ST MARY'S SCHOOL, HAMPSTEAD

England & Wales · Charity number 1006411

Details

Status	Registered
Legal form	Charitable company
Company number	02643515
Registered	1991-11-27
Register	View on the Charity Commission register

Contact

Address	St. Mary's School Hampstead 47 Fitzjohn's Avenue London
Phone	02074351568
Email	enquiries@stmh.co.uk
Website	www.stmh.co.uk

Activities

Objects: To promote and provide for the advancement of Roman Catholic education and the Roman Catholic religion in particular by the acquisition, provision, conduct and development or one or more Independent Roman Catholic Schools for the advancement of the education of girls (and at the discretion of the Trustees, boys) PROVIDED THAT in this Memorandum the expression “Roman Catholic” shall indicate in communion with the See of Rome.

Activities: Roman Catholic Preparatory School - providing high quality academic, spiritual and moral education.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- **Area of benefit:** HAMPSTEAD AND THE SURROUNDING AREA
- Camden

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£4,478,171	£4,446,856	£4,672,085	59
2024-08-31	£4,341,318	£4,101,263	£4,640,770	57
2023-08-31	£3,884,447	£4,045,196	£4,400,715	59
2022-08-31	£3,919,333	£4,121,878	£4,561,464	68
2021-08-31	£3,912,302	£4,281,641	£4,764,009	73

Trustees

Name	Role	Appointed
Carroll Stephanie Barry-Walsh	Chair	2020-09-28
DAGMAR EINODER		2026-03-30
KEITH WILKINS		2005-04-29
Robert Carlysle		2018-03-14
SUSAN ANN MCCARRON		2012-09-06
Sean Dermot Murphy		2016-06-18

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ST MARY'S SCHOOL, HAMPSTEAD

England & Wales - Charity number 1006411

Accounts

ST. MARY'S SCHOOL, HAMPSTEAD
(A Company Limited by Guarantee)

Annual report and financial statements

For the year ended

31 August 2025

Company No: 2643515
Charity registered in England No: 1006411

ST. MARY'S SCHOOL, HAMPSTEAD

Joint Chairs' Introduction

Year ended 31 August 2025

The Chair of Governors and the Chair of Trustees are pleased to present this year's annual report and financial statements.

2024-25 was a particularly challenging year for the independent education sector. The introduction of VAT on school fees and associated services, the removal of Charitable Business Rate Relief, and rising employer National Insurance contributions all contributed to significantly higher operating costs. Despite these pressures, the School has maintained a strong financial position, with a very healthy balance sheet. We have continued to support families by keeping fee increases as low as possible through targeted subsidies. Through prudent management and disciplined cost control, we are once again pleased to report a surplus for the School charity. Every surplus generated is reinvested directly into our educational provision. We remain firmly committed to supporting our community and to providing an outstanding education for our pupils.

We were delighted to be recognised once again (for the second consecutive year) among the Top 5 UK Prep Schools in the Catholic Good Schools Guide, alongside our shortlisting for Small Independent School of the Year. Our scheduled visit from the Independent Schools Inspectorate (ISI) in October 2025 also confirmed that we had met all required standards in both compliance and educational quality.

Further details on the School's activities and financial results for the year can be found in the Trustees' Report starting on page 2.

C Barry-Walsh
Chair of Trustees
3 December 2025

Sean Murphy
Chair of Governors
3 December 2025

ST. MARY'S SCHOOL, HAMPSTEAD

Trustees' Report

Year ended 31 August 2025

The Trustees have prepared their annual report for the year ended 31 August 2025 in accordance with the Companies Act 2006, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS102).

AIMS, OBJECTIVES & MISSION

a. Our Aims

St Mary's School, Hampstead aims to provide preparatory school education within a secure, friendly learning environment where there is a strong emphasis placed on both social and academic development. The achievement of this aim enables the School to fulfil its legal purposes of promoting and providing for the advancement of Roman Catholic education and the Roman Catholic religion. The Trustees seek to achieve a fair balance between benefits provided and the need for the School to maintain a prudent financial position when exercising their powers and duties in setting fees charged by the School and when identifying the benefits provided by the School in relation to its aims.

b. Our Objectives

The objects are set out in the Memorandum of Association as the promotion and provision for the advancement of Roman Catholic education and the Roman Catholic religion in particular by the acquisition, provision, conduct and development or one or more Independent Roman Catholic Schools for the advancement of the education of girls (and at the discretion of the Trustees, boys). The School's policy is to enable each child to develop their full potential both academically and socially in accordance with the School's Mission Statement and to prepare them for the senior schools of their choice.

In furthering the charity's objects, the Trustees have complied with the duty in Section 175(5) of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission concerning the operation of the Public Benefit Requirement under that Act. The Charities Act 2022 has not amended this obligation, and the Trustees continue to have due regard to the Commission's guidance on Public Benefit in the discharge of their duties.

c. Our Mission

The School's mission is to provide an outstanding education firmly founded on the Catholic faith.

Spiritual and moral principles are nurtured in a way that is reflected in daily life.

Within a happy and caring environment and based on the recognition of the dignity, worth and wellbeing of each child, high standards are expected. Intellectual development is emphasised and fostered along with the pursuit of academic excellence.

St Mary's values the unique contribution of every child within the school community.

St Mary's is inclusive and welcomes girls from all communities and faith backgrounds, or none, and believes that all benefit from the School's values.

St Mary's aims to encourage an active partnership between home, school, parish and the wider community.

ACHIEVEMENTS & PERFORMANCE

a. Curriculum & Academic Achievements

Pupils at the School continued to perform at a level well in excess of the national standard expectation for their age groups. Despite being non-selective on entry, Year 6 pupils typically achieve standardised scores in Maths and English assessments of 115-120, compared to the national average for independent schools of 110-115 and all schools of 100. The highest achievable score is 131.

The Senior School Entrance Examination results show that the School continues to secure places and scholarships for its pupils at a wide range of leading London day schools and out-of-London boarding schools. Typical destinations for girls leaving at the end of Year 6 include Channing School; City of London School for Girls; Francis Holland, Regent's Park; Godolphin and Latymer School; Highgate School; Latymer Upper School; North London Collegiate School; Queen's College, London; Queen's Gate School; Queenswood; South Hampstead High School; St Mary's School, Ascot; St Michael's Catholic Grammar School; Woldingham School; and Wycombe Abbey.

The School provides its pupils with an education that is rich, varied and tailored to their needs to enable them to discover their full potential. The learning environment is supportive and positive yet challenging. We believe that real learning stems from nurturing a love of and curiosity for the subjects being taught.

At St. Mary's School, we teach using the Creative Curriculum. This approach uses a single topic, which permeates through many aspects of the curriculum. Placing creativity at the centre of our curriculum ensures its children remain at the forefront of educational practices. We have seen that it enables them to take greater risks, make tangible connections in their learning and think deeply about real-world problems.

We are immensely proud of our pioneering Global Learning Centre. The space includes a cutting-edge Engineering and Robotics Lab, Virtual Reality Launch Pad, Art and Design Studio as well as a Green Room. This modern, innovative centre has been specially designed to promote STEAM at St Mary's. STEAM is a holistic approach that combines Science, Technology, Engineering, Art and Maths within their learning.

b. Pupil Numbers

The School has continued to provide a Catholic preparatory education for girls aged 2 ½ to 11. The pupil numbers for the year averaged 206, 50% Catholic (2024: 213, 48% Catholic).

c. Developing Sporting Talent

Sport is an essential and fun part of the day at St Mary's School. The P.E. Department is passionate about inspiring children to fall in love with sport, so we provide a wide range of options to ensure they find their special talent.

Our sports programme is inclusive and every pupil from Nursery to Year 6 will participate in at least two P.E. lessons a week. The lessons are supported by a plethora of sports clubs before, during and after school.

We benefit from a well-equipped hall on-site for gymnastics and a spacious outside play area. Climbing equipment has been installed and a full-size netball court allows for football, rugby, cricket, tennis, netball and hockey lessons.

The School also uses excellent local facilities such as Hampstead Heath for athletics and Swiss Cottage Leisure Centre for swimming.

Children show great enthusiasm and an appropriate competitive spirit for the individual and team events. Pupils also enjoy participating in many fixtures and tournaments against local schools and competing in national events. The School achieves considerable success across the board. In 2024-25, 262 matches were played, with the girls winning 82%. Some highlights include:

- ISA Regional Netball qualifier – 1st place
- LVS Ascot ISA Football Festival – 1st Place
- ISA National Netball Finals – 30th place with only Year 5s
- IAPS National Football Qualifier – 3rd Place
- ISA National Hockey Finals – 13th Place (highest ever placing)
- IAPS National Football Finals – 5th Place
- Year 6 Devonshire House Football Competition – 2nd Place
- Cavendish School Football Competition – 1st Place
- Southbank International Football Competition – 1st Place
- Year 6 South Hampstead Netball Competition – 2nd Place
- IAPS National Cricket Festival – 4th Place
- ISA Mixed Cricket Competition – 3rd Place (Only all girls team playing)
- St Mary's Cricket Competition – 1st Place
- ISA National Football Competition – 1st Place

We were delighted for our sporting achievements to be recognised in September 2024 with a Highly Commended Award for Outstanding Sport from the Independent Schools Association.

d. Creativity Outside the Classroom

Music, Drama and Art form an important part of the creative curriculum and involve everyone, from Nursery upwards. The lessons are lively, engaging, fun and of an extremely high quality.

At St Mary's, we believe that a love of music gained in childhood lasts a lifetime and that making music with others is a social and uplifting experience. The children are taught the essential skills of performing, composing and appreciating a variety of musical styles. Some of our year groups have had the opportunity to work with the London Symphony Orchestra at the Barbican and all year groups have performed in our interhouse music competition. Our one-to-one instrument lessons are hugely popular and we nurture our musicians from a young age. We benefit from talented peripatetic teachers who offer individual or group tuition in piano, violin, flute, recorder and voice. We are very proud of the superb results our pupils gain in external music exams.

In 2024-25, 93 girls benefited from music lessons, some taking lessons in more than one instrument, and 23 external music exams were taken with ABRSM.

Drama and role play are used across all curriculum areas, building confidence and allowing individual talents and strengths to develop.

We plan weekly Praying Together Services where all the children are encouraged to speak, sing and dance in front of an audience. These invaluable opportunities broaden the imagination, foster creativity and develop communication skills.

e. Enriching and Extending the School Day

We offer a variety of school clubs that take place before school, at lunchtime and after school to support the truly well-rounded education that our girls receive. The current club list numbers over 70 and this excellent extra-curricular provision encourages pupils to stretch their imaginations and find their confidence.

The successful After School Club provides high-quality and stimulating wraparound care to support working St Mary's families until 6pm (Monday to Friday).

The Holiday club, introduced in 2022-23 and operating from 8am to 6pm in eight weeks of the school holiday, continues to thrive and provide parents with an excellent option for holiday childcare.

f. Religious & Pastoral Life

The School develops its religious and pastoral life with the ongoing service and dedication of our Chaplain, Father Chris Connor, in conjunction with the Leaders of Learning for Religious Education and the support of all staff. The Catholic life of the School and the Catholic education it delivers were both found to be outstanding in the June 2019 Inspection by the Diocese of Westminster.

The School has assisted current potential members of the Roman Catholic Church through preparing fifteen girls to make their First Reconciliation (2024: eleven) and fifteen (2024: twelve) girls to receive their First Holy Communion in the School Chapel.

The School made its first appearance on Radio Maria while celebrating Ascension Day Mass in our School Chapel in May 2024. This was broadcast live to Radio Maria listeners and the School's Christmas Carol Concert was broadcast live in December 2024. A future interview with girls about their favourite carols is planned for December 2025.

Children in Year 6 in December 2024 had the opportunity to join the Woldingham School Carol Service at Westminster Cathedral at Christmas time (for the second year running), allowing for musical collaboration between two Catholic girls' schools.

The School holds weekly Masses for parents, staff and children. There is an Act of Collective Worship everyday which links to the Sunday Gospel reading. The children take part in a service or a Mass or exposition of the Blessed Sacrament each week as well as Sacred Singing. The School has active Pupil Chaplains consisting of Year 6 children who promote the Catholic faith to younger members of the School.

The School teaches and practices the St Mary's Way:

- Treat other people as you would like to be treated.
- Do your best to be your best.
- Be honest and truthful.
- Listen to each other.
- Be kind and helpful.
- Forgive.
- Share

In line with the School's Catholic ethos, acts of charity are an important part of school life. The School has a chosen charity each year to which it offers financial support; in the academic year 2024-2025, this was St John's Hospice. The School also supports other charities throughout the year, often with a Catholic link, such as CAFOD's Brighten

Up Day, but national charities are also supported, such as Children in Need. Throughout Lent, Lenten Promises are made by each class to help deliver something useful to either the School or local community, such as litter picking in and around Hampstead.

The School was delighted to be placed in the top five Catholic prep schools in the Catholic Good Schools Guide in 2024 and again in 2025.

g. Bursaries

Bursary funds are limited and those applicants judged most suitable in accordance with the School's Admissions Policy are given priority. Bursaries and hardship payments are awarded based on financial means testing. The amount awarded to any pupil may vary depending on individual family circumstances. Awards are normally made for up to 95% of the school fees plus other costs connected to attendance (such as school lunches and residential trips), although higher awards can be made where the circumstances require.

During the year bursaries worth £254,812 (2024: £269,830) were awarded to 20 pupils (2024: 17 pupils) in line with the School's policy on financial support, including 6 pupils receiving new financial awards to support their families with the impact of the imposition of VAT on fees from January 2025.

Awards are normally reviewed annually. Prospective parents are made aware of the Bursary policy through a variety of ways, including a prominent position on the School's website. As of the Autumn Term 2025, 15 pupils are benefiting from bursaries.

h. Staff Professional Development

School staff continue to participate in high quality external Professional Development courses and in-house training. All this serves to enrich the knowledge, skillset and potential of all School staff, and continues to be an important aspect of the Appraisal Policy. There were five whole School INSET days during the year at which staff training was delivered as well as a regular programme of short-focused training sessions that were delivered during and after school during term-time.

i. Community Activities

The School hosted and attended sporting competitions with other schools locally and nationally, with St Mary's being a favoured location due to the quality of its facilities and famed "match tea".

Mini St. Mary's, which launched in January 2022, continues to be in high demand. This free 1-hour session, run twice a week, provides a stimulating and fun range of structured activities for children from 6 months – 3 years, including free play, malleable play, dance, music, movement, Bee-Bots, arts, crafts and storytelling. The families attending have reported how grateful they have been to find such an important resource to support them and their children.

During the year, the School supported the education of five pupils with Education and Healthcare Plans (2024: four pupils) as well as other girls with additional educational needs for whom the Local Authority has not yet provided an Education and Healthcare Plan. The School worked with the parents of one girl (2024: two girls) to ensure her needs were recognised by their Local Authority and this girl has now successfully obtained an Education and Healthcare Plan.

The School co-operates with and supports as many charities as possible in its ongoing endeavours to widen public access to the schooling it provides and to awaken in its pupils an awareness of the wider social context of the education they receive at the School.

The School encourages charitable activities with various fundraising activities. During the course of the year £6,220 (2024: £9,216) was raised through fundraising activities within the School, including by the PTA (now known as the Friends of St Mary's (FoSM)), for a number of third-party charities and appeals. These included St John's Hospice, CAFOD, Jeans 4 Genes, Children in Need, Royal British Legion, and Food Bank Aid. A further £7,601 was raised by the FoSM, for the purposes of funding a new audio system in the Chapel and other future projects.

Practical donations of food, clothing and toiletries were also made and donated to Food Bank Aid; gifts were collected, as part of our annual giving-tree initiative, for patients at St John's Hospice; toys were collected and donated to The Toy Project; and books were collected for the Children's Book Project. The girls also collected for and prepared "care bags" which they distributed to homeless people as part of an in-house initiative called The Community Hope Project.

Over the course of the academic year, the staff and parents have raised money through the Christmas Fair, Big Breakfasts, holding second hand uniform and cake sales, participating in CAFOD's Big Lent Walk and enjoying a quiz night and our now annual Art Fair. The children have also raised money through selling Christmas cards that they have designed, dressing up in home clothes and numerous other small events created and organised by the pupils themselves. We are enormously proud of the work done by the whole school community in order to raise funds for these good causes.

We were also delighted to be able to collect second-hand books for the Children's Library at St Peter's Italian Church in Clerkenwell.

The School continued to coordinate and provide support to early years staff at our School and those from other settings. In November 2024, the School was delighted to be able to host local early years providers for a catch-up. Further CPD sessions were held covering adaptive teaching (March 2025) and, in June 2025, we ran an EYFSP moderation session with five other schools. We will do this again in June 2026 as it was very useful to all.

j. External Recognition

The School was delighted to be recognised once again among the Top 5 UK Prep Schools in the Catholic Good Schools Guide 2025 - for the second consecutive year. We were also proud to receive the AMCIS Impact Award 2025 for Strategic Marketing and to be shortlisted for Small Independent School of the Year 2025. In addition, the School achieved Eco-Schools Green Flag accreditation in recognition of our ongoing commitment to sustainability. We were delighted for our sporting achievements to be recognised in September 2024 with a Highly Commended Award for Outstanding Sport from the Independent School Association. Following our ISI Inspection in October 2025, we were pleased to have met the required standards in all areas of compliance and education.

k. Relationships

The School is an active member of the following organisations:

- Independent Association of Preparatory Schools (IAPS) for the promotion and maintenance of preparatory schools generally
- The Independent Schools Association (ISA)
- Catholic Independent Schools Congregation (CISC)
- Independent Schools Council (ISC)
- Independent Schools' Bursars Association (ISBA)
- Association of Governing Bodies of Independent Schools (AGBIS)
- Admissions, Marketing and Communications in Independent Schools (AMCIS)
- Institute of Development Professionals in Education (IDPE)

FINANCIAL RESULTS

The principal source of funding for the School is its termly fees, which supports the key objective of providing a Roman Catholic education.

In setting the fees, the Trustees have regard to the level of fees that are appropriate for the educational services provided and are competitive in the local market. The Trustees aim to set the fee levels with the intent for the School to produce a surplus which can be employed in providing bursaries to those who could not afford to pay the fees and to fund the use of the School's facilities, resources and staff to provide for the advancement of the objectives and aims of the School and to provide public benefit by other means to members of the wider community.

The total incoming resources for the year were £4,478,171 (2024: £4,341,318). The total outgoing resources were £4,446,856 (2024: £4,101,263). The net incoming resources for the year amounted to a surplus of £31,315 (2024: £240,055).

Within total incoming resources, £10,268 (2024: £19,096) were restricted funds received by way of parental donations towards bursaries, the expenditure of which also shows within incoming resources for the year and £756 (2024: £nil) reflecting a grant made by an external body to support a child in receipt of a bursary with extra-curricular activities.

At 31 August 2025, the total funds of the School were £4,672,085 (2024: £4,640,770). All the School funds as at 31 August 2025 are unrestricted and are held for use by the School. Its assets are sufficient to meet its obligations. The funds are being used to help finance current and future operational and capital projects.

RESERVES POLICY

Reserves are primarily held to enable the continuity of services and activities undertaken by the School.

Specific reasons to hold reserves are:

- to handle a sudden reduction in income;
- to cover other key risks crystallising resulting in unplanned expenditure; or
- to take advantage of unexpected opportunities.

In considering the level of reserves that should be held, the Trustees test the policy level against various scenarios to ensure that adequate levels of reserves are held. In doing so, the Trustees have set a target range for free reserves (being total funds less any restricted funds and fixed assets) equivalent to the annual fee value resulting from a drop in pupil numbers of ten to thirty-three percent. At 31 August 2025, this range was between £411,303 and £1,371,008.

At 31 August 2025, the total funds of the School were £4,672,085 (2024: £4,640,770) while the net book value of fixed assets totaled £3,030,966 (2024: £3,123,757) resulting in free reserves of £1,641,119 (2024: £1,517,013).

The Trustees have reviewed areas of uncertainties that may impact the School's free reserves. Pupil numbers are an uncertainty as they are challenging to forecast accurately and are impacted by factors outside the School's control. The post-pandemic years (2021-22 and forward) have been financially challenging for the School due to the drop in pupil numbers. There continues to be a higher demand for bursary assistance as the current financial environment, in the form of inflationary pressures and rising interest rates and taxes, impacts parental ability to pay fees.

However, due to the careful stewardship by the School's leadership team, the School's free reserves have been maintained. Forecasts have been prepared for 2025-26 and 2026-27 taking into account the additional costs that the School will incur as a result of supporting parents with the additional cost that the imposition of VAT on school fees from 1 January 2025 has created and from the removal of Charitable Business Rate Relief from 1 April 2025. Despite these additional costs, including the support provided to parents to mitigate the impact of the introduction of VAT in 2024-25, due to higher than expected pupil numbers and good cost control, the School has managed to achieve a small surplus. The impact of the imposition of VAT and wider fiscal uncertainties facing parents at this current time, continue to lead to uncertainties in pupil numbers. The School expects it will need to draw on its reserves in 2025-26 in order to continue to support parents and meet its aim of ensuring every girl can remain at the School, despite the addition of VAT to the school fees. Beyond the current transition phase, it is expected that the School will operate at a breakeven point before returning to a small surplus.

The Trustees are satisfied that the free reserves are sufficient and will continue to be managed within the target range of free reserves (general reserves) and that there is adequate working capital for the going concern status of the School to be assured.

PLANS FOR THE FUTURE

The Trustees intend for the School to continually improve its educational offering in line with its objectives and to maximise the benefits it provides to the wider community.

During the year to 31 August 2026, the School's focus is on continuing to: ensure that wellbeing remains at the heart of all that the School does and is embedded into all areas of pastoral care - this also includes working towards the Wellbeing Award for Schools; ensure that academics remain rigorous with a "challenge for all" approach consistently embedded into all lessons; ensure that both ISI and Catholic Inspection standards are met in all areas; strengthen our links with Catholic schools and local parishes; strengthen staff professional development and the induction process for new staff; and continue to maintain our Eco-Schools Award status as we maintain a focus on sustainability. The School is also keen to market its academic success and develop its association for alumni.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

St Mary's School, Hampstead is incorporated as a company limited by guarantee, number 2643515 and is a registered charity, number 1006411. It's registered office and principal address is 47 Fitzjohn's Avenue, London, NW3 6PG.

The School is governed by the Memorandum of Association dated 10 June 1991 which was amended on 8 October 1991, 23 April 1993, 14 June 1993, 26 April 2006 and 18 March 2020 and its Articles of Association which were amended on 8 October 1991, 20 April 2005 and 23 March 2021. The Governors serve under Regulations as revised on 23 March 2021.

Trustees and Governors

St Mary's School, Hampstead has a two-tier structure of governance: The Trustees and the Governors.

The Trustees are responsible for maintaining the objects of the charity, its administration and finances, risk assessment and overall strategy, as well as ensuring that the School complies with company and charity law and regulations. The Trustees appoint the Headmistress. The Trustees have overall responsibility for the School and exercise the oversight of some of the School's educational activities together with the Governors.

The Trustees, who are the directors of the company, who served during the year and up to the date of this report, were as follows:

Ms C Barry-Walsh (Chairman)
Mr K K Wilkins (Treasurer)
Mr R M Carlysle
Mrs S McCarron
Mr S Murphy

Trustees are elected by the Members of the company. One third of Trustees retire by rotation at each Annual General Meeting (AGM) and are eligible for re-election. The Trustees who retire each year are those who have been longest in office since their last election. The Trustees who retired by rotation and were re-elected at the AGM held on 26 March 2025, were Mr R Carlysle and Mr S Murphy.

The Governors, who are appointed by the Trustees, are responsible for the general direction, policies and priorities of the School within the budgets and objectives established by the Trustees. They offer support and guidance to the Headmistress, and also hold the School to account for the quality of education it provides and the standards it achieves. The Governors and Trustees ensure the safety of the School environment and review the effectiveness of the School's child protection policies. Five of the Governors are also Trustees.

The Governors who served during the year and up to the date of this report, were as follows were as follows:-

Mr S Murphy [123] (Chairman)
Mr K K Wilkins [1] (Ex-Officio)
Ms C Barry-Walsh (Ex-Officio)
Mr R M Carlysle [3]
Mrs C Del Toro Reyes [1]
Mrs A Devlin [2]
Mrs D Einoeder [23]
Miss F Hagerty [3]
Mrs S McCarron
Mrs C Wright [3]
Miss J Zammit-Mangion [3]

[1] Member of the Finance and General Purposes Committee
[2] Member of the Health and Safety Committee
[3] Member of the Education and Staffing Committee

The Trustees record their gratitude to the Board of Governors, and to Miss Owen and her staff for their contribution to the continued success of the School during the 2024-25 school year.

Recruitment, Appointment, Induction and Training of Trustees and Governors

The Trustees are responsible for the selection and appointment of new Trustees and Governors. This is a legal responsibility that cannot be delegated, although the Nominations Committee, comprising the Headmistress and Chair of Governors will, after discussion and research, put forward recommendations for new Trustees and Governors to the Trustees. As charity trustees, the Trustees are aware of the importance of identifying the appropriate mixture of skills and experience that they and their successors need to manage the multi-faceted affairs of a modern school which is also a company limited by guarantee, a medium sized business and an important local employer. Each appointment of a Governor or Trustee made by the Trustees is for an initial period of three years, which may be renewed.

To facilitate communication, induction and training at Governor and Trustee level, the Governors' Handbook is regularly updated.

Roles and responsibilities are covered with main job descriptions and responsibilities. Terms of Reference are included for all committees, along with membership lists and the key policies and documents.

All Trustees and Governors are encouraged to attend in-house and external training courses, including those run by the Association of Governing Bodies of Independent Schools (AGBIS). Training in certain topics, such as Keeping Children Safe in Education, the Prevent Duty and data protection is mandatory and undertaken by all members of the governing body. Numerous on-line training courses are also undertaken by the Trustees and Governors.

