Indicate the extent of additional costs caused by policies or educational objectives which are significantly different from the average.

Where certain schools appear to have costs in excess of average, this should not be seen as a criticism of the school's efficiency. For example, a school's salary costs can be affected by:

- policy on the size of classes;
- the variety of Sixth Form courses on offer; and
- including activities normally treated as extra-curricular in the syllabus covered by termly fees (not charged as additional subjects).

Variations in policy would have an effect on the salary costs per pupil, and excesses above the average may in some cases be regarded as cause for congratulation rather than criticism, if they can be satisfactorily explained.

This is not a survey of profitability as it does not include investment income, fundraising income or expenditure, borrowing or depreciation costs; the means of financing schools are many and irrelevant to operational costs which are common to all.

When interpreting costs, it should be borne in mind that some costs are likely to be more comparable between some schools than others.

