

18 November 2024

Dear Parents,

VAT on School Fees

With final details from the Government relating to the implementation of VAT having been issued at the end of October, we are now in a position to announce what that means for our fee structure for not just this January but also next September. We felt it was important to be completely transparent regarding future fees to enable parents to plan accordingly and not speculate about any deferred increase.

As has been communicated previously, the school has been working hard to reduce its cost base whilst still retaining the high quality of provision we all expect from The Beacon. The earlier than expected implementation date of January 2025 has upset that planning, as has the unexpected impact of changes in National Insurance and removal of Business Rates relief. Fortunately, the School is far enough through its programme of fiscal prudence to enable us to absorb some of these additional costs.

From January, your termly bills (including food provision) for the remainder of the school year, across the Reception to Year 8 age groups (Nursery being exempt from VAT) will increase overall by 12.9%; the school will absorb the balance of the extra cost arising from VAT. In addition, we can announce that the September 2025 increase will be 3% (with Reception frozen). While we don't normally set and announce the annual fee increase until Easter, we felt that it would be helpful to give both current and prospective parents assurance as to our fee position over the next 2 years.

Fee Table 2025

	Sept 2024 (exc VAT)	Jan 2025 (inc VAT)	Sept 2025 (inc VAT)
Reception	£4740	£5351	£5351
Year 1 and 2	£5500	£6212	£6397
Year 3	£6970	£7870	£8106
Year 4	£6970	£7870	£8106
Year 5	£7275	£8216	£8462
Year 6	£7620	£8604	£8862
Year 7 and 8	£7620	£8604	£8862

The table above shows total fees including food as well as trips that are included in termly fees. In practice we expect to separate out the costs of food from January 2025 and trips from September 2025, but the totals will be as noted above.

On a practical note, please note that because we will only be registered for VAT from 1 January 2025, next term's invoices will be issued in January rather than in December. Given that invoices will be issued later we will also be extending the deadline for payment to 17 January 2025. We will be writing separately to parents who completed Advance Payment of Fees Scheme agreements with the school prior to the Chancellor's VAT announcement in July.

Thank you, as always, for your ongoing support of The Beacon. These are uncertain times for the independent sector but with our strong roll and registrations, coupled with our financial position and prudent forward looking annual budgets, we are as well prepared as any for the years ahead.

Yours sincerely,

Charles Miller