A list of school policies is available on the School's website. To ensure full compliance with Safeguarding issues the Headmistress, Deputy Head, Deputy Head (Academic), Bursar, Head of EYFS and a number of Trustees have completed Safer Recruitment Training. The named Governor and Trustee for Safeguarding has lead responsibility for all Safeguarding matters to ensure that the School is fully compliant with all current regulations.

Trustees make available to parents on the School's website a clear and succinct set of replies to questions that parents often ask about governance. The information covering Frequently Asked Questions is provided to enhance communication between Trustees and the parent body and to encourage them to share in the School's vision for the future.

All Governors and Trustees give their time on a voluntary basis to the governance of the charity.

Third Party Indemnity Provision for Trustees & Governors
Qualifying third party indemnity insurance is in place covering the governing body of the School.

Organisational Management
The Governing Body meets as a Board at least three times a year to determine the general strategy of the Charity and review its overall management and control, for which they are legally responsible. Trustees and Governors convene jointly with a separate session for Trustees only. The Trustees and Governors also attend the Annual General Meeting.

There are three sub-committees of the Board of Governors as follows:

1. Education and Staffing Committee - meet once each half term where members consider educational and staffing issues. This committee is chaired by Mr Robert Carlysle.

2. Finance and General Purposes Committee - meet before each main Board meeting. The committee scrutinises revenues & expenditures, the budget & reforecasts and capital expenditure. This committee is chaired by Mr Keith Wilkins (who is also the Treasurer (the Trustee with responsibility for the supervision of the finances of the School)).

3. Health and Safety Committee - meet termly to consider all Health and Safety matters. This committee is chaired by Mrs Dagmar Einoeder.

The Key Management Personnel are the Trustees, Governors and the Senior Leadership Team. Day to day management of the School is delegated by the Governors to the Senior Leadership Team as below, led by the Headmistress.

Facilities Management
Management of the school facilities is overseen by the Bursar and Premises Manager and is monitored by the Health and Safety Committee which continues to ensure full compliance with all legislative requirements as well as incorporating rolling repairs with a programme to upgrade facilities on a carefully structured basis.

The School is part of the Brent and Camden Business Climate Challenge and is taking steps to reduce its energy usage. The School is in the process of implementing plans to install solar panels that will further help manage the challenges of the current energy price crisis, as well as prepare the School for the future and reduce our carbon footprint.

The Bursar, Premises Manager and Network Manager oversee development works including improvements to the IT infrastructure. During the year, the School continued its programme of rolling renewal of its IT hardware with the purchase of new iPads, Promethean boards, Chromebooks, staff laptops and servers.

Remuneration of Key Management Personnel

Trustees and Governors do not receive any remuneration for their services. The remuneration of the Headmistress and Bursar is set by the Trustees, with the policy objective of ensuring that they are provided with appropriate compensation to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The remuneration of the rest of the Senior Leadership Team is determined by the Headmistress within the parameters set by the Trustees and Governors. The appropriateness and relevance of the remuneration policy is reviewed annually, including comparisons with other independent schools and the state sector to ensure that the School remains sensitive to the sector wide issues of pay and employment conditions. Delivery of the School's charitable vision and purpose is primarily dependent on the Senior Leadership Team.

SENIOR LEADERSHIP TEAM AND PROFESSIONAL ADVISORS

Headmistress	Miss Charlotte Owen
Bursar & Company Secretary	Mrs Sara Gibbins
Deputy Head	Miss Philippa d'Aquino
Director of Studies (to 31 August 2025)	Mr Martin Otter
Deputy Head (Academic) (from 1 September 2025)	Miss Imogen Mendelssohn
Head of EYFS (joined Senior Leadership Team from 1 September 2025)	Mrs Amanda Jennings
Independent Auditor	Moore Kingston Smith LLP 9 Appold Street London, EC2A 2AP
Bankers	Barclays Bank PLC 28 Hampstead High Street London, NW3 1QB
Solicitors	Veale Wasbrough Vizards Orchard Court, Orchard Lane Bristol, BS1 5WS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of St Mary's School, Hampstead for the purposes of company law, are responsible for preparing this Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including

the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the School's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Principal Risks and Uncertainties

The Trustees undertake an annual risk review to identify major risks to which the Charity is exposed. This review includes a full evaluation and thorough assessment of the primary risks relating to the key areas of the Charity as defined below and how those risks can be best minimised to reduce their potential impact on the School. Responsibility for detailed monitoring of each of the categories of risk identified is allocated to a committee or retained by the full board of Governors and Trustees. The mitigation activities that have been undertaken in the preceding year in response to the risk are discussed in the meetings of the relevant committee/full board and any additional mitigation activities that are required are detailed and monitored.

Inflationary pressures during the past few years, alongside the imposition of VAT on school fees, the removal of Charitable Business Rate Relief and the increase in employer's National Insurance contributions during 2024-25, have increased the financial pressure on the School. There is a continuing risk of the removal of further beneficial tax treatment from independent schools. The School manages these pressures and risks through ensuring it continues to offer an appropriate bursary programme, while carefully managing its budgets and ensuring that it maintains its reserves within its target range.

In addition to the financial risks arising from the above stated issues, the major risk areas are:

- Safeguarding: including Keeping Children Safe in Education, anti-bullying and online safety
- Operational: including regulatory and environmental factors
- Financial: including information technology and staff compensation factors
- Governance: including a review of mission / objects, governance & management and external factors
- Personnel: including staffing, employment and academic factors
- Health & safety: including fire risk assessment / procedures, accidents and external events
- Reputation: including safety, education and publicity

The principal risks identified and receiving a high level of mitigation activity concern the impact of external economic factors and their potential impact on pupil numbers.

The Trustees continue to monitor the School's performance in relation to teaching, staff movement, Catholicity and the value added provided by the School.

AUDITOR

Moore Kingston Smith act as auditors under section 485 of the Companies Act 2006 and have indicated their willingness to continue as the School's auditors.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Trustees (who are also company directors) who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that:

- there is no relevant audit information which has not been disclosed to the auditor; and
- each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This Report was approved by order of the Trustees and signed on their behalf by

C Barry-Walsh
Chair
3 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S SCHOOL, HAMPSTEAD

Opinion

We have audited the financial statements of St Mary's School Hampstead ('the company') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' 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 charitable company'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 Trustees 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 Trustees 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 there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 13, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of:
Moore Kingston Smith LLP, Statutory Auditor
6th Floor, 9 Appold Street
London
EC2A 2AP

18th December 2025

ST MARY'S SCHOOL, HAMPSTEAD

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Income					
Investment income – interest receivable		90,868	-	90,868	74,771
Donations		-	10,268	10,268	19,096
Grants		-	756	756	-
***Charitable activities*:**					
School operations:	2a				
Gross Fees receivable		3,888,127	-	3,888,127	3,866,623
Less: Bursaries		(244,544)	(10,268)	(254,812)	(269,830)
		3,643,583	(10,268)	3,633,315	3,596,793
Ancillary Income	2a	742,964	-	742,964	650,658
		4,386,547	(10,268)	4,376,279	4,247,451
TOTAL INCOME		4,477,415	756	4,478,171	4,341,318
Expenditure					
Charitable activities:					
School operating costs		(4,446,100)	(756)	(4,446,856)	(4,101,263)
TOTAL EXPENDITURE	3	(4,446,100)	(756)	(4,446,856)	(4,101,263)
Net surplus and net movement in funds for the year		31,315	-	31,315	240,055
Reconciliation of funds					
Total funds brought forward		4,640,770	-	4,640,770	4,400,715
Total funds carried forward	9	4,672,085	-	4,672,085	4,640,770

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 23 to 35 form part of these Financial Statements.
All income and expenditure arise from the School's continuing operations.

ST MARY'S SCHOOL, HAMPSTEAD

BALANCE SHEET
AT 31 AUGUST 2025

	Notes	£	2025 £	£	2024 £
Fixed assets					
Tangible assets	4		3,030,966		3,123,757
Current assets					
Debtors	5	255,831		188,072	
Investments		600,000		980,000	
Cash at bank and in hand		2,180,338		2,011,767	
		3,036,169		3,179,839	
Liabilities: Amounts falling due within one year	6	(1,077,614)		(1,284,410)	
Net current assets			1,958,555		1,895,429
Total assets less current liabilities			4,989,521		5,019,186
Liabilities: Amounts falling due after more than one year	7		(298,764)		(359,744)
Provisions for Liabilities	8		(18,672)		(18,672)
Net Assets			4,672,085		4,640,770
Funds					
Unrestricted Funds:					
General Funds	9		1,641,119		1,517,013
Tangible Fixed Assets Fund	9		3,030,966		3,123,757
Total Funds			4,672,085		4,640,770

The Financial Statements were approved by the Board and authorised for issue on 3 December 2025 and signed on its behalf by:

C Barry-Walsh (Chairman)

K K Wilkins (Treasurer)

The notes on pages 23 to 35 form part of the Financial Statements.

ST MARY'S SCHOOL, HAMPSTEAD

STATEMENT OF CASH FLOWS
AT 31 AUGUST 2025

		2025	2024
		£	£
Cash flow (to)/from operating activities	13	(257,375)	303,673
Cash flows from investing activities			
Decrease/(Investment) in current asset investments		380,000	(380,000)
Bank interest received		90,868	74,771
Purchase of Tangible Fixed Assets		(86,513)	(127,578)
Cash used in investing activities		384,355	(432,807)
Cash flows from financing activities			
Cash received from Fees in Advance Scheme		41,591	521,595
Cash received from financing activities		41,591	521,595
Increase in cash and cash equivalents in the year		168,571	392,461
Total cash and cash equivalents and the beginning of the year		2,011,767	1,619,306
Total cash and cash equivalents at the end of the year		2,180,338	2,011,767

Analysis of changes in net debt

	As at 1 September	2025 Cashflows	As at 31 August
Cash and cash equivalents	£	£	£
Cash	2,011,767	168,571	2,180,338
Total	2,011,767	168,571	2,180,338

	As at 1 September	2024 Cashflows	As at 31 August
Cash and cash equivalents	£	£	£
Cash	1,619,306	392,461	2,011,767
Total	1,619,306	392,461	2,011,767

The notes on pages 23 to 35 form part of the Financial Statements.

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standards applicable to the UK and the Republic of Ireland (FRS102) and the Charities Act 2011. The Charity constitutes a public benefit entity as defined by FRS102.

The functional and presentational currency is sterling and amounts are rounded to the nearest pound.

b. Going concern

The School's key activity of providing a Roman Catholic education is such that fee income represents the majority of the School's income. Fee income in the period from March 2020 has been significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. There was also an increased demand for bursary support over the period of the pandemic and this is continuing as high interest rates, inflation and the energy crisis impact parental ability to pay fees. This has been further impacted by VAT being imposed on school fees from January 2025.

Despite the increased costs and reduced pupil numbers, due to the careful stewardship by the School's leadership team, free reserves have remained within or above target throughout the period since 2020. Forecasts have been prepared for 2025-26 and 2026-27 taking into account the additional costs that the School will incur as a result of supporting parents with the additional cost that the imposition of VAT on school fees from 1 January 2025 has created and from the removal of Charitable Business Rate Relief from 1 April 2025. Despite these additional costs, including the support provided to parents to mitigate the impact of the introduction of VAT in 2024-25, due to higher than expected pupil numbers and good cost control, the School managed to achieve a small surplus in 2024-25. The impact of the imposition of VAT and wider fiscal uncertainties facing parents at this current time, continue to lead to uncertainties in pupil numbers. The School expects it will need to draw on its reserves in 2025-26 in order to continue to support parents and meet its aim of ensuring every girl can remain at the School, despite the addition of VAT to the school fees. Beyond the current transition phase, it is expected that the School will operate at a breakeven point before returning to a small surplus.

Although pupil numbers are an uncertainty, they are not a material uncertainty and do not cast doubt on the ability of the School to continue as a going concern, as the uncertainty is being managed through cost management strategies, development of new revenue streams (such as through the Holiday Club, external lettings and increasing investment returns) and a strong focus on marketing. The Trustees are satisfied that the School's level of free reserves are sufficient for the impact to be managed over the medium-term within the target range of free reserves (general reserves) and that there is adequate working capital for the going concern status of the School to be assured, specifically in the 12 months from the date of the signing of the Financial Statements. The School expects to return to making surpluses following a transition phase after the imposition of VAT on fees and to continue to maintain reserves within the target for free reserves. Accordingly, the Trustees continue to prepare the financial statements on a going concern basis.

c. Income

Fees receivable consist of charges billed for the school year 2024/2025 net of VAT (which was imposed on school fees from 1 January 2025). Fees received for education provided in future years are carried

forward as deferred income (fees received in advance). Fees received in advance, as part of the Fees in Advance Scheme are treated as Financing Activities in the cash flow statement. Where parents are charged fees in lieu of notice this is recognised in the term for which the notice should have been given as parents are encouraged to keep their daughter at our School during this period and these charges are designed to cover the shortfall in income that would otherwise arise in that period. Other fee income consists of additional fees from tuition classes, lunches and registration fees which are accounted for on a receivable basis. Donations and income from fundraising activities are recognised when the School has entitlement to the receipt of the income, it can accurately measure the amount and it is probable that the economic benefits associated with the transaction will flow to the School. Fundraising activities undertaken within the School for other Charities are treated as funds held for third parties and any amounts held at the year-end are shown in the balance sheet.

d. Assets

Fixed assets costing more than £1,000 are shown on the balance sheet at cost less cumulative depreciation. Group purchases of IT, furniture and equipment costing less than £1,000 per item are also capitalised where the estimated life extends over at least the period used under the School's depreciation policy for the relevant asset and the value of the group purchase exceeds £1,000. Current assets are shown at the lower of cost and net realisable value.

e. Depreciation

Depreciation is provided on all tangible fixed assets retained for the School's own use, other than freehold land, at rates calculated to write off their cost over their estimated useful economic lives at the following rates, on a straight-line basis:

Freehold buildings	2½% to 10% on cost
Furniture	12.5% on cost
Catering and playground equipment	10% on cost
IT	20% to 25% on cost

Land is not depreciated.

f. Pension costs

The School contributes to the Teachers' Pension Scheme (a defined benefit scheme) at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with SORP (FRS102) the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School is undertaking a phased withdrawal from the Teachers' Pension Scheme and from 1 September 2022 contributes to a defined contribution scheme for teachers employed from 1 September 2022 and existing teachers wishing to move from the Teachers' Pension Scheme to this new scheme. The School also contributes to a defined contribution pension schemes for staff other than teachers. Contributions to defined contribution schemes are paid or accrued within the year in which the corresponding salary is earned.

g. Deposits

Deposits are refundable when a pupil leaves the School and are treated as a long-term liability upon entry to the School except to the extent that they are due to be repaid within one year of the balance sheet date in

which case they are recorded as a current liability. Forfeited deposits are taken to income. Unclaimed deposits are deemed forfeited one year after a pupil leaves the School.

h. Expenditure

Expenditure is recognised on an accruals basis as soon as a liability is considered probable and has been analysed between School Operating Costs and Educational Grants. Expenditure is summarised under functional headings either on a direct cost basis or, for overhead support costs, apportioned according to management estimates of staff time spent. Expenditure is stated net of VAT with irrecoverable VAT included within the school administrative costs. Support costs represent school administration costs incurred to support charitable activities and governance.

i. Termination payments

Employment termination payments do not provide future economic benefits and are therefore recognised as an expense in the Statement of Financial Activities as soon as the Charity is demonstrably committed to terminate the relevant employment (when a formal plan for termination of employment, without the realistic possibility of withdrawal, has been established). The amount recognised is the best estimate of the expenditure required to settle the obligation at the reporting date.

j. Operating leases

Operating lease costs are written off to the Statement of Financial Activities on a straight- line basis over the lease period.

k. Financial Instruments

The Charity only holds basic Financial Instruments. Financial Instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including any accrued income) are financial instruments and are debt instruments measured at amortised cost as detailed in note 5. 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 6 and 7. Amounts due for taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

l. Cash at bank and in hand

Cash at bank and in hand includes cash and highly liquid assets with a short maturity of 95 days or less.

m. Current asset investments

Current asset investments include cash and other assets with a maturity of over 95 days.

n. Corporation Tax

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

o. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions - the School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The School has provided for doubtful debts on the basis of assumptions over which debts at the balance sheet date may not be paid in full. However, due to the low level of debts that had not been paid by the date of preparing the provision, the range of possible outcomes resulting from various assumptions is not material and therefore the estimates used to calculate the provision are not considered critical.

Critical areas of judgment - the depreciation policies used by the School represent a critical judgement as to the useful lives of the tangible fixed assets of the Charity. The going concern assumptions as outlined in Note 1b. rely on judgements considered by the Trustees.

2a. School operation income

	2025 Unrestricted £	2025 Restricted £	2025 Total £	2024 Total £
Gross School fees receivable	3,888,127	-	3,888,127	3,866,623
Less Bursaries	(244,544)	(10,268)	(254,812)	(269,831)
	3,643,583	(10,268)	3,633,315	3,596,792
Ancillary Income:				
Extras	447,270	-	447,270	378,195
Lunches	223,881	-	223,881	215,483
Registration fees	16,014	-	16,014	13,670
Other	55,799	-	55,799	43,311
	742,964	-	742,964	650,659
	4,386,547	(10,268)	4,376,279	4,247,451

In 2025, £10,268 (2024: £19,097) was received as restricted donations for bursaries.

2b. Net movement in funds	2025 £	2024 £
Net movement in funds is stated after charging:		
Auditor's remuneration (including VAT in 2024):		
• Audit services	13,111	19,194
• Other services	6,972	-
Operating lease charges	7,567	7,843
Depreciation	179,304	165,018

All these movements are movements in unrestricted funds.

3. Charitable Expenditure

The split of expenditure between restricted and unrestricted funds in the year ended 31 August 2025 is shown below.

	Unrestricted funds £	Restricted funds £	Total 2025 £
2025 Charitable expenditure -			
School operating costs:			
Teaching costs	2,712,910	756	2,713,666
Catering	221,154	-	221,154
Premises	594,634	-	594,634
School administration	915,098	-	915,098
Public benefit	2,304	-	2,304
	4,446,100	756	4,446,856

	Unrestricted funds £	Restricted funds £	Total 2024 £
2024 Charitable expenditure -			
School operating costs:			
Teaching costs	2,449,464	-	2,449,464
Catering	240,229	-	240,229
Premises	588,053	-	588,053
School administration	820,674	-	820,674
Public benefit	2,843	-	2,843
	4,101,263	-	4,101,263

3. Charitable Expenditure (continued)

Analysis of charitable activities expenditure:

	Direct costs £	Support costs £	Total 2025 £
2025 Charitable expenditure -			
School operating costs:			
Teaching costs	2,713,666	-	2,713,666
Catering	221,154	-	221,154
Premises	594,634	-	594,634
School administration	275,909	639,189	915,098
Public benefit	2,304	-	2,304
	3,807,667	639,189	4,446,856

	Direct costs £	Support costs £	Total 2024 £
2024 Charitable expenditure -			
School operating costs:			
Teaching costs	2,449,464	-	2,449,464
Catering	240,229	-	240,229
Premises	588,053	-	588,053
School administration	242,131	578,543	820,674
Public benefit	2,843	-	2,843
	3,522,720	578,543	4,101,263

2025 Support costs:

	Unrestricted funds £	Restricted funds £	Total £
School administration: staff costs	566,191	-	566,191
Governance costs:			
Auditor remuneration:			
• Audit services	13,111	-	13,111
• Other services	6,972	-	6,972
Legal and professional fees	51,019	-	51,019
Trustees' and Governors' expenses	1,896	-	1,896
	639,189	-	639,189

3. Charitable Expenditure (continued)

2024 Support costs:

	Unrestricted funds £	Restricted funds £	Total £
School administration: staff costs	508,724	-	508,724
Governance costs:			
Auditor remuneration:			
• Audit services	19,094	-	19,094
• Other services	-	-	-
Legal and professional fees	48,294	-	48,294
Trustees' and Governors' expenses	2,431	-	2,431
	578,543	-	578,543

	2025 £	2024 £
Staff costs include:		
Wages and salaries	2,302,671	2,110,987
Social security costs	259,698	221,970
Pension contributions	433,433	375,075
Supply staff costs	175,801	165,983
	3,171,603	2,874,015

Total employee salaries and other benefits of key management personnel, including employers' pension contributions and employer's national insurance contributions:

£417,980	£403,197

The members of the key management personnel are Trustees, Governors and the senior leadership team as listed on page 13.

Governors' and Trustees' remuneration and expenses

No remuneration or benefits were provided to any Governors or Trustees during the year other than the School purchasing Trustees' and Governors' indemnity insurance to provide cover of up to £2 million. The premium for 2025 was £1,109 (2024: £1,109). In the year to 31 August 2025, two Trustees and Governors were reimbursed £523 in respect of travel expenses (2024: £194 was reimbursed to two Trustees and Governors in respect of travel expenses).

The number of employees whose emoluments (including salaries and other benefits but excluding employers' pension contributions and employer's national insurance contributions) exceeded £60,000 was:

	2025 No.	2024 No.
£60,000 - £70,000	3	2
£70,000 - £80,000	2	1
£90,000 - £100,000	2	2

These employees are accruing retirement benefits under the Standard Life Pension Scheme and the Defined Contribution Scheme for Teachers, defined contribution schemes, and the Teachers' Pension Scheme, a defined benefit scheme.

The average number of employees during the year was:	2025 No.	2024 No.
Teaching	43	41
Other	16	16
	59	57

4. Tangible fixed assets

	Land £	Freehold Buildings £	Furniture & Equipment £	Total £
Cost				
At 1 September 2024	1,000,000	3,709,240	1,099,472	5,808,712
Additions	-	45,866	40,647	86,513
Disposals	-	-	(49,027)	(49,027)
At 31 August 2025	1,000,000	3,755,106	1,091,092	5,846,198
Depreciation				
At 1 September 2024	-	1,722,034	962,921	2,684,955
Charge for year	-	129,124	50,180	179,304
Disposals	-	-	(49,027)	(49,027)
At 31 August 2025	-	1,851,158	964,074	2,815,232
Net book value				
At 31 August 2025	1,000,000	1,903,948	127,018	3,030,966
Net book value				
At 31 August 2024	1,000,000	1,987,206	136,551	3,123,757

There were no contractual commitments to acquire tangible fixed assets at the year end.

5. Debtors	2025 £	2024 £
Fees	160,645	40,009
Other debtors	48,390	55,983
Prepayments	46,796	92,080
	255,831	188,072

Fees outstanding are stated after a provision for doubtful debts of £18,713 (2024: £18,713).

The increase in fee debtors in 2025 is due to a change in timing for the Autumn Term billing from September to July, and reflects the VAT payable to the School on Autumn Term fees outstanding as at 31 August 2025.

6. Creditors: Amounts falling due within one year	2025 £	2024 £
Trade creditors	100,180	170,057
Fees received in advance	559,593	858,444
Fee deposits	44,700	55,050
Other taxes and social security	237,041	51,689
Accruals and deferred income	67,030	91,827
Pension contributions	48,727	46,332
Other creditors	20,343	11,011
	1,077,614	1,284,410

Deferred income, including fees in advance	2025 £	2024 £
Brought forward at 1 September 2024	904,402	500,727
Resources deferred in the year	596,674	904,402
Resources released to SOFA in year	(909,052)	(500,727)
Deferred Income at 31 August 2025	592,024	904,402

Deferred income reflects amounts charged to parents in respect of fees in lieu of notice relating to the Autumn Term 2025 and deposits for residential trips taking place in 2025-26. Fees in advance reflects payments received from parents ahead of the due date (2025: £434,788; 2024: £440,943) as well as fees prepaid under our formal Fees in Advance Scheme (2025: £124,805; 2024: £417,501).

7. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Fee deposits:		
Between 2-5 years	143,716	138,000
More than 5 years	134,167	113,000
Deferred income:		
Between 2-5 years	-	4,650
Fees in advance:		
Between 2-5 years	20,881	104,094
	298,764	359,744

Deferred income, including fees in advance

	2025 £	2024 £
Brought forward at 1 September 2024	108,744	11,500
Resources deferred in the year	-	108,744
Resources released to SOFA in year	(87,863)	(11,500)
Deferred Income at 31 August 2025	20,881	108,744

Deferred income reflects amounts received from parents who gave notice to defer their children's places until a term beginning after the end of the next academic year and for whom the amounts already received will be used to pay their daughters' first term's fees when they arrive (2025: nil; 2024: £4,650). Fees in advance reflects fees prepaid under our formal Fees in Advance Scheme (2025: £20,881; 2024: £104,094).

8. Provisions for Liabilities

An amount of £24,000 was provided for as at 31 August 2022 in respect of work required to the exterior brickwork of the School building, which commenced in 2023-24. Further work remains to be done in 2025-26.

	2025 £	2024 £
Brought forward at 1 September 2024	18,672	24,000
Released to SOFA in year:	-	(5,328)
Provision for liabilities at 31 August 2025	18,672	18,672

9. Restricted and unrestricted funds

	Balance at 1 September 2024 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2025 £
Unrestricted funds:					
General funds	1,517,013	4,477,415	(4,446,100)	92,791	1,641,119
Tangible fixed assets fund	3,123,757	-	-	(92,791)	3,030,966
	4,640,770	4,477,415	(4,446,100)	-	4,672,085
Restricted funds:					
Donations	-	-	-	-	-
Grants	-	756	(756)	-	-
	-	756	(756)	-	-
	4,640,770	4,478,171	(4,446,856)	-	4,672,085

The tangible fixed asset fund is represented by the accumulated capitalised expenditure on tangible fixed assets net of depreciation. The amounts transferred in the year represent the net of depreciation, additions and disposals in the year.

In 2024-25 and 2023-24, the restricted funds were donations made and used for the purposes of funding bursaries (the expenditure of which is also shown within incoming resources) (2025: £10,268; 2024: £19,096).

For comparative purposes the movement on funds in 2023-24 were as follows:

	Balance at 1 September 2023 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2024 £
Unrestricted funds:					
General funds	1,239,518	4,341,318	(4,101,263)	37,440	1,517,013
Tangible fixed assets fund	3,161,197	-	-	(37,440)	3,123,757
	4,400,715	4,341,318	(4,101,263)	-	4,640,770
Restricted funds:					
Donations	-	-	-	-	-
	-	-	-	-	-
	4,400,715	4,341,318	(4,101,263)	-	4,640,770

10. Operating leases

	2025 £	2024 £
Hire of equipment		
Total of future minimum lease payments under non-cancellable operating leases:		
Payments due within one year	6,774	5,999
Payments due in one to two years	6,774	37
Payments due in two to five years	4,500	-

11. Pensions

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £306,835 (2024: £268,079). At the year-end £34,053 (2024: £33,296) was accrued in respect of contributions to this scheme.

TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion;
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion;
- Notional past service deficit of £39.8 billion (2016: £22 billion);
- Discount rate is 1.7% in excess of CPI (2016: 2.4% in excess of CPI) (this change has had the greatest financial significance).

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a

0.08% administration levy). The School mitigates its exposure to such increases through a mechanism within teacher's pay, whereby the additional cost is effectively born by the teachers through a reduction in their basic pay. The School offers an alternative scheme, the Defined Contribution Scheme for Teachers (DCforT), for new teachers employed since 1 September 2022 and those who wish to opt out of the TPS.

Defined Contribution Schemes

Defined Contribution Scheme for Teachers (DCforT)

Following consultation in 2021-22 with teachers regarding the School's continued participation in the TPS for its teaching staff, the School has entered into a phased withdrawal of the School from the TPS from 1 September 2022. A new defined contribution scheme has been established for teachers who are employed from 1 September 2022 and for existing teachers who wish to opt out of the TPS and join this scheme.

The School contributes 20% of the teacher's salary into this scheme. Additional benefits, including group life cover, income protection and critical illness cover are also provided to eligible employees. The cost for the year represents the School's contribution to the scheme of £60,734 (2024: £49,130). At the year-end £5,957 (2024: £4,821) was accrued in respect of contributions to this scheme.

Defined Contribution Scheme for other staff

The School also runs a pension scheme with Standard Life for those members of staff who are not eligible to join the Teachers' Pension Scheme. This is a money purchase scheme. The School contributes between 3% and 20% of an employee's salary, dependent on length of service. The cost for the year represents the School's contribution to the scheme of £65,864 (2024: £57,866). At the year-end £8,717 (2024: £8,215) was accrued in respect of contributions to this scheme. For contributions from 1 September 2025, the School is using Aviva to run this scheme instead of Standard Life.

12. Related party transactions

There were no related party transactions in the year other than the Governors' expenses disclosed in note 3.

13. Reconciliation of movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net incoming resources	31,315	240,055
Add: Depreciation	179,304	165,018
Less: Investment income and bank interest	(90,868)	(74,771)
Less: Fees in Advance	(41,591)	(521,595)
(Increase) in debtors	(67,759)	(72,599)
(Decrease) / increase in creditors	(267,776)	567,565
Net cash provided by operating activities	(257,375)	303,673

ST MARY'S SCHOOL, HAMPSTEAD

England & Wales - Charity number 1006411

Accounts

ST. MARY'S SCHOOL, HAMPSTEAD
(A Company Limited by Guarantee)

Annual report and financial statements

For the year ended

31 August 2024

Company No: 2643515
Charity registered in England No: 1006411

ST. MARY'S SCHOOL, HAMPSTEAD

Trustees' Report

Year ended 31 August 2024

The Trustees have prepared their annual report for the year ended 31 August 2024 in accordance with the Companies Act 2006, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS102).

AIMS, OBJECTIVES & MISSION

a. Our Aims

St Mary's School, Hampstead aims to provide preparatory school education within a secure, friendly learning environment where there is a strong emphasis placed on both social and academic development. The achievement of this aim enables the School to fulfil its legal purposes of promoting and providing for the advancement of Roman Catholic education and the Roman Catholic religion. The Trustees seek to achieve a fair balance between benefits provided and the need for the School to maintain a prudent financial position when exercising their powers and duties in setting fees charged by the School and when identifying the benefits provided by the School in relation to its aims.

b. Our Objectives

The objects are set out in the Memorandum of Association as the promotion and provision of the advancement of Roman Catholic education and the Roman Catholic religion. The School's policy is to enable each child to develop their full potential both academically and socially in accordance with the School's Mission Statement and to prepare them for the senior schools of their choice.

In furthering the charity's objects, the Trustees have complied with the duty in Section 175(5) of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission concerning the operation of the Public Benefit Requirement under that Act.

c. Our Mission

The School's Mission Statement is:

- St Mary's School seeks to provide an outstanding education firmly founded on the Catholic faith.
- Spiritual and moral principles are nurtured in a way that is reflected in daily life.
- Within a happy and caring environment and based on the recognition of the dignity and worth of each child, high standards are expected.
- Intellectual development is emphasized and fostered along with the pursuit of academic excellence.
- St Mary's values the unique contribution of every child within the school community.
- St Mary's is inclusive and welcomes girls from all communities and faith backgrounds, or none, and believes that all benefit from the School's values.
- St Mary's aims to encourage an active partnership between home, school, parish and the wider community.

ACHIEVEMENTS & PERFORMANCE

a. Curriculum & Academic Achievements

Pupils at the School continued to perform at a level well in excess of the national standard expectation for their age groups. Despite being non-selective on entry, Year 6 pupils typically achieve standardised scores in Maths and English assessments of 115-120, compared to the national average for independent schools of 108-110 and all schools of 100. The highest achievable score is 131.

The Senior School Entrance Examination results show that the School continues to secure places for its pupils at a wide range of leading London day schools and out-of-London boarding schools. Typical destinations for girls leaving at the end of Year 6 include Channing School; City of London School for Girls; Francis Holland, Regent's Park; Godolphin and Latymer School; Highgate School; More House School; North London Collegiate School; Queen's College, London; Queenswood; South Hampstead High School; St Margaret's School, Bushey; St Mary's School, Ascot; St Paul's Girls' School; St Helen's School; and Wycombe Abbey.

The School provides our pupils with an education that is rich, varied and tailored to their needs to enable them to discover their full potential. The learning environment is supportive and positive, yet challenging. We believe that real learning stems from nurturing a love of and curiosity for the subjects being taught.

At St. Mary's School, we teach using the Creative Curriculum. This approach uses a single topic, which permeates through many aspects of the curriculum. Placing creativity at the centre of our curriculum ensures our children remain at the forefront of educational practices. We have seen that it enables them to take greater risks, make tangible connections in their learning and think deeply about real-world problems.

We are immensely proud of our pioneering Global Learning Centre. The space includes a cutting-edge Engineering and Robotics Lab, Virtual Reality Launch Pad, Art and Design Studio as well as a Green Room. This modern, innovative centre has been specially designed to promote STEAM at St Mary's. STEAM is a holistic approach that combines Science, Technology, Engineering, Art and Maths within their learning.

b. Pupil Numbers

The School has continued to provide a Catholic preparatory education for girls aged 2 ¾ to 11. The pupil numbers for the year averaged 213, 48% Catholic (2023: 208, 49% Catholic).

c. Developing Sporting Talent

Sport is an essential and fun part of the day at St Mary's School. The P.E. Department is passionate about inspiring children to fall in love with sport, so we provide a wide range of options to ensure they find their special talent.

Our sports programme is inclusive and every pupil from Nursery to Year 6 will participate in at least two P.E. lessons a week. The lessons are supported by a plethora of sports clubs before, during and after school.

We benefit from a well-equipped hall on-site for gymnastics and a spacious outside play area. Climbing equipment has been installed and a full-size netball court allows for football, rugby, cricket, tennis, netball and hockey lessons.

The School also uses excellent local facilities such as Hampstead Heath for athletics and Swiss Cottage Leisure Centre for swimming.

Children show great enthusiasm and an appropriate competitive spirit for the individual and team events. Pupils also enjoy participating in many fixtures and tournaments against local schools and competing in national events. The School achieves considerable success across the board.

In 2023-24, 249 matches were played, with the girls winning 77%. Some highlights include:

- ISA Regional Netball qualifier – 1st place
- ISA Football Competition – 2nd place
- ISA National Netball Finals – 13th place
- LVS Ascot ISA Football Festival – 5th Place
- Year 5 Devonshire House Football Competition – 1st Place
- Year 6 Devonshire House Football Competition – 1st Place
- Cavendish School Football Competition – 2nd Place
- Southbank International Football Competition – 1st Place
- Year 6 Devonshire House Netball Competition – 2nd Place
- Year 6 Devonshire House Netball Competition – 1st Place
- Y5/6 Devonshire House X Country Competition - 1st Place
- St Mary's Cricket Competition – 1st Place

We were delighted for our sporting achievements to be recognized with a Highly Commended Award for Outstanding Sport from the Independent School Association.

d. Creativity Outside the Classroom

Music, Drama and Art form an important part of the creative curriculum and involve everyone, from Nursery upwards. The lessons are lively, engaging, fun and of an extremely high quality.

At St Mary's, we believe that a love of music gained in childhood lasts a lifetime and that making music with others is a social and uplifting experience.

The children are taught the essential skills of performing, composing and appreciating a variety of musical styles. Our one-to-one instrument lessons are hugely popular and we nurture our young musicians from a young age. We benefit from talented peripatetic teachers who offer individual or group tuition in piano, violin, clarinet, saxophone, flute, recorder and voice. We are very proud of the superb results our pupils gain in external music exams.

In 2023-24, 90 girls benefited from music lessons, some taking lessons in more than one instrument, and 36 external music exams were taken with ABRSM.

Drama and role play are used across all curriculum areas, building confidence and allowing individual talents and strengths to develop.

We plan weekly class assemblies where all the children are encouraged to speak, sing and dance in front of an audience. These invaluable opportunities broaden the imagination, foster creativity and develop communication skills.

e. Enriching and Extending the School Day

We offer a variety of school clubs that take place before school, at lunchtime and after school to support the truly well-rounded education that our girls receive. The current club list numbers over 60 and this excellent extra-curricular provision encourages pupils to stretch their imaginations and find their confidence.

The successful After School Club provides high-quality and stimulating wraparound care to support working St Mary's families until 6pm (Monday to Friday).

The Holiday club, introduced in 2022-23 and operating from 8am to 6pm in eight weeks of the school holiday, continues to thrive and provide parents with an excellent option for holiday childcare.

f. Religious & Pastoral Life

The School develops its religious and pastoral life with the ongoing service and dedication of our Chaplain, Father Chris Connor, in conjunction with the Leaders of Learning for Religious Education and the support of all staff. The Catholic life of the School and the Catholic education it delivers were both found to be outstanding in the June 2019 School's Inspection by the Diocese of Westminster.

The School has assisted current potential members of the Roman Catholic Church through preparing eleven girls to make their First Reconciliation (2023: eight) and twelve (2023: seven) girls to receive their First Holy Communion in the School Chapel.

The School made its first appearance on Radio Maria while celebrating Ascension Day Mass in our School Chapel on 9th May 2024. This was broadcast live to Radio Maria listeners and the School's Christmas Carol Concert is also planned to be broadcast live in December.

Children in Year 5 had the opportunity to join the Woldingham School Carol Service at Westminster Cathedral at Christmas time, allowing for musical collaboration between two Catholic girls' schools.

The School holds weekly Masses for parents, staff and children. There is an Act of Collective Worship everyday which links to the Sunday Gospel reading. The children take part in a service or a Mass each week as well as Hymn Practice. The School has an active Prayer Council consisting of Year 6 children who promote the Catholic faith to younger members of the School.

The School teaches and practices the St Mary's Way:

- Treat other people as you would like to be treated.
- Do your best to be your best.
- Be honest and truthful.
- Listen to each other.
- Be kind and helpful.
- Forgive.
- Share

In line with the School's Catholic ethos, acts of charity are an important part of school life. The School has a chosen charity each year to which it offers financial support; in the academic year 2023-2024, this was Solidarios Sin Fronteras. The School also supports other charities throughout the year, often with a Catholic link, such as CAFOD's Brighten Up Day, but national charities are also supported, such as Children in Need. Throughout Lent, Lenten

Promises are made by each class to help deliver something useful to either the School or local community, such as litter picking in and around Hampstead.

The School was delighted to be placed in the top five Catholic prep schools in the Catholic Good Schools Guide in 2024.

g. Bursaries

Bursary funds are limited and those applicants judged most suitable in accordance with the School's Admissions Policy are given priority. Bursaries and hardship payments are awarded based on financial means testing. The amount awarded to any pupil may vary depending on individual family circumstances. Awards are normally made for up to 95% of the school fees plus other costs connected to attendance (such as school lunches and residential trips), although higher awards can be made where the circumstances require.

During the year bursaries worth £269,830 (2023: £246,265) were awarded to 17 pupils (2023: 17 pupils) in line with the School's policy on financial support. Awards are normally reviewed annually. Prospective parents are made aware of the Bursary policy through a variety of ways, including a prominent position on the School's website. As of the Autumn Term 2024, 14 pupils are benefiting from bursaries.

h. Staff Professional Development

School staff continue to participate in high quality external Professional Development courses and in-house training. All this serves to enrich the teaching style of the whole School and continues to be an important aspect of the Appraisal Policy. There were five whole School INSET days during the year at which staff training was delivered as well as a regular programme of short-focused training sessions that were delivered during and after school during term-time.

i. Community Activities

The School hosted and attended sporting competitions with other schools locally and nationally, with St Mary's being a favoured location due to the quality of its facilities and famed "match tea".

Mini St. Mary's, which launched in January 2022, continues to be in high demand. This free 1-hour session, run twice a week, provides a stimulating and fun range of structured activities for children from 6 months – 3 years, including free play, malleable play, dance, music, movement, Bee-Bots, arts, crafts and storytelling. The families attending have reported how grateful they have been to find such an important resource to support them and their children.

During the year, the School supported the education of four pupils with Education and Healthcare Plans (2023: five pupils) as well as other girls with additional educational needs for whom the Local Authority has not yet provided an Education and Healthcare Plan. The School worked with the parents of two girls to ensure their needs were recognised by their Local Authority and these girls have now successfully obtained Education and Healthcare Plans.

The School co-operates with and supports as many charities as possible in its ongoing endeavours to widen public access to the schooling it provides and to awaken in its pupils an awareness of the wider social context of the education they receive at the School.

The School encourages charitable activities with various fundraising activities. During the course of the year £9,216

(2023: £16,100) was raised through fundraising activities within the School, including by the PTA, for a number of third-party charities and appeals. These included Solidarios sin Fronteras, CAFOD, Jeans 4 Genes, Children in Need, Royal British Legion, British Red Cross, and St Vincent de Paul Society. A further £4,866 was raised by the PTA, which was donated to fund bursaries at the School (£1,423) or held for future projects.

Practical donations of food, clothing and toiletries were also made and donated to the Food Aid Bank, toys were collected and donated to The Toy Project and books were collected for the Children's Book Project. The girls also collected for and made up "care bags" which they distributed to homeless men and women as well as donating arts and crafts materials for Christmas activities run by Crisis at Christmas.

Over the course of the academic year, the staff and parents have raised money through the Christmas Fair and disco, holding second hand uniform and cake sales and enjoying a quiz night and our first ever Air Fair. The children have also raised money through selling Christmas cards that they have designed, dressing up in pyjamas and bad hair and numerous other small events created and organised by the pupils themselves. We are enormously proud of the work done by the whole school community in order to raise funds for these good causes.

We were also delighted to be able to send second-hand library books to children in Sierra Leone and to iCollect to raise funds for Cherry Trees and to collect foreign coins for Mary's Meals.

The School continued to coordinate and provide support to early years staff at our school and those from other settings. In November 2023, the School was delighted to be able to host local early years providers for a catch-up. Further CPD sessions were held covering EAL and different learning styles.

Relationships

The School is an active member of the following organisations:

- Independent Association of Preparatory Schools (IAPS) for the promotion and maintenance of preparatory schools generally
- The Independent Schools Association (ISA)
- Catholic Independent Schools Congregation (CISC)
- Independent Schools Council (ISC)
- Independent Schools' Bursars Association (ISBA)
- Association of Governing Bodies of Independent Schools (AGBIS)
- Admissions, Marketing and Communications in Independent Schools (AMCIS)

FINANCIAL RESULTS

The principal source of funding for the School is its termly fees, which supports the key objective of providing a Roman Catholic education.

In setting the fees, the Trustees have regard to the level of fees that are appropriate for the educational services provided and are competitive in the local market. The Trustees aim to set the fee levels with the intent for the School to produce a surplus which can be employed in providing bursaries to those who could not afford to pay the fees and to fund the use of the School's facilities, resources and staff to provide for the advancement of the objectives and aims of the School and to provide public benefit by other means to members of the wider community.

The total incoming resources for the year were £4,341,318 (2023: £3,884,477). The total outgoing resources were £4,101,263 (2023: £4,045,196). The net incoming resources for the year amounted to a surplus of £240,055 (2023: a deficit of £160,749).

Within total incoming resources, £19,096 (2023: £5,633) were restricted funds received by way of parental donations towards bursaries, the expenditure of which also shows within incoming resources for the year.

At 31 August 2024, the total funds of the School were £4,640,770 (2023: £4,400,715). All the School funds as at 31 August 2024 are unrestricted and are held for use by the School. Its assets are sufficient to meet its obligations. The funds are being used to help finance current and future operational and capital projects.

RESERVES POLICY

Reserves are primarily held to enable the continuity of services and activities undertaken by the School.

Specific reasons to hold reserves are:

- to handle a sudden reduction in income;
- to cover other key risks crystallising resulting in unplanned expenditure; or
- to take advantage of unexpected opportunities.

In considering the level of reserves that should be held, the Trustees test the policy level against various scenarios to ensure that adequate levels of reserves are held. In doing so, the Trustees have set a target range for free reserves (being total funds less any restricted funds and fixed assets) equivalent to the annual fee value resulting from a drop in pupil numbers of ten to thirty-three percent. At 31 August 2024, this range was between £394,284 and £1,314,280.

At 31 August 2024, the total funds of the School were £4,640,770 (2023: £4,400,715) while the net book value of fixed assets totaled £3,123,757 (2023: £3,161,197) resulting in free reserves of £1,517,013 (2023: £1,239,518).

The Trustees have reviewed areas of uncertainties that may impact the School's free reserves. Pupil numbers are an uncertainty as they are challenging to forecast accurately and can be impacted by factors outside the School's control. Pupil numbers, and in turn fee income, in 2020-21 and 2021-22 were significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. There was also an increased demand for bursary support over these two years as a result of the pandemic and there continues to be a higher demand for bursary assistance as the current financial environment, in the form of inflationary pressures and rising interest rates and taxes, impacts parental ability to pay fees.

The post-pandemic years (2021-22 and forward) have been financially challenging for the School due to the drop in pupil numbers. However, due to the careful stewardship by the School's leadership team, the School's free reserves have been maintained. Forecasts have been prepared for 2024-25 and 2025-26 taking into account the additional costs that the School will incur as a result of the Labour Government's decision to impose VAT on school fees from 1 January 2025 and remove Charitable Business Rate Relief from 1 April 2025. Over the initial period following the introduction of these two measures, it is expected that the School will need to draw on its reserves in order to meet its aim of ensuring every girl can remain at the School, despite the addition of VAT to the school fees. Beyond that transition phase, it is expected that the School will operate with a small surplus.

The Trustees are satisfied that the free reserves are sufficient and will continue to be managed within the target range of free reserves (general reserves) and that there is adequate working capital for the going concern status of the School to be assured.

PLANS FOR THE FUTURE

The Trustees intend for the School to continually improve its educational offering in line with its objectives and to maximise the benefits it provides to the wider community.

During the year to 31 August 2025, the School's focus is on continuing to: embed value-added pastoral care which provides support for parents as well as pupils; strengthen academic provision, including creating further opportunities for more able children; integrate AI into the curriculum (where appropriate); embed the new RE curriculum; strengthen our community outreach and faith in action; maintain a focus on sustainability, including gaining Eco-Schools accreditation; and invest further in CPD for staff, particularly for middle-management. The School is also continuing to renew and refresh its approach to marketing to ensure that it's academic and wider successes are known and celebrated.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document
St Mary's School, Hampstead is incorporated as a company limited by guarantee, number 2643515 and is a registered charity, number 1006411. It's registered office and principal address is 47 Fitzjohn's Avenue, London, NW3 6PG.

The School is governed by the Memorandum of Association dated 10 June 1991 which was amended on 8 October 1991, 23 April 1993, 14 June 1993, 26 April 2006 and 18 March 2020 and its Articles of Association which were amended on 8 October 1991, 20 April 2005 and 23 March 2021. The Governors serve under Regulations as revised on 23 March 2021.

Trustees and Governors
St Mary's School, Hampstead has a two-tier structure of governance: The Trustees and the Governors.

The Trustees are responsible for maintaining the objects of the charity, its administration and finances, risk assessment and overall strategy, as well as ensuring that the School complies with company and charity law and regulations. The Trustees appoint the Headmistress. The Trustees have overall responsibility for the School and exercise the oversight of some of the School's educational activities together with the Governors.

The Trustees, who are the directors of the company, who served during the year and up to the date of this report, were as follows:

Ms C Barry-Walsh (Chairman)
Mr K K Wilkins (Treasurer)
Mr R M Carlysle
Mrs S McCarron
Mr S Murphy

Trustees are elected by the Members of the company. One third of Trustees retire by rotation at each Annual General Meeting (AGM) and are eligible for re-election. The Trustees who retire each year are those who have been longest in office since their last election. The Trustees who retired by rotation and were re-elected at the AGM held on 20 March 2024, were Mr K Wilkins and Mrs S McCarron.

The Governors, who are appointed by the Trustees, are responsible for the general direction, policies and priorities of the School within the budgets and objectives established by the Trustees. They offer support and guidance to the Headmistress, and also hold the School to account for the quality of education it provides and the standards it achieves. The Governors and Trustees ensure the safety of the School environment and review the effectiveness of the School's child protection policies. Five of the Governors are also Trustees.

The Governors who served during the year and up to the date of this report, were as follows were as follows:-

Mr S Murphy [123]	(Chairman)
Mr K K Wilkins [1]	(Ex-Officio)
Ms C Barry-Walsh	(Ex-Officio)
Mr R M Carlysle [3]	
Mrs C Del Toro Reyes [1]	(appointed 6 March 2024)
Mrs A Devlin [2]	
Mrs D Einoeder [23]	
Miss F Hagerty [3]	(appointed 7 February 2024)
Mrs S McCarron	
Ms L Rands [3]	(Retired 20 March 2024)
Mrs C Wright [3]	
Miss J Zammit-Mangion [3]	

[1] Member of the Finance and General Purposes Committee
[2] Member of the Health and Safety Committee
[3] Member of the Education and Staffing Committee

The Trustees record their gratitude to the Board of Governors, and to Miss Owen and her staff for their contribution to the continued success of the School during the 2023-24 school year.

Recruitment, Appointment, Induction and Training of Trustees and Governors

The Trustees are responsible for the selection and appointment of new Trustees and Governors. This is a legal responsibility that cannot be delegated, although the Nominations Committee, comprising the Headmistress and Chair of Governors will, after discussion and research, put forward recommendations for new Trustees and Governors to the Trustees. As charity trustees, the Trustees are aware of the importance of identifying the appropriate mixture of skills and experience that they and their successors need to manage the multi-faceted affairs of a modern school which is also a company limited by guarantee, a medium sized business and an important local employer. Each appointment of a Governor or Trustee made by the Trustees is for an initial period of three years, which may be renewed.

To facilitate communication, induction and training at Governor and Trustee level, the Governors' Handbook is regularly updated.

Roles and responsibilities are covered with main job descriptions and responsibilities. Terms of Reference are included for all committees, along with membership lists and the key policies and documents.

All Trustees and Governors are encouraged to attend in-house and external training courses, including those run by the Association of Governing Bodies of Independent Schools (AGBIS). Training in certain topics, such as Keeping Children Safe in Education, the Prevent Duty and data protection is mandatory and undertaken by all members of the governing body. Numerous on-line training courses are also undertaken by the Trustees and Governors.

A list of school policies is available on the School's website. To ensure full compliance with Safeguarding issues the Headmistress, Deputy Head, Director of Studies, Bursar and a number of Trustees have completed Safer Recruitment Training. The named Governor and Trustee for Safeguarding has lead responsibility for all Safeguarding matters to ensure that the School is fully compliant with all current regulations.

Trustees make available to parents on the School's website a clear and succinct set of replies to questions that parents often ask about governance. The information covering Frequently Asked Questions is provided to enhance communication between Trustees and the parent body and to encourage them to share in the School's vision for the future.

All Governors and Trustees give their time on a voluntary basis to the governance of the charity.

Third Party Indemnity Provision for Trustees & Governors
Qualifying third party indemnity insurance is in place covering the governing body of the School.

Organisational Management
The Governing Body meets as a Board at least three times a year to determine the general strategy of the Charity and review its overall management and control, for which they are legally responsible. Trustees and Governors convene jointly with a separate session for Trustees only. The Trustees and Governors also attend the Annual General Meeting.

There are three sub-committees of the Board of Governors as follows:

1. Education and Staffing Committee - meet once each half term where members consider educational and staffing issues. This committee is chaired by Mr Robert Carlysle.

2. Finance and General Purposes Committee - meet before each main Board meeting. The committee scrutinises revenues & expenditures, the budget & reforecasts and capital expenditure. This committee is chaired by Mr Keith Wilkins (who is also the Treasurer (the Trustee with responsibility for the supervision of the finances of the School)).

3. Health and Safety Committee - meet termly to consider all Health and Safety matters. This committee is chaired by Mrs Dagmar Einoeder.

The Key Management Personnel are the Trustees, Governors and the Senior Leadership Team. Day to day management of the School is delegated by the Governors to the Senior Leadership Team as below, led by the Headmistress.

Facilities Management
Management of the school facilities is overseen by the Bursar and Premises Manager and is monitored by the Health and Safety Committee which continues to ensure full compliance with all legislative requirements as well as incorporating rolling repairs with a programme to upgrade facilities on a carefully structured basis.

The School is part of the Brent and Camden Business Climate Challenge and is taking steps to reduce its energy usage. In 2023-24 all the lighting in the School was replaced with LED lighting and the School is in the process of implementing plans to install solar panels that will further help manage the challenges of the current energy price crisis, as well as prepare the School for the future and reduce our carbon footprint.

An escape of water in May 2024, resulted in damage to three classrooms as well as some administrative areas. With the support of the School insurers, the damage was repaired and these rooms brought back into use for the start of the Academic Year 2024-25. The girls in the small number of classes demonstrated their resilience by enjoying using alternative spaces within the School during the repair works.

The Bursar, Premises Manager and Network Manager oversee development works including improvements to the IT infrastructure. During the year, the School continued its programme of rolling renewal of its IT hardware with the purchase of new iPads, VR headsets, Promethean boards and Chromebooks, and staff laptops and PCs.

Remuneration of Key Management Personnel

Trustees and Governors do not receive any remuneration for their services. The remuneration of the Headmistress and Bursar is set by the Trustees, with the policy objective of ensuring that they are provided with appropriate compensation to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The remuneration of the rest of the Senior Leadership Team is determined by the Headmistress within the parameters set by the Trustees and Governors. The appropriateness and relevance of the remuneration policy is reviewed annually, including comparisons with other independent schools and the state sector to ensure that the School remains sensitive to the sector wide issues of pay and employment conditions. Delivery of the School's charitable vision and purpose is primarily dependent on the Senior Leadership Team.

SENIOR LEADERSHIP TEAM AND PROFESSIONAL ADVISORS

Headmistress	Miss Charlotte Owen
Bursar & Company Secretary	Mrs Sara Gibbins
Deputy Head	Miss Philippa d'Aquino
Director of Studies and Acting Deputy Head	Mr Martin Otter
Independent Auditor	Moore Kingston Smith LLP 9 Appold Street London, EC2A 2AP
Bankers	Barclays Bank PLC 28 Hampstead High Street London, NW3 1QB
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol, BS1 5WS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of St Mary's School, Hampstead for the purposes of company law, are responsible for preparing this Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the School's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Principal Risks and Uncertainties

The Trustees undertake an annual risk review to identify major risks to which the Charity is exposed. This review includes a full evaluation and thorough assessment of the primary risks relating to the key areas of the Charity as defined below and how those risks can be best minimised to reduce their potential impact on the School. Responsibility for detailed monitoring of each of the categories of risk identified is allocated to a committee or retained by the full board of Governors and Trustees. The mitigation activities that have been undertaken in the preceding year in response to the risk are discussed in the meetings of the relevant committee/full board and any additional mitigation activities that are required are detailed and monitored.

Inflationary pressures during the past few years and the likelihood of changes in legislation removing beneficial tax treatment from independent schools and imposing VAT on school fees, create an environment of additional risk for the School. The School manages these risks through ensuring it continues to offer a generous bursary programme while ensuring that it maintains its reserves and carefully manages its budgets to enable it to absorb as far as possible the financial impact that any change in tax laws may bring.

In addition to the health & safety and financial risks arising from the above stated issues, the major risk areas are:

- Safeguarding: including Keeping Children Safe in Education, anti-bullying and online safety
- Operational: including regulatory and environmental factors
- Financial: including information technology and staff compensation factors
- Governance: including a review of mission / objects, governance & management and external factors
- Personnel: including staffing, employment and academic factors
- Health & safety: including fire risk assessment / procedures, accidents and external events
- Reputation: including safety, education and publicity

The principal risks identified and receiving a high level of mitigation activity concern the impact of external economic factors and their potential impact on pupil numbers leading to more sophisticated early warning indicators; external catastrophe planning; and recruitment and retention issues.

The Trustees continue to monitor the School's performance in relation to teaching, staff movement, Catholicity and the value added provided by the School.

AUDITOR

Moore Kingston Smith act as auditors under section 485 of the Companies Act 2006 and have indicated their willingness to continue as the School's auditors.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Trustees (who are also company directors) who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that:

- there is no relevant audit information which has not been disclosed to the auditor; and
- each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This Report was approved by order of the Trustees and signed on their behalf by

Carroll Barry-Walsh

C Barry-Walsh
Chairman
4 December 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S SCHOOL, HAMPSTEAD

Opinion

We have audited the financial statements of St Mary's School Hampstead ('the company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' 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 charitable company'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 Trustees 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 Trustees 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 there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 12, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of:
Moore Kingston Smith LLP, Statutory Auditor
6th Floor, 9 Appold Street
London
EC2A 2AP

11th February 2025

ST MARY'S SCHOOL, HAMPSTEAD

Statement of Financial Activities (incorporating Income and Expenditure Account) for the year ended 31 August 2024

	Note	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Income					
Investment income – interest receivable		74,771	-	74,771	33,379
Donations		-	19,096	19,096	5,633
***Charitable activities*:**					
School operations:	2a				
Gross Fees receivable		3,866,623	-	3,866,623	3,530,303
Less: Bursaries		(250,734)	(19,096)	(269,830)	(246,265)
		3,615,889	(19,096)	3,596,793	3,284,038
Ancillary Income	2a	650,658	-	650,658	561,397
		4,266,547	(19,096)	4,247,451	3,845,435
TOTAL INCOME		4,341,318	-	4,341,318	3,884,447
Expenditure					
Charitable activities:					
School operating costs		(4,101,263)	-	(4,101,263)	(4,045,196)
TOTAL EXPENDITURE	3	(4,101,263)	-	(4,101,263)	(4,045,196)
Net (deficit) and net movement in funds for the year		240,055	-	240,055	(160,749)
Reconciliation of funds					
Total funds brought forward		4,400,715	-	4,400,715	4,561,464
Total funds carried forward	10	4,640,770	-	4,640,770	4,400,715

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 22 to 34 form part of these Financial Statements.
All income and expenditure arise from the School's continuing operations.

ST MARY'S SCHOOL, HAMPSTEAD
Company No: 2643515
Balance Sheet
at 31 August 2024

	Notes		2024		2023 (as restated)
		£	£	£	£
Fixed assets					
Tangible assets	5		3,123,757		3,161,197
Current assets					
Debtors	6	188,072		115,473	
Investments		980,000		600,000	
Cash at bank and in hand		2,011,767		1,619,306	
		3,179,839		2,334,779	
Liabilities: Amounts falling due within one year	7	(1,284,410)		(821,711)	
Net current assets			1,895,429		1,513,068
Total assets less current liabilities			5,019,186		4,674,265
Liabilities: Amounts falling due after more than one year	8		(359,744)		(249,550)
Provisions for Liabilities	9		(18,672)		(24,000)
Net Assets			4,640,770		4,400,715
Funds					
Unrestricted Funds:					
General Funds	10		1,517,013		1,239,518
Tangible Fixed Assets Fund	10		3,123,757		3,161,197
Total Funds			4,640,770		4,400,715

The Financial Statements on pages 19 to 34 were approved by the Board and authorised for issue on 4 December 2024 and signed on its behalf by:

C Barry-Walsh (Chairman)

K K Wilkins (Treasurer)

The notes on pages 22 to 34 form part of the Financial Statements.

ST MARY'S SCHOOL, HAMPSTEAD
Company No: 2643515
Statement of Cash Flows
at 31 August 2024

		2024	2023 (as restated)
		£	£
Cash flow from operating activities	14	303,673	24,849
Cash flows from investing activities			
Investment in current asset investments		(380,000)	(600,000)
Bank interest received		74,771	33,379
Purchase of Tangible Fixed Assets		(127,578)	(64,959)
Cash used in investing activities		(432,807)	(631,580)
Cash flows from financing activities			
Cash received from Fees in Advance Scheme		521,595	-
Cash received from financing activities		521,595	-
Increase/(Decrease) in cash and cash equivalents in the year		392,461	(606,731)
Total cash and cash equivalents and the beginning of the year		1,619,306	2,226,037
Total cash and cash equivalents at the end of the year		2,011,767	1,619,306

Analysis of changes in net debt

	As at 1 September	2024 Cashflows	As at 31 August
Cash and cash equivalents	£	£	£
Cash	1,619,306	392,461	2,011,767
Total	1,619,306	392,461	2,011,767

	As at 1 September	2023 (as restated) Cashflows	As at 31 August
Cash and cash equivalents	£	£	£
Cash	2,226,037	(606,731)	1,619,306
Total	2,226,037	(606,731)	1,619,306

The notes on pages 22 to 34 form part of the Financial Statements.

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standards applicable to the UK and the Republic of Ireland (FRS102) and the Charities Act 2011. The Charity constitutes a public benefit entity as defined by FRS102.

The functional and presentational currency is sterling and amounts are rounded to the nearest pound.

b. Going concern

The School's key activity of providing a Roman Catholic education is such that fee income represents the majority of the School's income. Fee income in the period from March 2020 has been significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. There was also an increased demand for bursary support over the period of the pandemic and this is continuing as high interest rates, inflation and the energy crisis impact parental ability to pay fees. This is further impacted by VAT being imposed on school fees from January 2025.

Despite the increased costs and reduced pupil numbers, due to the careful stewardship by the School's leadership team, a small increase in free reserves was achieved in 2021-22 and 2022-23 and the School returned to surplus in 2023-24. Free reserves have remained within or above target throughout this period. Forecasts have been prepared for 2024-25 and 2025-26 taking into account the additional costs that the School will incur as a result of the Labour Government's decision to impose VAT on school fees from 1 January 2025 and remove Charitable Business Rate Relief from 1 April 2025. Over the initial period following the introduction of these two measures, it is expected that the School will need to draw on its reserves in order to meet its aim of ensuring every girl can remain at the School, despite the addition of VAT to the school fees. Beyond that transition phase, it is expected that the School will operate with a small surplus.

Pupil numbers are an uncertainty. However, they are not a material uncertainty and do not cast doubt on the ability of the School to continue as a going concern, as the uncertainty is being managed through cost management strategies, development of new revenue streams (such as through the Holiday Club) and a strong focus on marketing. The School's level of free reserves are sufficient for the impact to be managed over the medium-term within the target range of free reserves (general reserves). Additionally, there is adequate working capital for the going concern status of the School to be assured, specifically in the 12 months from the date of the signing of the Financial Statements. The School expects to return to making surpluses following a transition phase after the imposition of VAT on fees and to continue to maintain reserves at the top end of the target for free reserves.

c. Income

Fees receivable consist of charges billed for the school year 2023/2024. Fees received for education provided in future years are carried forward as deferred income (fees received in advance). Fees received in advance, as part of the Fees in Advance Scheme are treated as Financing Activities in the cash flow statement. Where parents are charged fees in lieu of notice this is recognised in the term for which the notice should have been given as parents are encouraged to keep their daughter at our School during this period and these charges are designed to cover the shortfall in income that would otherwise arise in that

period. Other fee income consists of additional fees from tuition classes, lunches and registration fees which are accounted for on a receivable basis. Donations and income from fundraising activities are recognised when the School has entitlement to the receipt of the income, it can accurately measure the amount and it is probable that the economic benefits associated with the transaction will flow to the School. Fundraising activities undertaken within the School for other Charities are treated as funds held for third parties and any amounts held at the year-end are shown in the balance sheet.

d. Assets

Fixed assets costing more than £1,000 are shown on the balance sheet at cost less cumulative depreciation. Group purchases of IT, furniture and equipment costing less than £1,000 per item are also capitalised where the estimated life extends over at least the period used under the School's depreciation policy for the relevant asset and the value of the group purchase exceeds £1,000. Current assets are shown at the lower of cost and net realisable value.

e. Depreciation

Depreciation is provided on all tangible fixed assets retained for the School's own use, other than freehold land, at rates calculated to write off their cost over their estimated useful economic lives at the following rates, on a straight-line basis:

Freehold buildings	2½% to 10% on cost
Furniture	12.5% on cost
Catering and playground equipment	10% on cost
IT	20% to 25% on cost

Land is not depreciated.

f. Pension costs

The School contributes to the Teachers' Pension Scheme (a defined benefit scheme) at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with SORP (FRS102) the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School is undertaking a phased withdrawal from the Teachers' Pension Scheme and from 1 September 2022 contributes to a defined contribution scheme for teachers employed from 1 September 2022 and existing teachers wishing to move from the Teachers' Pension Scheme to this new scheme. The School also contributes to a defined contribution pension schemes for staff other than teachers. Contributions to defined contribution schemes are paid or accrued within the year in which the corresponding salary is earned.

g. Deposits

Deposits are refundable when a pupil leaves the School and are treated as a long-term liability upon entry to the School except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income. Unclaimed deposits are deemed forfeited one year after a pupil leaves the School.

h. Expenditure

Expenditure is recognised on an accruals basis as soon as a liability is considered probable and has been analysed between School Operating Costs and Educational Grants. Expenditure is summarised under functional headings either on a direct cost basis or, for overhead support costs, apportioned according to management estimates of staff time spent. Irrecoverable VAT is included within the item of expenditure to which it relates. Support costs represent school administration costs incurred to support charitable activities and governance.

i. Termination payments

Employment termination payments do not provide future economic benefits and are therefore recognised as an expense in the Statement of Financial Activities as soon as the Charity is demonstrably committed to terminate the relevant employment (when a formal plan for termination of employment, without the realistic possibility of withdrawal, has been established). The amount recognised is the best estimate of the expenditure required to settle the obligation at the reporting date.

j. Operating leases

Operating lease costs are written off to the Statement of Financial Activities on a straight- line basis over the lease period.

k. Financial Instruments

The Charity only holds basic Financial Instruments. Financial Instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including any accrued income) are financial instruments and are debt instruments measured at amortised cost as detailed in note 6. 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 7 and 8. Amounts due for taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

l. Cash at bank and in hand

Cash at bank and in hand includes cash and highly liquid assets with a short maturity of 95 days or less.

m. Current asset investments

Current asset investments include cash and other assets with a maturity of over 95 days. A prior year adjustment has been made to reflect bank deposits held with a maturity over 95 days as at 31 August 2023.

n. Corporation Tax

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

o. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions - the School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The School has provided for doubtful debts on the basis of assumptions over which debts at the balance sheet date may not be paid in full. However, due to the low level of debts that had not been paid by the date of preparing the provision, the range of possible outcomes resulting from various assumptions is not material and therefore the estimates used to calculate the provision are not considered critical.

Critical areas of judgment - the depreciation policies used by the School represent a critical judgement as to the useful lives of the tangible fixed assets of the Charity.

2a. School operation income

	2024 Unrestricted £	2024 Restricted £	2024 Total £	2023 Total £
Gross School fees receivable	3,866,623	-	3,866,623	3,530,303
Less Bursaries	(250,734)	(19,097)	(269,831)	(246,265)
	3,615,889	(19,097)	3,596,792	3,284,038
Ancillary Income:				
Extras	378,194	-	378,194	324,166
Lunches	215,483	-	215,483	195,030
Registration fees	13,670	-	13,670	14,345
Other	43,311	-	43,311	27,856
	650,658	-	650,658	561,397
	4,266,547	(19,097)	4,247,451	3,845,435

In 2024, £19,097 (2023: £5,633) was received as restricted donations for bursaries.

2b. Net movement in funds

	2024 £	2023 £
Net movement in funds is stated after charging:		
Auditor's remuneration (including VAT):		
External audit (current year)	19,194	18,075
Operating lease charges	7,843	7,751
Depreciation	165,018	193,410

All these movements are movements in unrestricted funds.

3. Charitable Expenditure

The split of expenditure between restricted and unrestricted funds in the year ended 31 August 2024 is shown below.

	Unrestricted funds £	Restricted funds £	Total 2024 £
2024 Charitable expenditure -			
School operating costs:			
Teaching costs	2,449,464	-	2,449,464
Catering	240,229	-	240,229
Premises	588,053	-	588,053
School administration	820,674	-	820,674
Public benefit	2,843	-	2,843
	4,101,263	-	4,101,263

	Unrestricted funds £	Restricted funds £	Total 2023 £
2023 Charitable expenditure -			
School operating costs:			
Teaching costs	2,460,398	-	2,460,398
Catering	223,632	-	223,632
Premises	620,833	-	620,833
School administration	738,030	-	738,030
Public benefit	2,303	-	2,303
	4,045,196	-	4,045,196

3. Charitable Expenditure (continued)

Analysis of charitable activities expenditure:

	Direct costs £	Support costs £	Total 2024 £
2024 Charitable expenditure -			
School operating costs:			
Teaching costs	2,449,464	-	2,449,464
Catering	240,229	-	240,229
Premises	588,053	-	588,053
School administration	242,131	578,543	820,674
Public benefit	2,843	-	2,843
	3,522,720	578,543	4,101,263

	Direct costs £	Support costs £	Total 2023 £
2023 Charitable expenditure -			
School operating costs:			
Teaching costs	2,460,398	-	2,460,398
Catering	223,632	-	223,632
Premises	620,833	-	620,833
School administration	211,493	526,537	738,030
Public benefit	2,303	-	2,303
	3,518,659	526,537	4,045,196

2024 Support costs:

	Unrestricted funds £	Restricted funds £	Total £
School administration: staff costs	508,724	-	508,724
Governance costs:			
Audit fee	19,094	-	19,094
Legal and professional fees	48,294	-	48,294
Trustees' and Governors' expenses	2,431	-	2,431
	578,543	-	578,543

3. Charitable Expenditure (continued)

2023 Support costs:

	Unrestricted funds	Restricted funds	Total
	£	£	£
School administration: staff costs	463,629	-	463,629
Governance costs:			
Audit fee	18,075	-	18,075
Legal and professional fees	42,222	-	42,222
Trustees' and Governors' expenses	2,611	-	2,611
	526,537	-	526,537

	2024	2023
	£	£
Staff costs include:		
Wages and salaries	2,110,987	2,194,190
Social security costs	221,970	235,546
Pension contributions	375,075	366,729
Supply staff costs	165,983	18,742
	2,874,015	2,815,207

Total employee salaries and other benefits of key management personnel, including employers' pension contributions and employer's national insurance contributions:

£403,917	£451,230

The members of the key management personnel are Trustees, Governors and the senior leadership team as listed on page 12.

Governors' and Trustees' remuneration and expenses

No remuneration or benefits were provided to any Governors or Trustees during the year other than the School purchasing Trustees' and Governors' indemnity insurance to provide cover of up to £2 million. The premium for 2024 was £1,109 (2023: £1,109). In the year to 31 August 2024, two Trustees and Governors were reimbursed £194 in respect of travel expenses (2023: £163 was reimbursed to two Trustees and Governors in respect of travel expenses). During the year, £2,431 (2023: £2,448 including modest gifts for the outgoing Headmistress) was spent in connection with the Governors and Trustees on training and hospitality.

The number of employees whose emoluments (including salaries and other benefits but excluding employers' pension contributions and employer's national insurance contributions) exceeded £60,000 was:

	2024 No.	2023 No.
£60,000 - £70,000	2	2
£70,000 - £80,000	1	1
£80,000 - £90,000	0	1
£90,000 - £100,000	2	0
£100,000 - £110,000	0	1

These employees are accruing retirement benefits under the Standard Life Pension Scheme, a defined contribution scheme, and the Teachers' Pension Scheme, a defined benefit scheme.

The average number of employees during the year was:	2024 No.	2023 No.
Teaching	41	42
Other	16	17
	57	59

4. Taxation

Value Added Tax on expenditure is borne in full and is included within the expenditure headings to which it relates.

5. Tangible fixed assets

	Land £	Freehold Buildings £	Furniture & Equipment £	Total £
Cost				
At 1 September 2023	1,000,000	3,661,931	1,063,469	5,725,400
Additions	-	47,309	80,269	127,578
Disposals	-	-	(44,266)	(44,266)
At 31 August 2024	1,000,000	6,709,240	1,063,472	5,725,402
Depreciation				
At 1 September 2023	-	1,596,892	967,311	2,564,203
Charge for year	-	125,142	39,876	165,018
Disposals	-	-	(44,266)	(44,266)
At 31 August 2024	-	1,722,034	962,921	2,564,205
Net book value				
At 31 August 2024	1,000,000	1,987,206	136,551	3,123,757
Net book value				
At 31 August 2023	1,000,000	2,065,039	96,158	3,161,197

5. Tangible Fixed Assets (continued)

There were no contractual commitments to acquire tangible fixed assets at the year end.

6. Debtors

	2024 £	2023 £
Fees	40,009	27,422
Other debtors	55,983	30,448
Prepayments	92,080	57,603
	188,072	115,473

Fees outstanding are stated after a provision for doubtful debts of £18,713 (2023: £24,530).

7. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	170,057	82,591
Fees received in advance	858,444	472,199
Fee deposits	55,050	34,000
Other taxes and social security	51,689	55,025
Accruals and deferred income	91,827	126,687
Pension contributions	46,332	41,913
Other creditors	11,011	9,296
	1,284,410	821,711

Deferred income, including fees in advance

	2024 £	2023 £
Brought forward at 1 September 2023	500,727	544,250
Resources deferred in the year	904,402	500,727
Resources released to SOFA in year	(500,727)	(544,250)
Deferred Income at 31 August 2024	904,402	500,727

Deferred income reflects amounts charged to parents in respect of fees in lieu of notice relating to the Autumn Term 2024. Fees in advance reflects payments received from parents ahead of the due date (2024: £440,943; 2023: £472,199) as well as fees prepaid under our formal Fees in Advance Scheme (2024: £417,501; 2023: £nil).

8. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Fee deposits:		
Between 2-5 years	138,000	125,050
More than 5 years	113,000	113,000
Deferred income:		
Between 2-5 years	4,650	11,500
Fees in advance:		
Between 2-5 years	104,094	-
	359,744	249,550

Deferred income, including fees in advance

	2024 £	2023 £
Brought forward at 1 September 2023	11,500	11,500
Resources deferred in the year	108,744	-
Resources released to SOFA in year	(11,500)	-
Deferred Income at 31 August 2024	108,744	11,500

Deferred income reflects amounts received from parents who gave notice to defer their children's places until a term beginning after the end of the next academic year and for whom the amounts already received will be used to pay their daughters' first term's fees when they arrive (2024: £4,650; 2023: £11,500). Fees in advance reflects fees prepaid under our formal Fees in Advance Scheme (2024: £104,094; 2023: £nil).

9. Provisions for Liabilities

An amount of £24,000 was provided for as at 31 August 2022 in respect of work required to the exterior brickwork of the School building, which commenced in 2023-24.

	2024 £	2023 £
Brought forward at 1 September 2023	24,000	24,000
Charged to SOFA in year:	(5,328)	-
Provision for liabilities at 31 August 2024	18,672	24,000

10. Restricted and unrestricted funds

	Balance at 1 September 2023 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2024 £
Unrestricted funds:					
General funds	1,239,518	4,341,318	(4,101,263)	37,440	1,517,013
Tangible fixed assets fund	3,161,197	-	-	(37,440)	3,123,757
	4,400,715	4,341,318	(4,101,263)	-	4,640,770
Restricted funds:					
Donations	-	-	-	-	-
	-	-	-	-	-
	4,400,715	4,341,318	(4,101,263)	-	4,640,770

The tangible fixed asset fund is represented by the accumulated capitalised expenditure on tangible fixed assets net of depreciation. The amounts transferred in the year represent the net of depreciation, additions and disposals in the year.

In 2023-24 and 2022-23, the restricted funds were donations made and used for the purposes of funding bursaries (the expenditure of which is also shown within incoming resources) (2024: £19,096; 2023: £5,633).

For comparative purposes the movement on funds in 2022-23 were as follows:

	Balance at 1 September 2022 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2023 £
Unrestricted funds:					
General funds	1,271,816	3,884,447	(4,045,196)	128,451	1,239,518
Tangible fixed assets fund	3,289,648	-	-	(128,451)	3,161,197
	4,561,464	3,884,447	(4,045,196)	-	4,400,715
Restricted funds:					
Donations	-	-	-	-	-
	-	-	-	-	-
	4,561,464	3,884,447	(4,045,196)	-	4,400,715

11. Operating leases

	2024 £	2023 £
Hire of equipment		
Total of future minimum lease payments under non-cancellable operating leases:		
Payments due within one year	5,999	7,303
Payments due in one to two years	37	3,552
Payments due in two to five years	-	-

12. Pensions

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £268,079 (2023: £309,683). At the year-end £33,296 (2023: £34,617) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

From 1 April 2024, the employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The effective cost of the increase in employer contribution under the TPS from 1 April 2024 is borne by the teachers participating in that scheme through a 3.5% reduction in their gross pay compared to teachers not in the TPS.

Defined Contribution Schemes

Defined Contribution Scheme for Teachers (DCforT)

Following consultation in 2021-22 with teachers regarding the School's continued participation in the TPS for its teaching staff, the School has entered into a phased withdrawal of the School from the TPS from 1 September 2022. A new defined contribution scheme has been established for teachers who are employed

from 1 September 2022 and for existing teachers who wish to opt out of the TPS and join this scheme. The School contributes 20% of the teacher's salary into this scheme. Additional benefits, including group life cover, income protection and critical illness cover are also provided to eligible employees. The cost for the year represents the School's contribution to the scheme of £49,130 (2023: £5,589). At the year-end £4,821 (2023: £317) was accrued in respect of contributions to this scheme.

Defined Contribution Scheme for other staff

The School also runs a pension scheme with Standard Life for those members of staff who are not eligible to join the Teachers' Pension Scheme. This is a money purchase scheme. The School contributes between 3% and 20% of an employee's salary, dependent on length of service. The cost for the year represents the School's contribution to the scheme of £57,866 (2023: £51,457). At the year-end £8,215 (2023: £6,979) was accrued in respect of contributions to this scheme.

13. Related party transactions

There were no related party transactions in the year other than the Governors' expenses disclosed in note 3.

14. Reconciliation of movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net (outgoing) resources	240,055	(160,749)
Add: Depreciation	165,018	193,410
Less: Investment income and bank interest	(74,771)	(33,379)
Less: Fees in Advance	(521,595)	-
(Increase)/decrease in debtors	(72,599)	(48,068)
Increase/(decrease) in creditors	567,565	73,635
Net cash provided by operating activities	303,673	24,849

15. Event after the reporting period

In their first budget on 30th October 2024, the Labour Government announced that they would be introducing VAT on tuition and certain other fees charged by independent schools from 1 January 2025 and would remove Charitable Business Rate Relief for independent schools from 1 April 2025. As noted in note 1 above (Accounting Policies), forecasts have been prepared for 2024-25 and 2025-26 taking into account the additional costs that the School will incur as a result of these changes. Over the initial period following the introduction of these two measures, it is expected that the School will need to draw on its reserves in order to meet its aim of ensuring every girl can remain at the School, despite the addition of VAT to the school fees. Beyond that transition phase, it is expected that the School will operate with a small surplus.

ST MARY'S SCHOOL, HAMPSTEAD

England & Wales - Charity number 1006411

Accounts

ST. MARY'S SCHOOL, HAMPSTEAD
(A Company Limited by Guarantee)

Annual report and financial statements

For the year ended

31 August 2023

Company No: 2643515
Charity registered in England No: 1006411

ST. MARY'S SCHOOL, HAMPSTEAD

Trustees' Report

Year ended 31 August 2023

The Trustees have prepared their annual report for the year ended 31 August 2023 in accordance with the Companies Act 2006, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS102).

AIMS, OBJECTIVES & MISSION

a. Our Aims

St Mary's School, Hampstead aims to provide an education firmly founded on Christ and the Catholic Faith. The achievement of this aim enables the School to fulfil its legal purposes of promoting and providing for the advancement of Roman Catholic education and the Roman Catholic religion. The Trustees seek to achieve a fair balance between benefits provided and the need for the School to maintain a prudent financial position when exercising their powers and duties in setting fees charged by the school and when identifying the benefits provided by the School in relation to its aims.

b. Our Objectives

The objects are set out in the Memorandum of Association as the promotion and provision of the advancement of Roman Catholic education and the Roman Catholic religion. The School's policy is to enable each child to develop their full potential both academically and socially in accordance with the School's Mission Statement and to prepare them for the senior schools of their choice.

In furthering the charity's objects, the Trustees have complied with the duty in Section 175(5) of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission concerning the operation of the Public Benefit Requirement under that Act.

c. Our Mission

The School's Mission Statement is:

- Spiritual and moral principles are nurtured in a way that is reflected in daily life.
- Within a happy and caring environment, and based on the recognition of the dignity and worth of every child, high standards are expected and pursued.
- Intellectual development is emphasised and fostered along with the pursuit of academic excellence.
- St Mary's values the unique contribution of every child within the school community.
- St Mary's aims to encourage an active partnership between home, school, parish and the wider community.

ACHIEVEMENTS & PERFORMANCE

a. Leadership

At the end of the Summer Term 2023, the Trustees joined with the whole School community to thank Mrs Connor-Earl for her seven years of dedicated service to the School and to wish her every success and happiness in the future. A wonderful summer party was enjoyed by all after the annual Prize Giving service in June 2023.

In December 2022, the Trustees recruited a new Headmistress, Miss Charlotte Owen, who took over the leadership of the School from 1 September 2023.

b. Pupil Numbers

The School has continued to provide a Catholic preparatory education for girls aged 2 ¾ to 11. The pupil numbers for the year averaged 208, 49% Catholic (2022: 227, 48% Catholic).

c. Curriculum & Academic Achievements

Pupils at the School continued to perform at a level well in excess of the national standard expectation for their age groups. Despite being non-selective on entry, Year 6 pupils typically achieve standardised scores in Maths and English assessments of 115-120, compared to the national average for independent schools of 108-110 and all schools of 100. The highest achievable score is 131.

The Senior School Entrance Examination results show that the School continues to secure places for its pupils at a wide range of leading London day schools and out-of-London boarding schools. Typical destinations for girls leaving at the end of Year 6 include Channing School; City of London School for Girls; Francis Holland, Regent's Park; Godolphin and Latymer School; Highgate School; More House School; North London Collegiate School; Queen's College, London; Queenswood; South Hampstead High School; St Margaret's School, Bushey; St Mary's School, Ascot; St Paul's Girls' School; St Helen's School; and Wycombe Abbey.

The School provides our pupils with an education that is rich, varied and tailored to their needs to enable them to discover their full potential. The learning environment is supportive and positive, yet challenging. We believe that real learning stems from nurturing a love of and curiosity for the subjects being taught.

At St. Mary's School, we teach using the Creative Curriculum. This approach uses a single topic, which permeates through many aspects of the curriculum. Placing creativity at the centre of our curriculum ensures our children remain at the forefront of educational practices. We have seen that it enables them to take greater risks, make tangible connections in their learning and think deeply about real-world problems.

We are immensely proud of our pioneering Global Learning Centre. The space includes a cutting-edge Engineering and Robotics Lab, Virtual Reality Launch Pad, Art and Design Studio as well as a Green Room. This modern, innovative centre has been specially designed to promote STEAM at St Mary's. STEAM is a holistic approach that combines Science, Technology, Engineering, Art and Maths within their learning.

d. Developing Sporting Talent

Sport is an essential and fun part of the day at St Mary's School. The P.E. Department are passionate about inspiring children to fall in love with sport, so we provide a wide range of options to ensure they find their special talent.

Our sports programme is inclusive and every pupil from Nursery to Year 6 will participate in at least two P.E. lessons a week. The lessons are supported by a plethora of sports clubs before, during and after school.

We benefit from a well-equipped hall on-site for gymnastics and a spacious outside play area. Climbing equipment has been installed and a full-size netball court allows for football, rugby, cricket, tennis, netball, dodgeball and rounders lessons.

The School also uses excellent local facilities such as Hampstead Heath for athletics and Swiss Cottage Leisure Centre for swimming and rock climbing.

Children show great enthusiasm and an appropriate competitive spirit for the individual and team events. Pupils also enjoy participating in many fixtures and tournaments against local schools with the School achieving considerable success across the board.

In 2022-23, 221 matches were played, with the girls winning 71%. Some highlights include:

- ISA Regional Netball qualifier – 4th place
- ISA Regional Football Qualifier – 1st place
- ISA National Netball Finals – 10th place
- ISA National Football Finals – 9th place
- LVS Ascot ISA Football Festival – 4th Place
- Year 5 Devonshire House Football Competition – 1st Place
- Cavendish School Football Competition – 3rd Place
- Southbank International Football Competition – 2nd Place
- Year 6 Devonshire House Netball Competition – 2nd Place
- St Mary's Cricket Competition – 1st Place

e. Creativity Outside the Classroom

Music, Drama and Art form an important part of the creative curriculum and involve everyone, from Nursery upwards. The lessons are lively, engaging, fun and of an extremely high quality.

At St Mary's, we believe that a love of music gained in childhood lasts a lifetime and that making music with others is a social and uplifting experience.

The children are taught the essential skills of performing, composing and appreciating a variety of musical styles. Our one-to-one instrument lessons are hugely popular and we nurture our young musicians from a young age. We benefit from talented peripatetic teachers who offer individual or group tuition in piano, violin, clarinet, saxophone, flute, recorder and voice. We are very proud of the superb results our pupils gain in external music exams.

In 2022-23, 100 girls benefited from music lessons and 28 external music exams were taken with ABRSM and Rock School.

Drama and role play are used across all curriculum areas, building confidence and allowing individual talents and strengths to develop.

We plan weekly class assemblies where all the children are encouraged to speak, sing and dance in front of an audience. These invaluable opportunities broaden the imagination, foster creativity and develop communication skills.

f. Enriching and Extending the School Day

We offer a variety of school clubs that take place before school, at lunchtime and after school to support the truly well-rounded education that our girls receive. The current club list numbers over 45 and this excellent extra-curricular provision encourages pupils to stretch their imaginations and find their confidence.

The successful After School Club provides high-quality and stimulating wraparound care to support working St Mary's families until 6pm (Monday to Friday).

In 2022-23, we introduced a Holiday club, which operates from 8am to 6pm in eight weeks of the school holiday, providing parents with an excellent option for holiday child care.

g. Religious & Pastoral Life

The School develops its religious and pastoral life with the ongoing service and dedication of our Chaplain, Father Chris Connor, in conjunction with the Leaders of Learning for Religious Education and the support of all staff. The Catholic life of the School and the Catholic education it delivers were both found to be outstanding in the June 2019 School's Inspection by the Diocese of Westminster.

The School has assisted current potential members of the Roman Catholic Church through preparing eight children to make their First Confession (2022: 25) and seven (2022: 23) children to receive their First Holy Communion in the School Chapel.

The School hosted two Pupil Chaplaincy meetings led by the Diocese of Westminster. These meetings provided the opportunity for children from eighteen schools across the Diocese to come together to explore more about the expectations of their Chaplaincy role in the academic year ahead. Led by Brother Liam Lynch, pupils were encouraged to encounter Christ and develop their personal relationship with him through their faith and action. Through a range of activities, they felt empowered to become role models to their peers, following their vocation to love and serve God and others in the school and community.

The School holds weekly Masses for parents, staff and children. There is an Act of Collective Worship everyday which links to the Sunday Gospel reading. The children take part in a service or a Mass each week as well as Hymn Practice. The school has an active prayer council consisting of Year 6 children who promote the Catholic faith to younger members of the school.

The School teaches and practices the St Mary's Way:

- Treat other people as you would like to be treated.
- Do your best to be your best.
- Be honest and truthful.
- Listen to each other.
- Be kind and helpful.
- Forgive.
- Share

h. Bursaries

Bursary funds are limited and those applicants judged most suitable in accordance with the School's Admissions Policy are given priority. Bursaries and hardship payments are awarded based on financial means testing. The amount awarded to any pupil may vary depending on individual family circumstances. Awards are normally made for up to 95% of the school fees plus other costs connected to attendance, although higher awards can be made where the circumstances require.

During the year bursaries worth £246,265 (2022: £187,414) were awarded to 17 pupils (2022: 15 pupils) in line with the School's policy on financial support. Awards are normally reviewed annually. Prospective parents are

made aware of the Bursary policy through a variety of ways, including a prominent position on the School's website. As of the Autumn Term 2023, 15 pupils are benefiting from bursaries.

We have been delighted to be able to support a number of families fleeing the conflict in Ukraine who were hosted under the Homes for Ukraine programme within the local community.

i. Staff Professional Development

School staff continue to participate in high quality external Professional Development courses and in-house training. All this serves to enrich the teaching style of the whole School and continues to be an important aspect of the Appraisal Policy. There were five whole School INSET days during the year at which staff training was delivered as well as a regular programme of short-focused training sessions that was delivered during and after school during term-time.

j. Community Activities

The School hosted and attended sporting competitions with other school locally and nationally, with St Mary's being a favoured location due to the quality of its facilities and famed "match tea".

Mini St. Mary's was launched in January 2022 and has been in high demand. This free 1-hour session, run twice a week, provides a stimulating and fun range of structured activities for children from 6 months – 3 years, including free play, malleable play, dance, music, movement, Bee-Bots, arts, crafts and storytelling. The families attending have reported how grateful they have been to find such an important resource to support them and their children.

During the year, the School supported the education of five pupils with Education and Healthcare Plans (2022: two pupils). The cost to the school of providing this support exceeded the income received from the Local Authority by £35,783 (2022: £19,514).

The School encourages charitable activities throughout the year with various fundraising activities. During the course of the year £16,100 (2022: £21,966) was raised through fundraising activities within the School, including by the PTA, for a number of third party charities and appeals. These included Greenhouse Sports, CAFOD, Jeans 4 Genes, Children in Need, Royal British Legion, and Sports for Champions. Our Year 6 students also organised a Spring Fair in March 2023, in support of the DEC Turkey Syria Earthquake appeal. Almost £5,000 was raised for this emergency appeal.

Practical donations of food, clothing and toiletries were also made and donated to the Cardinal Hume Centre and Age UK Camden. Toys were also collected and donated to The Toy Project, and the Cardinal Hume Centre.

Over the course of the academic year, the staff and parents have raised money through the Christmas Fair and disco, holding second hand uniform and cake sales and enjoying a quiz night. The children have also raised money through selling Christmas cards that they have designed, dressing up in pyjamas and bad hair and numerous other small events created and organised by the pupils themselves. We are enormously proud of the work done by the whole school community in order to raise funds for these good causes.

The School continued to coordinate and provide support to early years staff at our school and those from other settings. In November 2022, the School was delighted to be able to host local early years providers for a catch-up. Further CPD sessions were held covering self-regulation and learning about ArcPathway.

Following their replacement under our cyclical IT renewal programme, fourteen fully depreciated desktop computers were donated to St Mary's Catholic High School.

In June 2023, we were delighted to host two Pupil Chaplaincy meetings led by the Diocese of Westminster.

Relationships

The School is an active member of the following organisations:

- Independent Association of Preparatory Schools (IAPS) for the promotion and maintenance of preparatory schools generally
- The Independent Schools Association (ISA)
- Catholic Independent Schools Congregation (CISC)
- Independent Schools Council (ISC)
- Independent Schools' Bursars Association (ISBA)
- Association of Governing Bodies of Independent Schools (AGBIS)

The School co-operates with and supports as many charities as possible in its ongoing endeavours to widen public access to the schooling it provides and to awaken in its pupils an awareness of the wider social context of the education they receive at the School.

FINANCIAL RESULTS

The principal source of funding for the School is its termly fees, which supports the key objective of providing a Roman Catholic education.

In setting the fees, the Trustees have regard to the level of fees that are appropriate for the educational services provided and the ability of parents to be able to pay them. The Trustees aim to set the fee levels with the intent for the School to produce a surplus which can be employed in providing bursaries to those who could not afford to pay the fees and to fund the use of the School's facilities, resources and staff to provide for the advancement of the objectives and aims of the School and to provide public benefit by other means to members of the wider community. In 2022-23 as in 2021-22, the reduction in pupil numbers as a result of the pandemic meant that fees were set to a level that was competitive in the local market, even though this generated a deficit, with this short-term shortfall being made up from reserves.

The total incoming resources for the year were £3,884,447 (2022: £3,919,333). The total outgoing resources were £4,045,196 (2022: £4,121,878). The net incoming resources for the year amounted to a deficit of £160,749 (2022: £202,545).

Within total incoming resources, £5,633 (2022: £4,258) were restricted funds received by way of parental donations towards bursaries, the expenditure of which also shows within incoming resources for the year.

In 2022-23, the School's income was bolstered by the successful introduction of a Holiday Club to complement the After School Club.

At 31 August 2023, the total funds of the School were £4,400,715 (2022: £4,561,464). All the School funds as at 31 August 2023 are unrestricted and are held for use by the School. Its assets are sufficient to meet its obligations. The funds are being used to help finance current and future operational and capital projects.

RESERVES POLICY

Reserves are primarily held to enable the continuity of services and activities undertaken by the School.

Specific reasons to hold reserves are:

- to handle a sudden reduction in income;
- to cover for other key risks crystallising resulting in unplanned expenditure; or
- to take advantage of unexpected opportunities.

In considering the level of reserves that should be held, the Trustees test the policy level against various scenarios to ensure that adequate levels of reserves are held. In doing so, the Trustees have set a target range for free reserves (being total funds less any restricted funds and fixed assets) equivalent to the annual fee value resulting from a drop in pupil numbers of ten to thirty-three percent. At 31 August 2023, this range was between £358,800 and £1,196,000.

At 31 August 2023, the total funds of the School were £4,400,715 (2022: £4,561,464) while the net book value of fixed assets totalled £3,161,197 (2022: £3,289,648) resulting in free reserves of £1,239,518 (2022: £1,271,816).

The Trustees have reviewed areas of uncertainties that may impact the School's free reserves. Pupil numbers are an uncertainty as they are challenging to forecast accurately and can be impacted by factors outside the School's control. Pupil numbers, and in turn fee income, in 2022-23 and 2021-22 were significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. There was also an increased demand for bursary support over these two years as a result of the pandemic. Looking forward it is expected that there will continue to be a higher demand for bursary assistance as the current financial crisis, in the form of inflationary pressures and rising interest rates and taxes, impacts parental ability to pay fees.

It had been expected that the reduction in pupil numbers and additional costs arising from the pandemic, inflation and the energy crisis would result in a net deficit and a decrease in free reserves during 2021-22 and 2022-23, however due to the careful stewardship by the School's leadership team, whilst a deficit has been incurred in both years, there was in fact a small increase in free reserves in 2021-22 and a smaller reduction in free reserves than anticipated in 2022-23. Forecasts have been prepared for 2023-24 and 2024-25 taking into account the additional costs that the School is incurring during the current financial crisis, including the high cost of energy as a result of the current energy crisis. Going forward, it is expected that the School will operate with a small surplus.

The Trustees are satisfied that the free reserves are sufficient for the impact of the reduced pupil numbers to be managed within the target range of free reserves (general reserves) and that there is adequate working capital for the going concern status of the School to be assured. The School plans to return to making surpluses in 2023-24 and to continue to maintain reserves at the top end of the target for free reserves.

PLANS FOR THE FUTURE

The Trustees intend for the School to continually improve its educational offering in line with its objectives and to maximise the benefits it provides to the wider community.

During the year to 31 August 2024, the School's focus is on continuing to: embed IT into the curriculum; ensure children are equipped with skills relevant for the future; ensure that the emotional, physical and spiritual wellbeing of each child is cared for; and create further opportunities for more able children. The School is also renewing and refreshing its approach to marketing to ensure that it's academic and wider successes are known and celebrated.

The School has begun to draw up plans for improved sustainability to help manage the challenges of the current energy price crisis, as well as prepare the school for the future and reduce our carbon footprint.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document
St Mary's School, Hampstead is incorporated as a company limited by guarantee, number 2643515 and is a registered charity, number 1006411. It's registered office and principal address is 47 Fitzjohn's Avenue, London, NW3 6PG.

The School is governed by the Memorandum of Association dated 10 June 1991 which was amended on 8 October 1991, 23 April 1993, 14 June 1993, 26 April 2006 and 18 March 2020 and its Articles of Association which were amended on 8 October 1991, 20 April 2005 and 23 March 2021. The Governors serve under Regulations as revised on 23 March 2021. The School's mission statement is dated September 2011.

Trustees and Governors
St Mary's School, Hampstead has a two-tier structure of governance: The Trustees and the Governors.

The Trustees are responsible for maintaining the objects of the charity, its administration and finances, risk assessment and overall strategy, as well as ensuring that the School complies with company and charity law and regulations. The Trustees appoint the Headmistress. The Trustees have overall responsibility for the School and exercise the oversight of some of the School's educational activities together with the Governors.

The Trustees, who are the directors of the company, who served during the year and up to the date of this report, were as follows:
Ms C Barry-Walsh (Chairman)
Mr K K Wilkins (Treasurer)
Mr R M Carlysle
Mrs Annabel Dumbell (retired 4 January 2023)
Mrs S McCarron
Mr S Murphy
Mrs V Sherwood (retired 28 June 2023)

Trustees are elected by the Members of the company. One third of Trustees retire by rotation at each Annual General Meeting (AGM) and are eligible for re-election. The Trustees who retire each year are those who have been longest in office since their last election. The Trustees who retired by rotation and were re-elected at the AGM held on 29 March 2023, were Mrs V Sherwood and Ms C Barry-Walsh.

The Governors, who are appointed by the Trustees, are responsible for the general direction, policies and priorities of the School within the budgets and objectives established by the Trustees. They offer support and guidance to the Headmistress, and also hold the School to account for the quality of education it provides and the standards it achieves. The Governors and Trustees ensure the safety of the School environment and review the effectiveness of the School's child protection policies. Five of the Governors are also Trustees.

The Governors who served during the year and up to the date of this report, were as follows were as follows:-

Mr S Murphy [123]	(Chairman)
Mr K K Wilkins [1]	(Ex-Officio)
Ms C Barry-Walsh	(Ex-Officio)
Mr R M Carlysle [3]	
Mrs A Devlin[2]	(Appointed 1 September 2023)
Mrs D Einoeder [2]	
Mrs A Granger [3]	(Retired 28 June 2023)
Dr D Harris [2]	(Retired 12 September 2022)
Mrs S McCarron	
Ms L Rands [3]	
Mrs C Wright [3]	(Appointed 28 September 2022)
Miss J Zammit-Mangion	(Appointed 28 June 2023)

[1] Member of the Finance and General Purposes Committee
[2] Member of the Health and Safety Committee
[3] Member of the Education and Staffing Committee

The following Trustees were also members of the above committees:
Mrs V Sherwood [2] (Retired 28 June 2023)

The Trustees record their gratitude to the Board of Governors, and to Mrs Connor-Earl and her staff for their contribution to the continued success of the School during the 2022-23 school year.

Recruitment, Appointment, Induction and Training of Trustees and Governors
The Trustees are responsible for the selection and appointment of new Trustees and Governors. This is a legal responsibility that cannot be delegated, although the Nominations Committee, comprising the Headmistress and Chair of Governors will, after discussion and research, put forward recommendations for new Trustees and Governors to the Trustees. As charity trustees, the Trustees are aware of the importance of identifying the appropriate mixture of skills and experience that they and their successors need to manage the multi-faceted affairs of a modern school which is also a company limited by guarantee, a medium sized business and an important local employer. Each appointment of a Governor or Trustee made by the Trustees is for an initial period of three years, which may be renewed.

To facilitate communication, induction and training at Governor and Trustee level, the Governors' Handbook is regularly updated.

Roles and responsibilities are covered with main job descriptions and responsibilities. Terms of Reference are included for all committees, along with membership lists and the key policies and documents.

All Trustees and Governors are encouraged to attend in-house and external training courses, including those run by the Association of Governing Bodies of Independent Schools (AGBIS). Training in certain topics, such as Keeping Children Safe in Education, the Prevent Duty and data protection is mandatory and undertaken by all members of the governing body. Numerous on-line training courses are also undertaken by the Trustees and Governors.

A list of school policies is available on the School's website. To ensure full compliance with Safeguarding issues the Headmistress, Deputy Head, Director of Studies, Bursar and four Trustees have completed Safer Recruitment Training. There is also a named Governor with lead responsibility for all Safeguarding matters to ensure that the School is fully compliant with all current regulations.

Trustees make available to parents on the School's website a clear and succinct set of replies to questions that parents often ask about governance. The information covering Frequently Asked Questions is provided to enhance communication between Trustees and the parent body and to encourage them to share in the School's vision for the future.

Third Party Indemnity Provision for Trustees & Governors
Qualifying third party indemnity insurance is in place covering the governing body of the School.

Organisational Management
The Trustees meet as a Board at least three times a year to determine the general strategy of the Charity and review its overall management and control, for which they are legally responsible. Trustees and Governors convene jointly with a separate session for Trustees only. The Trustees and Governors also attend the Annual General Meeting.

There are three sub-committees of the Board of Governors as follows:

1. Education and Staffing Committee - meet once each half term where members consider educational and staffing issues. This committee is chaired by Mr Robert Carlysle.

2. Finance and General Purposes Committee - meet before each main Board meeting. The committee scrutinises revenues & expenditures, the budget & reforecasts and capital expenditure. This committee is chaired by Mr Keith Wilkins (who is also the Treasurer (the Trustee with responsibility for the supervision of the finances of the School)).

3. Health and Safety Committee - meet termly to consider all Health and Safety matters. This committee is chaired by Mrs Dagmar Einoeder.

The Key Management Personnel are the Trustees, Governors and the Senior Leadership Team. Day to day management of the School is delegated by the Governors to the Senior Leadership Team as below, led by the Headmistress.

Facilities Management
Management of the school facilities is overseen by the Bursar and Premises Manager and is monitored by the Health and Safety Committee which continues to ensure full compliance with all legislative requirements as well as incorporating rolling repairs with a programme to upgrade facilities on a carefully structured basis.

The Bursar, Premises Manager and Network Manager also oversaw further development works including improvements to the IT infrastructure to upgrade the server. During the year, the School continued its programme of rolling renewal of its IT hardware with the purchase of new iPads, and staff laptops and PCs. The IT infrastructure was upgraded with the installation of new fibre-structured cabling, network switches and a leased line fibre broadband service.

Remuneration of Key Management Personnel

Trustees and Governors do not receive any remuneration for their services. The remuneration of the Headmistress and Bursar is set by the Trustees, with the policy objective of ensuring that they are provided with appropriate compensation to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The remuneration of the rest of the Senior Leadership Team is determined by the Headmistress within the parameters set by the Trustees and Governors. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the sector wide issues of pay and employment conditions. Delivery of the School's charitable vision and purpose is primarily dependent on the Senior Leadership Team.

SENIOR LEADERSHIP TEAM AND PROFESSIONAL ADVISORS

Headmistress	Mrs Harriet Connor-Earl (to 31 August 2023) Miss Charlotte Owen (from 1 September 2023)
Bursar & Company Secretary	Mrs Sara Gibbins
Deputy Head (maternity leave)	Miss Philippa D'Aquino
Director of Studies and Acting Deputy Head	Mr Martin Otter
Independent Auditor	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers	Barclays Bank PLC 28 Hampstead High Street London NW3 1QB
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of St Mary's School, Hampstead for the purposes of company law, are responsible for preparing this Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the School's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Principal Risks and Uncertainties

The Trustees undertake an annual risk review to identify major risks to which the Charity is exposed. This review includes a full evaluation and thorough assessment of the primary risks relating to the key areas of the Charity as defined below and how those risks can be best minimised to reduce their potential impact on the School. Responsibility for detailed monitoring of each of the categories of risk identified is allocated to a committee or retained by the full board of Governors and Trustees. The mitigation activities that have been undertaken in the preceding year in response to the risk are discussed in the meetings of the relevant committee/full board and any additional mitigation activities that are required are detailed and monitored.

2021-22 saw an emerging energy crisis as a result of the global situation, particularly that in Ukraine. The School has taken appropriate measures to mitigate its risk in relation to the cost of energy and has begun to draw up plans for improved sustainability to help manage the challenges of the current energy prices, as well as prepare the school for the future and reduce our carbon footprint. The School has sufficient reserves to enable it to manage the current energy crisis.

The threatened economic downturn and the possibility of changes in legislation removing beneficial tax treatment from independent schools, create an environment of additional risk for the School. The School manages these risks through ensuring it continues to offer a generous bursary programme together with numerous community activities, demonstrating the strong public benefit it delivers, and ensuring that it maintains its reserves and carefully manages its budgets to enable it to absorb as far as possible the financial impact that any change in tax laws may bring.

In addition to the health & safety and financial risks arising from the energy crisis and the threat from economic downturn and changes in tax laws, the major risk areas are:

- Safeguarding: including Keeping Children Safe in Education, anti-bullying and online safety
- Operational: including regulatory and environmental factors
- Financial: including information technology and staff compensation factors
- Governance: including a review of mission / objects, governance & management and external factors
- Personnel: including staffing, employment and academic factors
- Health & safety: including fire risk assessment / procedures, accidents and external events
- Reputation: including safety, education and publicity

The principal risks identified and receiving a high level of mitigation activity concern the impact of external economic factors and their potential impact on pupil numbers leading to more sophisticated early warning indicators; external catastrophe planning; and recruitment and retention issues.

The Trustees continue to monitor the School's performance in relation to teaching, staff movement, Catholicity and the value added provided by the School.

AUDITOR

Moore Kingston Smith act as auditors under section 485 of the Companies Act 2006 and have indicated their willingness to continue as the School's auditors.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Trustees (who are also company directors) who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that:

- there is no relevant audit information which has not been disclosed to the auditor; and
- each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This Report was approved by order of the Trustees and signed on their behalf by

C Barry-Walsh
Chairman
6 December 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S SCHOOL, HAMPSTEAD

Opinion

We have audited the financial statements of St Mary's School Hampstead ('the company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' 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 charitable company'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 Trustees 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 Trustees 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 there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 12, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of:
Moore Kingston Smith LLP, Statutory Auditor
6th Floor, 9 Appold Street
London
EC2A 2AP

18th December 2023

ST MARY'S SCHOOL, HAMPSTEAD

Statement of Financial Activities (incorporating Income and Expenditure Account) for the year ended 31 August 2023

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Income					
Investment income – interest receivable		33,379	-	33,379	236
Donations		-	5,633	5,633	4,263
***Charitable activities*:**					
School operations:	2a				
Gross Fees receivable		3,530,303	-	3,530,303	3,666,958
Less: Bursaries		(240,632)	(5,633)	(246,265)	(187,414)
		3,289,671	(5,633)	3,284,038	3,479,544
Ancillary Income	2a	561,397	-	561,397	435,290
		3,851,068	(5,633)	3,845,435	3,914,834
TOTAL INCOME		3,884,447	-	3,884,447	3,919,333
Expenditure					
Charitable activities:					
School operating costs		(4,045,196)	-	(4,045,196)	(4,121,878)
TOTAL EXPENDITURE	3	(4,045,196)	-	(4,045,196)	(4,121,878)
Net (deficit) and net movement in funds for the year		(160,749)	-	(160,749)	(202,545)
Reconciliation of funds					
Total funds brought forward		4,561,464	-	4,561,464	4,764,009
Total funds carried forward	10	4,400,715	-	4,400,715	4,561,464

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 22 to 35 form part of these Financial Statements.
All income and expenditure arise from the School's continuing operations.

ST MARY'S SCHOOL, HAMPSTEAD
Company No: 2643515
Balance Sheet
at 31 August 2023

	Notes	£	2023 £	£	2022, £
Fixed assets					
Tangible assets	5		3,161,197		3,289,648
Current assets					
Debtors	6	115,473		67,405	
Cash at bank and in hand		2,219,306		2,226,037	
		2,334,779		2,293,442	
Liabilities: Amounts falling due within one year	7	(821,711)		(806,976)	
Net current assets			1,513,068		1,486,466
Total assets less current liabilities			4,674,265		4,776,114
Liabilities: Amounts falling due after more than one year	8		(249,550)		(190,650)
Provisions for Liabilities	9		(24,000)		(24,000)
Net Assets			4,400,715		4,561,464
Funds					
Unrestricted Funds:					
General Funds	10		1,239,518		1,271,816
Tangible Fixed Assets Fund	10		3,161,197		3,289,648
Total Funds			4,400,715		4,561,464

The Financial Statements on pages 19 to 35 were approved by the Board and authorised for issue on 6 December 2023 and signed on its behalf by:

C Barry-Walsh (Chairman)

K K Wilkins (Treasurer)

The notes on pages 22 to 35 form part of the Financial Statements.

ST MARY'S SCHOOL, HAMPSTEAD
Company No: 2643515
Statement of Cash Flows
at 31 August 2023

	Notes	2023	2022
		£	£
Cash provided/(used) by operating activities	14	24,849	9,770
Cash flows from investing activities			
Bank interest received		33,379	236
Purchase of Tangible Fixed Assets		(64,959)	(8,621)
Cash used in investing activities		(31,580)	(8,385)
Increase/(Decrease) in cash and cash equivalents in the year		(6,731)	1,385
Total cash and cash equivalents and the beginning of the year		2,226,037	2,224,652
Total cash and cash equivalents at the end of the year		2,219,306	2,226,037

Analysis of changes in net debt

	2023		
	As at 1 September	**Cashflows**	**As at 31 August**
Cash and cash equivalents	**£**	**£**	**£**
Cash	2,226,037	(6,731)	2,219,306
Total	2,226,037	(6,731)	2,219,306

	2022		
	As at 1 September	**Cashflows**	**As at 31 August**
Cash and cash equivalents	**£**	**£**	**£**
Cash	2,224,652	1,385	2,226,037
Total	2,224,652	1,385	2,226,037

The notes on pages 22 to 35 form part of the Financial Statements.

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standards applicable to the UK and the Republic of Ireland (FRS102) and the Charities Act 2011. The Charity constitutes a public benefit entity as defined by FRS102.

The functional and presentational currency is sterling and amounts are rounded to the nearest pound.

b. Going concern

The School's key activity of providing a Roman Catholic education is such that fee income represents the majority of the School's income. Fee income in the period from March 2020 has been significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. There was also an increased demand for bursary support over the period of the pandemic and this is continuing as high interest rates, inflation and the energy crisis impact parental ability to pay fees.

Despite the increased costs and reduced pupil numbers, due to the careful stewardship by the School's leadership team, a small increase in free reserves was achieved in 2021-22 and a smaller reduction in free reserves than anticipated was achieved in 2022-23. Forecasts have been prepared for 2023-24 and 2024-25 taking into account the additional costs that the School is incurring during the current financial crisis, including the high cost of energy as a result of the current energy crisis. Going forward, it is expected that the School will operate with a small surplus.

Pupil numbers are an uncertainty. However, they are not a material uncertainty and do not cast doubt on the ability of the School to continue as a going concern, as the uncertainty is being managed through cost management strategies, development of new revenue streams (such as through the new Holiday Club) and a strong focus on marketing. The School's level of free reserves are sufficient for the impact to be managed over the medium-term within the target range of free reserves (general reserves). Additionally, there is adequate working capital for the going concern status of the School to be assured, specifically in the 12 months from the date of the signing of the Financial Statements. The School expects to return to making surpluses in 2023-24 and to continue to maintain reserves at the top end of the target for free reserves.

c. Income

Fees receivable consist of charges billed for the school year 2022/2023. Fees received for education provided in future years are carried forward as deferred income (fees received in advance). Where parents are charged fees in lieu of notice this is recognized in the term for which the notice should have been given as parents are encouraged to keep their daughter at our school during this period and these charges are designed to cover the shortfall in income that would otherwise arise in that period. Other fee income consists of additional fees from tuition classes, lunches and registration fees which are accounted for on a receivable basis. Donations and income from fundraising activities are recognised when the School has entitlement to the receipt of the income, it can accurately measure the amount and it is probable that the economic benefits associated with the transaction will flow to the School. Fundraising activities undertaken within the School for other Charities are treated as funds held for third parties and any amounts held at the year-end are shown in the balance sheet.

d. Assets

Fixed assets costing more than £1,000 are shown on the balance sheet at cost less cumulative depreciation. Group purchases of IT, furniture and equipment costing less than £1,000 per item are also capitalised where the estimated life extends over at least the period used under the School's depreciation policy for the relevant asset and the value of the group purchase exceeds £1,000. Current assets are shown at the lower of cost and net realisable value.

e. Depreciation

Depreciation is provided on all tangible fixed assets retained for the School's own use, other than freehold land, at rates calculated to write off their cost over their estimated useful economic lives at the following rates, on a straight-line basis:

Freehold buildings	2½% to 10% on cost
Furniture, equipment and IT	20% to 25% on cost

Land is not depreciated.

The estimated useful economic life of Furniture and equipment was reviewed at the start of 2023-24 and 8-10 years is now considered to be a better estimate of the useful economic life of such assets. Accordingly, from 1 September 2023, the following depreciation rates will be applied:

Furniture	12.5% on cost
Catering and playground equipment	10% on cost

f. Pension costs

The School contributes to the Teachers' Pension Scheme (a defined benefit scheme) at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with SORP (FRS102) the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School is undertaking a phased withdrawal from the Teachers' Pension Scheme and from 1 September 2022 contributes to a defined contribution scheme for teachers employed from 1 September 2022 and existing teachers wishing to move from the Teachers' Pension Scheme to this new scheme. The School also contributes to a defined contribution pension schemes for staff other than teachers. Contributions to defined contribution schemes are paid or accrued within the year in which the corresponding salary is earned.

g. Deposits

Deposits are refundable when a pupil leaves the School and are treated as a long term liability upon entry to the School except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income. Unclaimed deposits are deemed forfeited one year after a pupil leaves the School.

h. Expenditure

Expenditure is recognised on an accruals basis as soon as a liability is considered probable and has been analysed between School Operating Costs and Educational Grants. Expenditure is summarised under functional headings either on a direct cost basis or, for overhead support costs, apportioned according to management estimates of staff time spent. Irrecoverable VAT is included within the item of expenditure to which it relates. Support costs represent school administration costs incurred to support charitable activities and governance.

i. Termination payments

Termination payments do not provide future economic benefits and are therefore recognised as an expense in the Statement of Financial Activities as soon as the Charity is demonstrably committed to terminate the relevant employment (when a formal plan for termination of employment, without the realistic possibility of withdrawal, has been established). The amount recognised is the best estimate of the expenditure required to settle the obligation at the reporting date.

j. Operating leases

Operating lease costs are written off to the Statement of Financial Activities on a straight- line basis over the lease period.

k. Financial Instruments

The Charity only holds basic Financial Instruments. Financial Instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including any accrued income) are financial instruments and are debt instruments measured at amortised cost as detailed in note 6. 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 7 and 8. Amounts due for taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

l. Cash at bank and in hand

Cash at bank and in hand includes cash and highly liquid assets with a short maturity of less than twelve months.

m. Corporation Tax

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act

1992, to the extent that such income or gains are applied exclusively to charitable purposes.

n. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions - the School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The School has provided for doubtful debts on the basis of assumptions over which debts at the balance sheet date may not be paid in full. However, due to the low level of debts that had not been paid by the date of preparing the provision, the range of possible outcomes resulting from various assumptions is not material and therefore the estimates used to calculate the provision are not considered critical.

Critical areas of judgment - the depreciation policies used by the School represent a critical judgement as to the useful lives of the tangible fixed assets of the Charity.

2a. School operation income

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Gross School fees receivable	3,530,303	-	3,530,303	3,666,958
Less Bursaries	(240,632)	(5,633)	(246,265)	(187,414)
	3,289,671	(5,633)	3,284,038	3,479,544
Ancillary Income:				
Extras	324,166	-	324,166	174,782
Lunches	195,030	-	195,030	188,867
Registration fees	14,345	-	14,345	10,500
Other	27,856	-	27,856	61,141
	561,397	-	561,397	435,290
	3,851,068	(5,633)	3,845,435	3,914,834

In 2023, £5,633 (2022: £5,066) was received as restricted donations for bursaries.

2b. Net movement in funds

	2023 £	2022 £
Net movement in funds is stated after charging:		
Auditor's remuneration (including VAT):		
External audit (current year)	18,075	14,100
Operating lease charges	7,751	10,721
Depreciation	193,410	233,008

All these movements are movements in unrestricted funds.

3. Charitable Expenditure

The split of expenditure between restricted and unrestricted funds in the year ended 31 August 2023 is shown below.

	Unrestricted funds £	Restricted funds £	Total 2022 £
2023 Charitable expenditure -			
School operating costs:			
Teaching costs	2,460,398	-	2,460,398
Catering	223,632	-	223,632
Premises	620,833	-	620,833
School administration	738,030	-	738,030
Public benefit	2,303	-	2,303
	4,045,196	-	4,045,196

	Unrestricted funds £	Restricted funds £	Total 2021 £
2022 Charitable expenditure -			
School operating costs:			
Teaching costs	2,604,143	-	2,604,143
Catering	230,804	-	230,804
Premises	533,580	-	533,580
School administration	749,393	-	749,393
Public benefit	3,958	-	3,958
	4,121,878	-	4,121,878

3. Charitable Expenditure (continued)

Analysis of charitable activities expenditure:

	Direct costs £	Support costs £	Total 2023 £
2023 Charitable expenditure -			
School operating costs:			
Teaching costs	2,460,398	-	2,460,398
Catering	223,632	-	223,632
Premises	620,833	-	620,833
School administration	211,493	526,537	738,030
Public benefit	2,303	-	2,303
	3,518,659	526,537	4,045,196

	Direct costs £	Support costs £	Total 2022 £
2022 Charitable expenditure -			
School operating costs:			
Teaching costs	2,604,143	-	2,604,143
Catering	230,804	-	230,804
Premises	533,580	-	533,580
School administration	249,539	499,854	749,393
Public benefit	3,958	-	3,958
	3,622,024	499,854	4,121,878

2023 Support costs:

	Unrestricted funds £	Restricted funds £	Total £
School administration: staff costs	463,629	-	463,629
Governance costs:			
Audit fee	18,075	-	18,075
Legal and professional fees	42,222	-	42,222
Trustees' and Governors' expenses	2,611	-	2,611
	526,537	-	526,537

3. Charitable Expenditure (continued)

2022 Support costs:

	Unrestricted funds	Restricted funds	Total
	£	£	£
School administration: staff costs	457,440	-	457,440
Governance costs:			
Audit fee	14,100	-	14,100
Legal and professional fees	27,069	-	27,069
Trustees' and Governors' expenses	1,245	-	1,245
	499,854	-	499,854

	2023	2022
	£	£
Staff costs include:		
Wages and salaries	2,194,190	2,271,212
Social security costs	235,546	244,998
Pension contributions	366,729	359,370
Supply staff costs	18,742	63,684
	2,815,207	2,939,264

Total employee salaries and other benefits of key management personnel, including employers' pension contributions and employer's national insurance contributions:

£445,803	£429,043

The members of the key management personnel are Trustees, Governors and the senior leadership team as listed on page 12.

Governors' and Trustees' remuneration and expenses

No remuneration or benefits were provided to any Governors or Trustees during the year other than the School purchasing Trustees' and Governors' indemnity insurance to provide cover of up to £2 million. The premium for 2023 was £1,109 (2022: £853). In the year to 31 August 2023, two Trustees and Governors were reimbursed £163 in respect of travel expenses (2022: £nil was reimbursed to Trustees and Governors in respect of training and out of pocket expenses). During the year, £2,448 (2022: £1,245) was spent in connection with the Governors and Trustees on training, hospitality and modest gifts for the outgoing Headmistress.

The number of employees whose emoluments (including salaries and other benefits but excluding employers' pension contributions and employer's national insurance contributions) exceeded £60,000 was:

	2023 No.	2022 No.
£60,000 - £70,000	2	2
£70,000 - £80,000	1	1
£80,000 - £90,000	1	-
£100,000 - £110,000	1	1

These employees are accruing retirement benefits under the Standard Life Pension Scheme, a defined contribution scheme, and the Teachers' Pension Scheme, a defined benefit scheme.

The average number of employees during the year was:	2023 No.	2022 No.
Teaching	42	50
Other	17	18
	59	68

4. Taxation

Value Added Tax on expenditure is borne in full and is included within the expenditure headings to which it relates.

5. Tangible fixed assets

	Land £	Freehold Buildings £	Furniture & Equipment £	Total £
Cost				
At 1 September 2022	1,000,000	3,661,931	1,088,136	5,750,067
Additions	-	-	64,959	64,959
Disposals	-	-	(89,626)	(89,626)
At 31 August 2023	1,000,000	3,661,931	1,063,469	5,725,400
Depreciation				
At 1 September 2022	-	1,473,019	987,400	2,460,419
Charge for year	-	123,873	69,537	193,410
Disposals	-	-	(89,626)	(89,626)
At 31 August 2023	-	1,596,892	967,311	2,564,203
Net book value				
At 31 August 2023	1,000,000	2,065,039	96,158	3,161,197
Net book value				
At 31 August 2022	1,000,000	2,188,912	100,736	3,289,648

5. Tangible Fixed Assets (continued)

There were no contractual commitments to acquire tangible fixed assets at the year end.

The Trustees are of the opinion that the current market value of the freehold land and buildings is significantly in excess of its current book value. This is supported by the valuation of the property by Cluttons in July 2008 which resulted in an existing use valuation (with vacant possession) of £8,250,000 (before the Mary Ward Hall build completion).

6. Debtors

	2023	2022
	£	£
Fees	27,422	29,274
Other debtors	30,448	98
Prepayments	57,603	38,033
	115,473	67,405

Fees outstanding are stated after a provision for doubtful debts of £24,530 (2022: £27,690).

7. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	82,591	41,247
Fees received in advance	472,199	526,830
Fee deposits	34,000	37,000
Other taxes and social security	55,025	59,681
Accruals and deferred income	126,687	86,963
Pension contributions	41,913	46,321
Other creditors	9,296	8,934
	821,711	806,976

Deferred income, including fees in advance

	2023	2022
	£	£
Brought forward at 1 September 2022	544,250	468,847
Resources deferred in the year	500,727	544,250
Resources released to SOFA in year	(544,250)	(468,847)
Deferred Income at 31 August 2023	500,727	544,250

Deferred income reflects amounts charged to parents in respect of fees in lieu of notice relating to the Autumn Term 2023. Fees in advance reflects payments received from parents ahead of the due date.

8. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Fee deposits:		
Between 2-5 years	125,050	82,050
More than 5 years	113,000	97,100
Deferred income:		
Between 2-5 years	11,500	11,500
	249,550	190,650

Deferred income, including fees in advance

	2023 £	2022 £
Brought forward at 1 September 2022	11,500	-
Resources deferred in the year	-	11,500
Resources released to SOFA in year	-	-
Deferred Income at 31 August 2023	11,500	11,500

Deferred income reflects amounts received from parents who gave early notice to defer their children's places until September 2024 and for whom the amounts already received will be used to pay their daughters' first term's fees when they arrive.

9. Provisions for Liabilities

An amount of £24,000 was provided for as at 31 August 2022 in respect of work required to the exterior brickwork of the school building, which will commence in 2023-24.

	2023 £	2022 £
Brought forward at 1 September 2022	24,000	-
Charged to SOFA in year:	-	24,000
Provision for liabilities at 31 August 2023	24,000	24,000

10. Restricted and unrestricted funds

	Balance at 1 September 2022 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2023 £
Unrestricted funds:					
General funds	1,271,816	3,884,447	(4,045,196)	128,451	1,239,518
Tangible fixed assets fund	3,289,648	-	-	(128,451)	3,161,197
	4,561,464	3,884,447	(4,045,196)	-	4,400,715
Restricted funds:					
Donations	-	-	-	-	-
	-	-	-	-	-
	4,561,464	3,884,447	(4,045,196)	-	4,400,715

The tangible fixed asset fund is represented by the accumulated capitalised expenditure on tangible fixed assets net of depreciation. The amounts transferred in the year represent the net of depreciation, additions and disposals in the year.

In 2022-23 and 2021-22, the restricted funds were donations made and used for the purposes of funding bursaries (the expenditure of which is also shown within incoming resources).

For comparative purposes the movement on funds in 2021-22 were as follows:

	Balance at 1 September 2021 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2022 £
Unrestricted funds:					
General funds	1,249,975	3,919,333	(4,121,878)	224,386	1,271,816
Tangible fixed assets fund	3,514,034	-	-	(224,386)	3,289,648
	4,764,009	3,919,333	(4,121,878)	-	4,561,464
Restricted funds:					
Donations	-	-	-	-	-
	-	-	-	-	-
	4,764,009	3,919,333	(4,121,878)	-	4,561,464

11. Operating leases

	2023 £	2022 £
Hire of equipment		
Total of future minimum lease payments under non-cancellable operating leases:		
Payments due within one year	7,303	7,274
Payments due in one to two years	3,552	7,104
Payments due in two to five years	-	3,552

12. Pensions

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £309,683 (2022: £308,517). At the year-end £34,617 (2022: £39,272) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and following a public consultation in 2021 the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations were completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

Defined Contribution Schemes

Defined Contribution Scheme for Teachers (DCforT)

Following consultation in 2021-22 with teachers regarding the School's continued participation in the TPS for its teaching staff, the School has entered into a phased withdrawal of the School from the TPS from 1 September 2022. A new defined contribution scheme has been established for teachers who are employed from 1 September 2022 and for existing teachers who wish to opt out of the TPS and join this scheme. The cost for the year represents the School's contribution to the scheme of £5,589 (2022: £nil). At the year-end £317 (2022: £nil) was accrued in respect of contributions to this scheme.

Defined Contribution Scheme for other staff

The School also runs a pension scheme with Standard Life for those members of staff who are not eligible to join the Teachers' Pension Scheme. This is a money purchase scheme. The School contributes between 1% and 19% of an employee's salary, dependent on length of service. The cost for the year represents the School's contribution to the scheme of £51,457 (2022: £50,854). At the year-end £6,979 (2022: £7,049) was accrued in respect of contributions to this scheme.

13. Related party transactions

There were no related party transactions in the year other than the Governors' expenses disclosed in note 3. Mrs H Connor-Earl was given flowers and a bench for her new garden by the Trustees and Governors on the occasion of her leaving the school after seven years of dedicated service and a modest dinner was enjoyed with her to wish her well for the future. The Trustees and Governors also gathered for a modest lunch with Mr Kevin Murphy to thank him for his many years of service to the School following his retirement as a Trustee at the end of the academic year 2021-22.

14. Reconciliation of movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net (outgoing) resources	(160,749)	(202,545)
Add: Depreciation	193,410	233,007
Less: Investment income and bank interest	(33,379)	(236)
(Increase)/decrease in debtors	(48,068)	9
Increase/(decrease) in creditors	73,635	(20,465)
Net cash provided by operating activities	24,849	9,770

ST MARY'S SCHOOL, HAMPSTEAD

England & Wales - Charity number 1006411

Accounts

ST. MARY'S SCHOOL, HAMPSTEAD
(A Company Limited by Guarantee)

Annual report and financial statements

For the year ended

31 August 2022

Company No: 2643515
Charity registered in England No: 1006411

ST. MARY'S SCHOOL, HAMPSTEAD

Trustees' Report

Year ended 31 August 2022

The Trustees have prepared their annual report for the year ended 31 August 2022 in accordance with the Companies Act 2006, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS102).

AIMS, OBJECTIVES & MISSION

a. Our Aims

St Mary's School, Hampstead aims to provide an education firmly founded on Christ and the Catholic Faith. The achievement of this aim enables the School to fulfil its legal purposes of promoting and providing for the advancement of Roman Catholic education and the Roman Catholic religion. The Trustees seek to achieve a fair balance between benefits provided and the need for the School to maintain a prudent financial position when exercising their powers and duties in setting fees charged by the school and when identifying the benefits provided by the School in relation to its aims.

b. Our Objectives

The objects are set out in the Memorandum of Association as the promotion and provision of the advancement of Roman Catholic education and the Roman Catholic religion. The School's policy is to enable each child to develop their full potential both academically and socially in accordance with the School's Mission Statement and to prepare them for the senior schools of their choice.

In furthering the charity's objects, the Trustees have complied with the duty in Section 175(5) of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission concerning the operation of the Public Benefit Requirement under that Act.

c. Our Mission

The School's Mission Statement is:

- Spiritual and moral principles are nurtured in a way that is reflected in daily life.
- Within a happy and caring environment, and based on the recognition of the dignity and worth of every child, high standards are expected and pursued.
- Intellectual development is emphasised and fostered along with the pursuit of academic excellence.
- St Mary's values the unique contribution of every child within the school community.
- St Mary's aims to encourage an active partnership between home, school, parish and the wider community.

ACHIEVEMENTS & PERFORMANCE

a. Pupil Numbers

The School has continued to provide a Catholic preparatory education for girls aged 2 ¾ to 11 and boys aged 2 ¾ to 4. The pupil numbers for the year averaged 227, 48% Catholic (2021: 247, 53% Catholic). With effect from 1 September 2020, the School was re-registered as a single sex (all-girls) school. The admission of boys has been phased out and the School became entirely single sex from September 2022.

b. Curriculum & Academic Achievements

Pupils at the School continued to perform at a level well in excess of the national standard expectation for their age groups. Despite being non-selective on entry, Year 6 pupils typically achieve standardised scores in Maths and English assessments of 120-125, compared to the national average for independent schools of 108-110 and all schools of 100. The highest achievable score is 131.

The Senior School Entrance Examination results show that the School continues to secure places for its pupils at a wide range of leading London day schools and out-of-London boarding schools. Typical destinations for girls leaving at the end of Year 6 include Channing School; City of London School for Girls; Francis Holland, Regent's Park; Godolphin and Latymer School; Highgate School; More House School; North London Collegiate School; Queen's College, London; Queenswood; South Hampstead High School; St Margaret's School, Bushey; St Mary's School, Ascot; St Paul's Girls' School; St Helen's School; and Wycombe Abbey.

The School provides our pupils with an education that is rich, varied and tailored to their needs to enable them to discover their full potential. The learning environment is supportive and positive, yet challenging. We believe that real learning stems from nurturing a love of and curiosity for the subjects being taught.

At St. Mary's School, we teach using the Creative Curriculum. This approach uses a single topic to deliver all aspects of the curriculum. Placing creativity at the centre of our curriculum ensures our children remain at the forefront of educational practices. We have seen that it enables them to take greater risks, make tangible connections in their learning and think deeply about real-world problems.

We are immensely proud of our pioneering Global Learning Centre. The space includes a cutting-edge Engineering and Robotics Lab, Virtual Reality Launch Pad, Art and Design Studio as well as a Green Room. This modern, innovative centre has been specially designed to promote STEAM at St Mary's. STEAM is a holistic approach that combines Science, Technology, Engineering, Art and Maths within their learning.

c. Developing Sporting Talent

Sport is an essential and fun part of the day at St Mary's School. The P.E. Department are passionate about inspiring children to fall in love with sport, so we provide a wide range of options to ensure they find their special talent.

Our sports programme is inclusive and every pupil from Nursery to Year 6 will participate in at least two P.E. lessons a week. The lessons are supported by a plethora of sports clubs before, during and after school.

We benefit from a well-equipped hall on-site for gymnastics and the spacious outside play area has been enhanced. Climbing equipment has been installed and the full-size netball court has been upgraded allowing football, rugby, cricket and tennis lessons to be introduced alongside netball, dodgeball and rounders.

The School also uses excellent local facilities such as Hampstead Heath for athletics and Swiss Cottage Leisure Centre for swimming and rock climbing.

Children show great enthusiasm and an appropriate competitive spirit for the individual and team events. Pupils also enjoy participating in many fixtures and tournaments against local schools and the School achieves considerable success across the board.

In 2021-22 110 matches were played, with the girls winning 64%. Some highlights include:

- LVS Ascot ISA Football Festival – 4th Place
- Year 6 Devonshire House Football Competition – 1st Place
- Year 5 Devonshire House Football Competition – 2nd Place
- ISA Hockey Competition – 3rd Place in Trophy Competition
- Cavendish School Football Competition – 1st Place
- Southbank International Football Competition – 2nd Place

d. Creativity Outside The Classroom

Music, Drama and Art form an important part of the creative curriculum and involve everyone, from Nursery upwards. The lessons are lively, engaging, fun and of an extremely high quality.

At St Mary's, we believe that a love of music gained in childhood lasts a lifetime and that making music with others is a social and uplifting experience.

The children are taught the essential skills of performing, composing and appreciating a variety of musical styles. Our one-to-one instrument lessons are hugely popular and we nurture our young musicians from a young age. We benefit from talented peripatetic teachers who offer individual or group tuition in piano, violin, clarinet, saxophone, flute, recorder and voice. We are very proud of the superb results our pupils gain in external music exams.

In 2021-22, 63 girls benefitted from music lessons and 12 were entered into external music exams with ABRSM and Rock School.

Drama and role play are used across all curriculum areas, building confidence and allowing individual talents and strengths to develop.

We plan weekly class assemblies where all the children are encouraged to speak, sing and dance in front of an audience. These invaluable opportunities broaden the imagination, foster creativity and develop communication skills.

e. Enriching and Extending the School Day

We offer a variety of school clubs that take place before school, at lunchtime and after school to support the truly well-rounded education that our girls receive. The current club list numbers over 45 and this excellent extra-curricular provision encourages pupils to stretch their imaginations and find their confidence.

The successful After School Club provides high-quality and stimulating wraparound care to support working St Mary's families until 6pm (Monday to Friday).

f. Religious & Pastoral Life

The School develops its religious and pastoral life with the ongoing service and dedication of the Chaplain, Father Chris Connor, in conjunction with the Leaders of Learning for Religious Education and the support of all staff. The Catholic life of the School and the Catholic education it delivers were both found to be outstanding in the School's Inspection by the Diocese of Westminster in June 2019.

The School has assisted current potential members of the Roman Catholic Church through preparing 25 children to make their First Confession (2021: 8) and 23 (2021: 19 – deferred into 2021 and in addition to number shown for 2022) children to receive their First Holy Communion in the School Chapel.

The School holds weekly Masses for parents, staff and children. There is an Act of Collective Worship everyday which links to the Sunday Gospel reading. The children take part in a service or a Mass each week as well as Hymn Practice. The school has an active prayer council consisting of Year 6 children who promote the Catholic faith to younger members of the school. As a result of the pandemic, all the School's religious services were re-modelled in line with Government guidance and the School's risk assessment, and were celebrated by the school community through a combination of virtual and in-person attendance.

The School teaches and practices the St Mary's Way:

- Treat other people as you would like to be treated.
- Do your best to be your best.
- Be honest and truthful.
- Listen to each other.
- Be kind and helpful.
- Forgive.
- Share

g. Bursaries

Bursary funds are limited and those applicants judged most suitable in accordance with the School's Admissions Policy are given priority. The Trustees ensure that beneficiaries are not unreasonably restricted by way of geographical or other restrictions or ability to pay fees such that people with limited financial resources are not excluded from the opportunity to benefit.

During the year bursaries worth £187,414 (2021: £247,591) were awarded to 15 pupils (2021: 18 pupils) in line with the School's policy on financial support. This includes three existing pupils (2021: five) receiving emergency bursaries as a result of financial hardship due to the extenuating circumstances arising from the Coronavirus pandemic. Bursaries and hardship payments are awarded based on financial means testing. The amount awarded to any pupil may vary depending on individual family circumstances. Awards are normally made for up to 95% of the school fees plus other costs connected to attendance, although higher awards can be made where the circumstances require. Awards are normally reviewed annually, although the emergency bursaries relating to the Coronavirus pandemic were reviewed termly. Prospective parents are made aware of the Bursary policy through a variety of ways, including a prominent position on the School's website. As of the Autumn Term 2022, the emergency bursaries due to the Coronavirus pandemic had been brought to a close and 15 pupils are benefiting from bursaries under the normal annual programme.

We were delighted to be able to support a number of families fleeing the conflict in Ukraine hosted under the Homes for Ukraine programme within the local community.

h. Staff Professional Development

School staff continue to participate in high quality external Professional Development courses and in-house training. All this serves to enrich the teaching style of the whole School and continues to be an important aspect of the Appraisal Policy. There were five whole School INSET days during the year at which staff training was delivered as well as a regular programme of short-focused training sessions that was delivered during and after school during term-time.

i. Community Activities

As the restrictions from the Coronavirus eased during the year, we were able to begin to resume visitors coming into the School. The school hosted and attended sporting competitions with other school locally and nationally, with St Mary's being a favoured location due to the quality of its facilities and famed "match tea".

As many other community facilities for young families remained closed as a consequence of the pandemic, the School identified the need for a high quality "stay, play and create" sessions for young children and their parents and carers. Mini St. Mary's was launched in January 2022 and has been in high demand. This free 1 hour session, run twice a week, provides a stimulating and fun range of structured activities for children from 6 months – 3 years, including free play, malleable play, dance, music, movement, Bee-Bots, arts, crafts and storytelling. The families attending have reported how grateful they have been to find such an important resource to support them and their children.

During the year the School supported the education of two pupils with Education and Healthcare Plans (2021: three pupils).

The School encourages charitable activities throughout the year with various fundraising activities. During the course of the year £21,966 (2021: £13,220) was raised through fundraising activities within the School, including by the PTA, for a number of third party charities and appeals. These included Water Aid, CAFOD, Jeans 4 Genes, Children in Need, Royal British Legion, and Sports for Champions. We were delighted with the success in March 2022 of a fair run by the girls in Year 6 to raise funds for the DEC appeal for Ukraine. Just under £6,000 was raised through their efforts and it was a wonderful day, bringing the community together in solidarity with the people of Ukraine. Practical donations of food, clothing and toiletries were also made and donated to Cardinal Hume Centre and Age UK Camden.

The School continued to coordinate and provide support to early years staff at our school and those from other settings. In November 2021, the School was delighted to be able to host local early years providers at their first gathering since the introduction of the Covid restrictions. Further sessions were also held covering the impact of Covid on children and moderation of the early years profile.

Relationships

The School is an active member of the following organisations:

- Independent Association of Preparatory Schools (IAPS) for the promotion and maintenance of preparatory schools generally
- The Independent Schools Association (ISA)
- Catholic Independent Schools Congregation (CISC)
- Independent Schools Council (ISC)
- Independent Schools' Bursars Association (ISBA)
- Association of Governing Bodies of Independent Schools (AGBIS)

The School co-operates with and supports as many charities as possible in its ongoing endeavours to widen public access to the schooling it provides and to awaken in its pupils an awareness of the wider social context of the education they receive at the School.

FINANCIAL RESULTS

The principal source of funding for the School is its termly fees, which supports the key objective of providing a Roman Catholic education.

In setting the fees, the Trustees have regard to the level of fees that are appropriate for the educational services provided and the ability of parents to be able to pay them. The Trustees aim to set the fee levels with the intent for the School to produce a surplus which can be employed in providing bursaries to those who could not afford to pay the fees and to fund the use of the School's facilities, resources and staff to provide for the advancement of the objectives and aims of the School and to provide public benefit by other means to members of the wider community. In 2021-22, the reduction in pupil numbers as a result of the pandemic meant that fees were set to a level that was competitive in the local market, even though this generated a deficit, with this short-term shortfall being made up from reserves.

The total incoming resources for the year were £3,919,333 (2021: £3,912,302). The total outgoing resources were £4,121,878 (2021: £4,281,641). The net incoming resources for the year amounted to a deficit of £202,545 (2021: £368,339).

Within total incoming resources, £4,258 (2021: £5,066) were restricted funds received by way of parental donations towards bursaries, the expenditure of which also shows within incoming resources for the year. In 2021, £36,283 was also received as restricted funds relating to the Coronavirus Job Retention Scheme. All restricted funds received were fully expended during the year they were received.

At 31 August 2022, the total funds of the School were £4,561,464 (2021: £4,764,009). All the School funds as at 31 August 2022 are unrestricted and are held for use by the School. Its assets are sufficient to meet its obligations. The funds are being used to help finance current and future operational and capital projects.

RESERVES POLICY

Reserves are primarily held to enable the continuity of services and activities undertaken by the School.

Specific reasons to hold reserves are:

- to handle a sudden reduction in income;
- to cover for other key risks crystallising resulting in unplanned expenditure; or
- to take advantage of unexpected opportunities.

In considering the level of reserves that should be held, the Trustees test the policy level against various scenarios to ensure that adequate levels of reserves are held. In doing so, the Trustees have set a target range for free reserves (being total funds less any restricted funds and fixed assets) equivalent to the annual fee value resulting from a drop in pupil numbers of ten to thirty-three percent. At 31 August 2022, this range was between £379,440 and £1,264,800.

At 31 August 2022, the total funds of the School were £4,561,464 (2021: £4,764,009) while the net book value of fixed assets totalled £3,289,648 (2021: £3,514,034) resulting in free reserves of £1,271,816 (2021: £1,249,975).

The Trustees have reviewed areas of uncertainties that may impact the School's free reserves. Pupil numbers are an uncertainty as they are challenging to forecast accurately and can be impacted by factors outside the School's control. Pupil numbers, and in turn fee income, in 2021-22 were significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. There was also an increased demand for bursary support over these two years as a result of the pandemic. Looking forward it is expected that there will continue to be a higher demand for bursary assistance as the current financial crisis, in the form of inflationary pressures and rising interest rates and taxes, impacts parental ability to pay fees.

It had been expected that the reduction in pupil numbers and additional costs arising from the pandemic would result in a net deficit and a decrease in free reserves during 2021-22, however due to the careful stewardship by the School's leadership team, whilst a deficit has been incurred, there has in fact been a small increase in free reserves. Forecasts have been prepared for 2022-23 and 2023-24 taking into account the additional costs that the School is incurring during the current financial crisis, including the high cost of energy as a result of the current energy crisis. Going forward, it is expected that there will continue to be net deficits in 2022-23 and 2023-24.

The Trustees are satisfied that the free reserves are sufficient for the impact of the reduced pupil numbers to be managed within the target range of free reserves (general reserves) and that there is adequate working capital for the going concern status of the School to be assured. The School plans to return to making surpluses in 2023-24 or 2024-25 and to continue to maintain reserves at the top end of the target for free reserves.

PLANS FOR THE FUTURE

The Trustees intend for the School to continually improve its educational offering in line with its objectives and to maximise the benefits it provides to the wider community.

During the year to 31 August 2023, the School's focus is on continuing to: embed IT into the curriculum; ensure children are equipped with skills relevant for the future; and creating opportunities for more able children. The School is also trialling a holiday club, in response to parental request, for pupils of all ages.

The School has begun to draw up plans for improved sustainability to help manage the challenges of the current energy price crisis, as well as prepare the school for the future and reduce our carbon footprint.

The Trustees plan to recruit an exceptional Headmistress to take over the leadership of the School from 1 September 2023, when the current Headmistress moves to a new role outside of St Mary's School.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document
St Mary's School, Hampstead is incorporated as a company limited by guarantee, number 2643515 and is a registered charity, number 1006411. It's registered office and principal address is 47 Fitzjohn's Avenue, London, NW3 6PG.

The School is governed by the Memorandum of Association dated 10 June 1991 which was amended on 8 October 1991, 23 April 1993, 14 June 1993, 26 April 2006 and 18 March 2020 and its Articles of Association which were amended on 8 October 1991, 20 April 2005 and 23 March 2021. The Governors serve under Regulations as revised on 23 March 2021. The School's mission statement is dated September 2011.

Trustees and Governors
St Mary's School, Hampstead has a two-tier structure of governance: The Trustees and the Governors.

The Trustees are responsible for maintaining the objects of the charity, its administration and finances, risk assessment and overall strategy, as well as ensuring that the School complies with company and charity law and regulations. The Trustees appoint the Headmistress. The Trustees have overall responsibility for the School and exercise the oversight of some of the School's educational activities together with the Governors.

The Trustees, who are the directors of the company, who served during the year and up to the date of this report, were as follows:
Ms C Barry-Walsh (Chairman)
Mr K K Wilkins (Treasurer)
Mr R M Carlysle
Mrs Annabel Dumbell
Mrs S McCarron
Mr K A Murphy (retired 29 June 2022)
Mr S Murphy
Mrs V Sherwood

Trustees are elected by the Members of the company. One third of Trustees retire by rotation at each Annual General Meeting (AGM) and are eligible for re-election. The Trustees who retire each year are those who have been longest in office since their last election. The Trustees who retired by rotation and were re-elected at the AGM held on 30 March 2022, were Mr R Carlysle, Mrs S McCarron and Mr S Murphy.

The Governors, who are appointed by the Trustees, are responsible for the general direction, policies and priorities of the School within the budgets and objectives established by the Trustees. They offer support and guidance to the Headmistress, and also hold the School to account for the quality of education it provides and the standards it achieves. The Governors and Trustees ensure the safety of the School environment and review the effectiveness of the School's child protection policies. Five of the Governors are also Trustees.

The Governors who served during the year and up to the date of this report, were as follows were as follows:-

Mr S Murphy [123]	(Chairman)
Mr K K Wilkins [1]	(Ex-Officio)
Ms C Barry-Walsh	(Ex-Officio)
Mr R M Carlysle [3]	
Mrs A Granger [3]	
Dr D Harris [2]	(Retired 12 September 2022)
Sr P Harriss	(Retired 29 June 2022)
Mrs S McCarron	
Ms L Rands [3]	
Mrs D Einoeder [2]	(Appointed 24 January 2022)
Mrs C Wright [3]	(Appointed 28 September 2022)

[1] Member of the Finance and General Purposes Committee
[2] Member of the Health and Safety Committee
[3] Member of the Education and Staffing Committee

The following Trustees were also members of the above committees:

Mr K A Murphy [1]	(Retired 29 June 2022)
Mrs V Sherwood [2]	

The Trustees record their gratitude to the Board of Governors, and to Mrs Connor-Earl and her staff for their contribution to the continued success of the School.

Recruitment, Appointment, Induction and Training of Trustees and Governors

The Trustees are responsible for the selection and appointment of new Trustees and Governors. This is a legal responsibility that cannot be delegated, although the Nominations Committee, comprising the Headmistress and Chair of Governors will, after discussion and research, put forward recommendations for new Trustees and Governors to the Trustees. As charity trustees, the Trustees are aware of the importance of identifying the appropriate mixture of skills and experience that they and their successors need to manage the multi-faceted affairs of a modern school which is also a company limited by guarantee, a medium sized business and an important local employer. Each appointment of a Governor or Trustee made by the Trustees is for an initial period of three years, which may be renewed.

To facilitate communication, induction and training at Governor and Trustee level, the Governors' Handbook is regularly updated.

Roles and responsibilities are covered with main job descriptions and responsibilities. Terms of Reference are included for all committees, along with membership lists and the key policies and documents.

All Trustees and Governors are encouraged to attend in-house and external training courses, including those run by the Association of Governing Bodies of Independent Schools (AGBIS). Training in certain topics, such as Keeping Children Safe in Education, is mandatory and undertaken by all members of the governing body. Numerous on-line training courses are also undertaken by the Trustees and Governors.

A list of school policies is available on the School's website. To ensure full compliance with Safeguarding issues the Headmistress, Bursar and five Trustees have completed Safer Recruitment Training. There is also a named Governor with lead responsibility for all Safeguarding matters to ensure that the School is fully compliant with all current regulations.

Trustees make available to parents on the School's website a clear and succinct set of replies to questions that parents often ask about governance. The information covering Frequently Asked Questions is provided to enhance communication between Trustees and the parent body and to encourage them to share in the School's vision for the future.

Third Party Indemnity Provision for Trustees & Governors
Qualifying third party indemnity insurance is in place covering the governing body of the School.

Organisational Management
The Trustees meet as a Board at least three times a year to determine the general strategy of the Charity and review its overall management and control, for which they are legally responsible. Trustees and Governors convene jointly with a separate session for Trustees only. The Trustees and Governors also attend the Annual General Meeting.

There are three sub-committees of the Board of Governors as follows:

1. Education and Staffing Committee - meet once each half term and whose members consider educational and staffing issues. This committee is chaired by Mr Robert Carlysle.

2. Finance and General Purposes Committee - meet before each main Board meeting. The committee scrutinises revenues & expenditures, the budget & reforecasts and capital expenditure. This committee is chaired by Mr Keith Wilkins (who is also the Treasurer (the Trustee with responsibility for the supervision of the finances of the School)).

3. Health and Safety Committee - meet termly to consider all Health and Safety matters. This committee was chaired by Dr David Harris until his retirement on 12 September 2022. Mrs D Einoeder became chair on 11 October 2022. Mrs V Sherwood was interim chair.

The Key Management Personnel are the Trustees, Governors and the Senior Leadership Team. Day to day management of the School is delegated by the Governors to the Senior Leadership Team as below, led by the Headmistress.

Facilities Management
Management of the school facilities is overseen by the Bursar and Premises Manager and is monitored by the Health and Safety Committee which continues to ensure full compliance with all legislative requirements as well as incorporating rolling repairs with a programme to upgrade facilities on a carefully structured basis. During the year, the improvement work on the School's hot water system was completed. This work, which has been undertaken over a two-year period has greatly increased the School's hot water capacity and circulation so as to better meet the current and future needs of the School.

The Bursar, Premises Manager and Network Manager also oversaw further development works including improvements to the IT infrastructure to upgrade the server. In Autumn 2022, the school's broadband service will be upgraded which will further support the school meet its future requirements.

Remuneration of Key Management Personnel

Trustees and Governors do not receive any remuneration for their services. The remuneration of the Headmistress and Bursar is set by the Trustees, with the policy objective of ensuring that they are provided with appropriate compensation to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The remuneration of the rest of the Senior Leadership Team is determined by the Headmistress within the parameters set by the Trustees and Governors. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the sector wide issues of pay and employment conditions. Delivery of the School's charitable vision and purpose is primarily dependent on the Senior Leadership Team.

SENIOR LEADERSHIP TEAM AND PROFESSIONAL ADVISORS

Headmistress	Mrs Harriet Connor-Earl
Bursar & Company Secretary	Mrs Sara Gibbins
Deputy Head	Miss Philippa D'Aquino
Director of Studies	Mr Martin Otter
Independent Auditor	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers	Barclays Bank PLC 28 Hampstead High Street London NW3 1QB
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of St Mary's School, Hampstead for the purposes of company law, are responsible for preparing this Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the School's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Principal Risks and Uncertainties

The Trustees undertake an annual risk review to identify major risks to which the Charity is exposed. This review includes a full evaluation and thorough assessment of the primary risks relating to the key areas of the Charity as defined below and how those risks can be best minimised to reduce their potential impact on the School. Responsibility for detailed monitoring of each of the categories of risk identified is allocated to a committee or retained by the full board of Governors and Trustees. The mitigation activities that have been undertaken in the preceding year in response to the risk are discussed in the meetings of the relevant committee/full board and any additional mitigation activities that are required are detailed and monitored.

In 2021-22, alongside all organisations within the UK and globally, it was necessary to address the risk from the Coronavirus pandemic. Specific risk assessments continued to be maintained in line with Government guidance and reviewed regularly to ensure that all reasonable steps are being taken to protect the health and well-being of staff and pupils. The pandemic had consequential impact on the School's costs and income, however, the School had sufficient reserves to enable it to take a measured and considered approach to managing the financial risk. The risk to the School and the country as a whole has reduced with the roll out of vaccinations and, whilst the School remains vigilant, the pandemic no longer poses the significant Health & Safety risk that it did in 2020-21 and 2021-22. The experience of these two years puts the School in a strong position to manage future pandemics of this nature.

2021-22 also saw an emerging energy crisis as a result of the global situation, particularly that in Ukraine. The School has taken appropriate measures to mitigate its risk in relation to the cost of energy and has begun to draw up plans for improved sustainability to help manage the challenges of the current energy price crisis, as well as prepare the school for the future and reduce our carbon footprint. Again, the School has sufficient reserves to enable it to manage this current energy crisis.

The threatened economic downturn and the possibility of changes in legislation removing beneficial tax treatment from independent schools, create an environment of additional risk for the School. The School manages these risks through ensuring it continues to offer a generous bursary programme together with numerous community activities, demonstrating the strong public benefit it delivers, and ensuring that it maintains its reserves and carefully manages its budgets to enable it to absorb as far as possible the financial impact that any change in tax laws may bring.

In addition to the Health & Safety and Financial risks arising from the Coronavirus pandemic, the current energy crisis and the treat from economic downturn and changes in tax laws, the major risk areas are:

- Safeguarding: including Keeping Children Safe in Education, anti-bullying and online safety
- Operational: including Regulatory and Environmental factors
- Financial: including Information Technology and staff compensation factors
- Governance: including a review of Mission / Objects, Governance & Management and External factors
- Personnel: including Staffing, Employment and Academic factors
- Health & Safety: including Fire Risk Assessment / Procedures, Accidents and External events
- Reputation: including Safety, Education and Publicity

The principal risks identified and receiving a high level of mitigation activity concern the impact of external economic factors and their potential impact on pupil numbers leading to more sophisticated early warning indicators; external catastrophe planning; and recruitment and retention issues.

The Trustees continue to monitor the School's performance in relation to teaching, staff movement, Catholicity and the value added provided by the School.

AUDITOR

Moore Kingston Smith act as auditors under section 485 of the Companies Act 2006 and have indicated their willingness to continue as the School's auditors.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Trustees (who are also company directors) who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that:

- there is no relevant audit information which has not been disclosed to the auditor; and
- each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This Report was approved by order of the Trustees and signed on their behalf by

C Barry-Walsh
Chairman
29 November 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S SCHOOL, HAMPSTEAD

Opinion

We have audited the financial statements of St Mary's School Hampstead ('the company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' 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 charitable company'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 Trustees 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 Trustees 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 there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 12, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of:
Moore Kingston Smith LLP, Statutory Auditor
6th Floor, 9 Appold Street
London
EC2A 2AP

9th December 2022

ST MARY'S SCHOOL, HAMPSTEAD

Statement of Financial Activities (incorporating Income and Expenditure Account) for the year ended 31 August 2022

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income					
Investment income – interest receivable		236	-	236	166
Donations		5	4,258	4,263	5,066
Charitable activities:					
School operations:	2a				
Gross Fees receivable		3,666,958	-	3,666,958	3,808,190
Less: Bursaries		(183,156)	(4,258)	(187,414)	(247,591)
		3,483,802	(4,258)	3,479,544	3,560,599
Ancillary Income	2a	435,290	-	435,290	310,188
Material Items	2a	-	-	-	36,238
		3,919,092	(4,258)	3,914,834	3,907,070
TOTAL INCOME		3,919,333	-	3,919,333	3,912,302
Expenditure					
Charitable activities:					
School operating costs		(4,121,878)	-	(4,121,878)	(4,281,641)
TOTAL EXPENDITURE	3	(4,121,878)	-	(4,121,878)	(4,281,641)
Net (deficit) and net movement in funds for the year		(202,545)	-	(202,545)	(369,339)
Reconciliation of funds					
Total funds brought forward		4,764,009	-	4,764,009	5,133,348
Total funds carried forward	10	4,561,464	-	4,561,464	4,764,009

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 22 to 34 form part of these Financial Statements.
All income and expenditure arise from the School's continuing operations.

ST MARY'S SCHOOL, HAMPSTEAD
Company No: 2643515
Balance Sheet
at 31 August 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	5		3,289,648		3,514,034
Current assets					
Debtors	6	67,405		67,414	
Cash at bank and in hand		2,226,037		2,224,652	
		2,293,442		2,292,066	
Liabilities: Amounts falling due within one year	7	(818,476)		(805,657)	
Net current assets			1,474,966		1,486,410
Total assets less current liabilities			4,764,614		5,000,443
Liabilities: Amounts falling due after more than one year	8		(179,150)		(236,434)
Provisions for Liabilities	9		(24,000)		-
Net Assets			4,561,464		4,764,009
Funds					
Unrestricted Funds:					
General Funds	10		1,271,816		1,249,975
Tangible Fixed Assets Fund	10		3,289,648		3,514,034
Total Funds			4,561,464		4,764,009

The Financial Statements on pages 19 to 34 were approved by the Board and authorised for issue on 29 November 2022 and signed on its behalf by:

C Barry-Walsh (Chairman)

K K Wilkins (Treasurer)

The notes on pages 22 to 34 form part of the Financial Statements.

ST MARY'S SCHOOL, HAMPSTEAD
Company No: 2643515
Statement of Cash Flows
at 31 August 2022

	Notes	2022	2021
		£	£
Cash provided/(used) by operating activities	14	9,770	(74,859)
Cash flows from investing activities			
Bank interest received		236	166
Purchase of Tangible Fixed Assets		(8,621)	(19,986)
Cash used in investing activities		(8,385)	(19,820)
Increase/(Decrease) in cash and cash equivalents in the year		1,385	(94,679)
Total cash and cash equivalents and the beginning of the year		2,224,652	2,319,331
Total cash and cash equivalents at the end of the year		2,226,037	2,224,652

Analysis of changes in net debt

2022

Cash and cash equivalents	**As at 1 September** £	**Cashflows** £	**As at 31 August** £
Cash	2,224,652	1,385	2,226,037
Total	2,224,652	1,385	2,226,037

2021

Cash and cash equivalents	**As at 1 September** £	**Cashflows** £	**As at 31 August** £
Cash	2,319,331	(94,679)	2,224,652
Total	2,319,331	(94,679)	2,224,652

The notes on pages 22 to 34 form part of the Financial Statements.

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standards applicable to the UK and the Republic of Ireland (FRS102) and the Charities Act 2011. The Charity constitutes a public benefit entity as defined by FRS102.

The functional and presentational currency is sterling and amounts are rounded to the nearest pound.

b. Going concern

The School's key activity of providing a Roman Catholic education is such that fee income represents the majority of the School's income. Fee income in 2020-21 and 2021-22 has been significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. There was also an increased demand for bursary support over these two years as a result of the pandemic. Looking forward it is expected that there will continue to be a higher demand for bursary assistance as the current financial crisis, in the form of inflationary pressures and rising interest rates and taxes, impacts parental ability to pay fees.

Despite the increased costs and reduced pupils numbers, due to the careful stewardship by the School's leadership team, a small increase in free reserves was achieved in 2021-22. Forecasts for 2022-23 and 2023-24 have been prepared taking into account the additional costs that the School is incurring during the current financial crisis, including the high cost of energy as a result of the current energy crisis. Going forward, it is expected that there will continue to be net deficits in 2022-23 and 2023-24.

Pupil numbers are an uncertainty. However, they are not a material uncertainty and do not cast doubt on the ability of the School to continue as a going concern, as the uncertainty is being managed through cost management strategies and a strong focus on marketing. The School's level of the free reserves are sufficient for the impact to be managed over the medium-term within the target range of free reserves (general reserves). Additionally, there is adequate working capital for the going concern status of the School to be assured, specifically in the 12 months from the date of the signing of the Financial Statements. The School plans to return to making surpluses in 2023-24 or 2024-25 and to continue to maintain reserves at the top end of the target for free reserves.

c. Income

Fees receivable consist of charges billed for the school year 2021/2022. Fees received for education provided in future years are carried forward as deferred income (fees received in advance). Where parents are charged fees in lieu of notice this is recognized in the term for which the notice should have been given as parents are encouraged to keep their daughter at our school during this period and these charges are designed to cover the shortfall in income that would otherwise arise in that period. Other fee income consists of additional fees from tuition classes, lunches and registration fees which is accounted for on a receivable basis. Donations and income from fundraising activities are recognised when the School has entitlement to the receipt of the income, it can accurately measure the amount and it is probable that the economic benefits associated with the transaction will flow to the School. Fundraising activities undertaken within the School for other Charities are treated as funds held for third parties and any amounts held at the year-end are shown in the balance sheet.

In 2020-21, income also included material Government grants relating to the Coronavirus Job Retention Scheme provided to support organisations during the Coronavirus pandemic. These were recognised in full in the year for which they were receivable. All grants for staff costs in 2021-22 were applied for during the year. This income was treated as restricted funds.

d. Assets

Fixed assets costing more than £1,000 are shown on the balance sheet at cost less cumulative depreciation. Group purchases of IT equipment costing less than £1,000 per item are also capitalised where the estimated life extends over at least 3 years and the value of the group purchase exceeds £1,000. Current assets are shown at the lower of cost and net realisable value.

e. Depreciation

Depreciation is provided on all tangible fixed assets retained for the School's own use, other than freehold land, at rates calculated to write off their cost over their estimated useful economic lives at the following rates, on a straight-line basis:

Freehold buildings	2½% to 10% on cost
Furniture, equipment and IT	20% to 25% on cost

Land is not depreciated.

The estimated useful economic life of IT was reviewed at the start of 2021-22 and 4 years is now considered to be a better estimate of the useful economic life of such assets. Accordingly, from 1 September 2021, IT has been depreciated on a straight-line basis at a rate of 25% on cost.

f. Pension costs

The School contributes to the Teachers' Pension Scheme (a defined benefit scheme) at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with SORP (FRS102) the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School is undertaking a phased withdrawal from the Teachers' Pension Scheme and from 1 September 2022 contributes to a defined contribution scheme for teachers employed since 1 September 2022 and existing teachers wishing to move from the Teachers' Pension Scheme to this new scheme. The School also contributes to a defined contribution pension schemes for staff other than teachers. Contributions to defined contribution schemes are paid or accrued within the year in which the corresponding salary is earned.

g. Deposits

Deposits are refundable when a pupil leaves the School and are treated as a long term liability upon entry to the School except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income. Unclaimed deposits are deemed forfeited one year after a pupil leaves the School.

h. Expenditure

Expenditure is recognised on an accruals basis as soon as a liability is considered probable and has been analysed between School Operating Costs and Educational Grants. Expenditure is summarised under functional headings either on a direct cost basis or, for overhead support costs, apportioned according to management estimates of staff time spent. Irrecoverable VAT is included within the item of expenditure to which it relates. Support costs represent school administration costs incurred to support charitable activities and governance.

i. Termination payments

Termination payments do not provide future economic benefits and are therefore recognised as an expense in the Statement of Financial Activities as soon as the Charity is demonstrably committed to terminate the relevant employment (when a formal plan for termination of employment, without the realistic possibility of withdrawal, has been established). The amount recognised is the best estimate of the expenditure required to settle the obligation at the reporting date.

j. Operating leases

Operating lease costs are written off to the Statement of Financial Activities on a straight- line basis over the lease period.

k. Financial Instruments

The Charity only holds basic Financial Instruments. Financial Instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including any accrued income) are financial instruments and are debt instruments measured at amortised cost as detailed in note 6. 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 7 and 8. Amounts due for taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

l. Cash at bank and in hand

Cash at bank and in hand includes cash and highly liquid assets with a short maturity of less than twelve months.

m. Corporation Tax

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act

1992, to the extent that such income or gains are applied exclusively to charitable purposes.

n. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions - the School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The School has provided for doubtful debts on the basis of assumptions over which debts at the balance sheet date may not be paid in full. However, due to the low level of debts that had not been paid by the date of preparing the provision, the range of possible outcomes resulting from various assumptions is not material and therefore the estimates used to calculate the provision are not considered critical.

Critical areas of judgment - the depreciation policies used by the School represent a critical judgement as to the useful lives of the tangible fixed assets of the Charity.

2a. School operation income

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
Gross School fees receivable	3,666,958	-	3,666,958	3,808,190
Less Bursaries	(183,156)	(4,258)	(187,414)	(247,591)
	3,483,802	(4,258)	3,479,544	3,560,599
Ancillary Income:				
Extras	174,782	-	174,782	142,352
Lunches	188,867	-	188,867	147,779
Registration fees	10,500	-	10,500	8,625
Other	61,141	-	61,141	11,432
	435,290	-	435,290	310,188
Material items:				
Government grants under the Coronavirus Job Retention Scheme	-	-	-	36,283
	3,919,092	(4,258)	3,914,834	3,907,070

In 2021, £5,066 was received as unrestricted donations for bursaries and £36,283 was received as restricted funds under the Coronavirus Job Retention Scheme. In 2022, a thorough review of deposits identified a number of forfeited deposits that were still held on the balance sheet. £50,893 was released to income in relation to deposits forfeited in prior years and this is included in other income.

2b. Net movement in funds

	2022 £	2021 £
Net movement in funds is stated after charging:		
Auditor's remuneration (including VAT):		
External audit (current year)	14,100	17,760
Operating lease charges	10,721	11,415
Depreciation	233,008	272,557

All these movements are movements in unrestricted funds.

3. Charitable Expenditure

The split of expenditure between restricted and unrestricted funds in the year ended 31 August 2022 is shown below. In the year ended 31 August 2021, expenditure from restricted funds was primarily due to the restricted funds received in the form of Government grants under the Coronavirus Job Retention Scheme. No such grants were received in the year to 31 August 2022 and there is therefore no expenditure from restricted funds.

	Unrestricted funds £	Restricted funds £	Total 2022 £
2022 Charitable expenditure -			
School operating costs:			
Teaching costs	2,604,143	-	2,604,143
Catering	230,804	-	230,804
Premises	533,580	-	533,580
School administration	749,393	-	749,393
Public benefit	3,958	-	3,958
	4,121,878	-	4,121,878

	Unrestricted funds £	Restricted funds £	Total 2021 £
2021 Charitable expenditure -			
School operating costs:			
Teaching costs	2,659,369	33,915	2,693,284
Catering	227,592	-	227,592
Premises	621,353	-	621,353
School administration	736,049	2,368	738,417
Public benefit	995	-	995
	4,245,358	36,283	4,281,641

3. **Charitable Expenditure (continued)**

Analysis of charitable activities expenditure:

	Direct costs £	Support costs £	Total 2022 £
2022 Charitable expenditure -			
School operating costs:			
Teaching costs	2,604,143	-	2,604,143
Catering	230,804	-	230,804
Premises	533,580	-	533,580
School administration	249,539	499,854	749,393
Public benefit	3,958	-	3,958
	3,622,024	499,854	4,121,878

	Direct costs £	Support costs £	Total 2021 £
2021 Charitable expenditure -			
School operating costs:			
Teaching costs	2,693,284	-	2,693,284
Catering	227,592	-	227,592
Premises	621,353	-	621,353
School administration	228,751	509,666	738,417
Public benefit	995	-	995
	3,771,975	509,666	4,281,641

2022 Support costs:	Unrestricted funds £	2022 Restricted funds £	Total £
School administration: staff costs	457,440	-	457,440
Governance costs:			
Audit fee	14,100	-	14,100
Legal and professional fees	27,069	-	27,069
Trustees' and Governors' expenses	1,245	-	1,245
	499,854	-	499,854

3. Charitable Expenditure (continued)

2021 Support costs:

	Unrestricted funds	2021 Restricted funds	Total
	£	£	£
School administration: staff costs	482,152	2,368	484,520
Governance costs:			
Audit fee	17,760	-	17,760
Legal and professional fees	4,751	-	4,751
Trustees' and Governors' expenses	2,635	-	2,635
	507,298	2,368	509,666

	2022	2021
	£	£
Staff costs include:		
Wages and salaries	2,271,212	2,413,788
Social security costs	244,998	245,353
Pension contributions	359,370	365,069
Supply staff costs	63,684	25,660
	2,939,264	3,049,870

Material Government grants amounting to £36,283 relating to the Coronavirus Job Retention Scheme were received in 2020-21. This related entirely to claims for gross pay. No such grants were received in 2021-22.

Staff wages and salary costs include termination payments paid during the year of £nil (2021: £19,733).

Total employee salaries and other benefits of key management personnel, including employers' pension contributions and employer's national insurance contributions:

£429,043	£422,869

The members of the key management personnel are Trustees, Governors and the senior leadership team as listed on page 2. The increase in total employee benefits of key management personnel reflects the employment of all the senior leadership for the full financial year.

Governors' and Trustees' remuneration and expenses

No remuneration or benefits were provided to any Governors or Trustees during the year other than the School purchasing Trustees' and Governors' indemnity insurance to provide cover of up to £2 million. The premium for 2022 was £853 (2021: £699). In the year to 31 August 2022, no Trustees or Governors were reimbursed for expenses (2020: £112 was reimbursed to two Trustees in respect of training and out of pocket expenses). During the year, £1,245 (2021: £2,523) was spent in connection with the Governors and Trustees on training, hospitality and for flowers on the occasion of the birth of a Governor's baby.

The number of employees whose emoluments (including salaries and other benefits but excluding employers' pension contributions and employer's national insurance contributions) exceeded £60,000 was:

	2022	2021
	No.	No.
£60,000 - £70,000	2	2
£70,000 - £80,000	1	
£80,000 - £90,000	-	1
£100,000 - £110,000	1	1

These employees are accruing retirement benefits under the Standard Life Pension Scheme, a defined contribution scheme, and the Teachers' Pension Scheme, a defined benefit scheme.

	2022	2021
The average number of employees during the year was:	No.	No.
Teaching	50	57
Other	18	16
	68	73

4. Taxation

Value Added Tax on expenditure is borne in full and is included within the expenditure headings to which it relates.

5. Tangible fixed assets

	Land	Freehold Buildings	Furniture & Equipment	Total
	£	£	£	£
Cost				
At 1 September 2021	1,000,000	3,654,857	1,086,589	5,741,446
Additions	-	7,074	1,547	8,621
At 31 August 2022	1,000,000	3,661,931	1,088,136	5,750,067
Depreciation				
At 1 September 2021	-	1,349,595	877,817	2,227,412
Charge for year	-	123,424	109,583	233,007
At 31 August 2022	-	1,473,019	987,400	2,460,419
Net book value				
At 31 August 2022	1,000,000	2,188,912	100,736	3,289,648
Net book value				
At 31 August 2021	1,000,000	2, 305,262	208,772	3,514,034

5. Tangible Fixed Assets (continued)

There were no contractual commitments to acquire tangible fixed assets at the year end.

The Trustees are of the opinion that the current market value of the freehold land and buildings is significantly in excess of its current book value. This is supported by the valuation of the property by Cluttons in July 2008 which resulted in an existing use valuation (with vacant possession) of £8,250,000 (before the Mary Ward Hall build completion).

6. Debtors

	2022	2021
	£	£
Fees	29,274	19,368
Other debtors	98	1,210
Prepayments	38,033	46,836
	67,405	67,414

Fees outstanding are stated after a provision for doubtful debts of £27,690 (2021: £29,085).

7. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	41,247	146,096
Fees received in advance	526,830	427,347
Fee deposits	37,000	30,393
Other taxes and social security	59,681	63,503
Accruals and deferred income	98,463	92,812
Pension contributions	46,321	36,025
Other creditors	8,934	9,481
	818,476	805,657

Deferred Income, including fees in advance

	2022	2021
	£	£
Brought forward at 1 September 2021	468,847	497,175
Resources deferred in the year	555,750	468,847
Resources released to SOFA in year	(468,847)	(497,175)
Deferred Income at 31 August 2022	555,750	468,847

Deferred income is amounts received from parents in advance in respect of fees in lieu of notice relating to the Autumn Term 2022. Fees in advance reflects payments received from parents ahead of the due date.

8. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Fee deposits:		
Between 2-5 years	82,050	159,434
More than 5 years	97,100	77,000
	179,150	236,434

9. Provisions for Liabilities

An amount of £24,000 was provided for as at 31 August 2022 in respect of work required to the exterior brickwork of the school building.

	2022 £	2021 £
Brought forward at 1 September 2021	-	-
Charged to SOFA in year:	24,000	-
Provision for liabilities at 31 August 2022	24,000	-

10. Restricted and unrestricted funds

	Balance at 1 September 2021 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2022 £
Unrestricted funds:					
General funds	1,249,975	3,919,333	(4,121,878)	224,386	1,271,816
Tangible fixed assets fund	3,514,034	-	-	(224,386)	3,289,648
	4,764,009	3,919,333	(4,121,878)	-	4,561,464
Restricted funds:					
Donations	-	-	-	-	-
	-	-	-	-	-
	4,764,009	3,919,333	(4,121,878)	-	4,561,464

10. Restricted and unrestricted funds (continued)

The tangible fixed asset fund is represented by the accumulated capitalised expenditure on tangible fixed assets net of depreciation. The amounts transferred in the year represent the net of depreciation, additions and disposals in the year.

In 2021-22, the restricted funds were donations made and used for the purposes of funding bursaries (the expenditure of which is also shown within incoming resources).

For comparative purposes the movement on funds in 2020-21 were as follows:

	Balance at 1 September 2020 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2021 £
Unrestricted funds:					
General funds	1,366,743	3,876,019	(4,245,358)	252,571	1,249,975
Tangible fixed assets fund	3,766,605	-	-	(252,571)	3,514,034
	5,133,348	3,876,019	(4,245,358)	-	4,764,009
Restricted funds:					
Material Government grants	-	36,283	(36,283)	-	-
Donations	-	-	-	-	-
Other	-	36,283	(36,283)	-	-
	5,133,348	3,912,302	(4,281,641)	-	4,764,009

11. Operating leases

	2022 £	2021 £
Hire of equipment		
Total of future minimum lease payments under non-cancellable operating leases:		
Payments due within one year	7,274	7,246
Payments due in one to two years	7,104	142
Payments due in two to five years	3,552	-

12. Pensions

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £308,517 (2021: £310,366). At the year-end £39,272 (2021: £36,025) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap

valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

Defined Contribution Schemes

Defined Contribution Scheme for Teachers (DCforT)

During the year, the School entered into consultation with its teachers regarding its continued participation in the TPS for its teaching staff. The teachers agreed to the phased withdrawal of the School from the TPS from 1 September 2022. A new defined contribution scheme has been established for teachers who are employed from 1 September 2022 and for existing teachers who wish to opt out of the TPS and join this scheme. No contributions were made to the scheme in the year and nothing was accrued at the year-end in respect of such contributions.

Defined Contribution Scheme for other staff

The School also runs a pension scheme with Standard Life for those members of staff who are not eligible to join the Teachers' Pension Scheme. This is a money purchase scheme. The School contributes between 1% and 16% of an employee's salary, dependent on length of service. The cost for the year represents the School's contribution to the scheme of £50,854 (2021: £54,703). At the year-end £7,049 (2021: £nil) was accrued in respect of contributions to this scheme.

13. Related party transactions

There were no related party transactions in the year other than the Governors' expenses disclosed in note 3. Mrs L Rands was sent flowers on the occasion of the birth of her new baby.

14. Reconciliation of movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net (outgoing)/incoming resources	(202,545)	(368,339)
Add: Depreciation	233,007	272,557
Less: Investment income and bank interest	(236)	(166)
Decrease/(increase) in debtors	9	93,599
(Decrease)/increase in creditors	(20,465)	(71,510)
Net cash (used)/provided by operating activities	9,770	(74,859)

ST MARY'S SCHOOL, HAMPSTEAD

England & Wales - Charity number 1006411

Accounts

ST. MARY'S SCHOOL, HAMPSTEAD
(A Company Limited by Guarantee)

Annual report and financial statements

For the year ended

31 August 2021

Company No: 2643515
Charity registered in England No: 1006411

ST. MARY'S SCHOOL, HAMPSTEAD

Trustees' Report

Year ended 31 August 2021

The Trustees have prepared their annual report for the year ended 31 August 2021 in accordance with the Companies Act 2006, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS102).

REFERENCE AND ADMINISTRATIVE INFORMATION

St Mary's School, Hampstead is incorporated as a company limited by guarantee, number 2643515 and is a registered charity, number 1006411.

St Mary's School, Hampstead was established under a Memorandum of Association dated 10 June 1991 that established its objects and powers.

The School's registered office and principal address is 47 Fitzjohn's Avenue, London, NW3 6PG.

St Mary's School, Hampstead has a two tier structure of governance: The Trustees and the Governors. Their respective roles are explained in the section on Structure, Governance and Management on page 3.

TRUSTEES

The Trustees, who are the directors of the company, who served during the year and up to the date of this report, were as follows:

Ms C Barry-Walsh (appointed 28 September 2020) (Chairman from 2 December 2020)
Mr D H Rands (retired 2 December 2020) (Chairman to 2 December 2020)
Mr K K Wilkins (Treasurer)
Mr R M Carlysle
Mrs Annabel Dumbell
Mrs S McCarron
Mr K A Murphy
Mr S Murphy
Mrs V Sherwood

Trustees are elected by the members of the company. One third of Trustees retire by rotation at each Annual General Meeting (AGM) and are eligible for re-election. The Trustees who retire each year are those who have been longest in office since their last election. The Trustees who retired by rotation and were re-elected at the AGM held on 24 March 2021, were Mr K Wilkins, Mr K Murphy and Mrs V Sherwood. In addition, Mrs A Dumbell and Ms C Barry-Walsh, who were appointed during the financial year were re-appointed in accordance with the requirements of the company's constitution at the AGM.

COMPANY SECRETARY

Mrs S Gibbins

GOVERNORS

The Governors who served during the year and up to the date of this report, were as follows were as follows:-

Mr S Murphy [1 2 3]	(Chairman)
Mr K K Wilkins[1]	(Ex-Officio)
Mr D H Rands	(Ex-Officio until 2 December 2020)
Ms C Barry-Walsh	(Ex-Officio from 2 December 2020)
Mr R M Carlysle[3]	
Mrs A Gethin	(Retired 31 July 2021)
Mrs A Granger[3]	
Dr D Harris[2]	
Sr P Harriss	
Mrs S McCarron	
Mr M O'Reilly[3]	(Retired 23 June 2021)
Ms L Rands [3]	(Appointed 23 March 2021)

[1] Member of the Finance and General Purposes Committee
[2] Member of the Health and Safety Committee
[3] Member of the Education and Staffing Committee

The following Trustees were also members of the above committees:
Mr K A Murphy[1]
Mrs V Sherwood[2]

The Trustees record their gratitude to the Board of Governors, and to Mrs Connor-Earl and her staff for their contribution to the continued success of the School.

SENIOR LEADERSHIP TEAM AND PROFESSIONAL ADVISORS

Headmistress	Mrs H Connor-Earl
Bursar	Mrs Sara Gibbins
Deputy Head	Miss Philippa D'Aquino
Director of Studies	Mr Martin Otter
Independent Auditor	MHA MacIntyre Hudson 6th Floor 2 London Wall Place London EC2Y 5AU
Bankers	Barclays Bank PLC 28 Hampstead High Street London NW3 1QB

Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School is governed by the Memorandum of Association which was amended on 8 October 1991, 23 April 1993, 14 June 1993, 26 April 2006 and 18 March 2020 and its Articles of Association which were amended on 8 October 1991, 20 April 2005 and 23 March 2021. The Governors serve under Regulations as revised on 23 March 2021. The School's mission statement is dated September 2011.

Trustees and Governors

The Trustees are responsible for maintaining the objects of the charity, its administration and finances, risk assessment and overall strategy, as well as ensuring that the School complies with company and charity law and regulations. The Trustees appoint the Headmistress. The Trustees have overall responsibility for the School and exercise the oversight of some of the School's educational activities together with the Governors.

The Governors are responsible for the general direction, policies and priorities of the School within the budgets and objectives established by the Trustees. They offer support and guidance to the Headmistress, and also hold the School to account for the quality of education it provides and the standards it achieves. The Governors and Trustees ensure the safety of the School environment and review the effectiveness of the School's child protection policies. Five of the Governors are also Trustees.

Recruitment, Appointment, Induction and Training of Trustees and Governors

The Trustees are responsible for the selection and appointment of new Trustees and Governors. This is a legal responsibility that cannot be delegated, although the Nominations Committee, comprising the Headmistress and Chair of Governors will, after discussion and research, put forward recommendations for new Trustees and Governors to the Trustees. As charity trustees, the Trustees are aware of the importance of identifying the appropriate mixture of skills and experience that they and their successors need to manage the multi-faceted affairs of a modern school which is also a company limited by guarantee, a medium sized business and an important local employer. Each appointment of a Governor or Trustee made by the Trustees is for an initial period of three years, which may be renewed.

To facilitate communication, induction and training at Governor and Trustee level, the Governors' Handbook is regularly updated. The main information section includes the Memorandum of Association, Articles of Association, Mission Statement, Trustees' strategic direction for the period 2019-2022, School Operational Targets, Board of Governor Regulations, Governor appointment procedures, training opportunities and training undertaken by both Trustees and Governors over the previous five-year period along with a Code of Conduct.

Roles and responsibilities are covered with main job descriptions and responsibilities including those of the Chair of Trustees, Treasurer, Chair of Governors, Safeguarding Governor, Governors, Headmistress, Deputy Head, Bursar, Senior Leadership Team (SLT) and Senior Management Team (SMT). Terms of Reference are included

for all committees, along with membership lists and the key policies and documents.

All Trustees and Governors are encouraged to attend in-house and external training courses, including those run by the Association of Governing Bodies of Independent Schools (AGBIS). Numerous on-line training courses are also undertaken by the Trustees and Governors.

A list of school policies is available on the School's website. To ensure full compliance with Safeguarding issues the Headmistress, Bursar and five Trustees have completed Safer Recruitment Training. There is also a named Governor with lead responsibility for all Safeguarding matters to ensure that the School is fully compliant with all current regulations.

Trustees make available to parents on the School's website a clear and succinct set of replies to questions that parents often ask about governance. The information covering Frequently Asked Questions is provided to enhance communication between Trustees and the parent body and to encourage them to share in the School's vision for the future.

Third Party Indemnity Provision for Trustees

Qualifying third party indemnity insurance is in place covering the Trustees of the School.

Organisational Management

The Trustees meet as a Board at least three times a year to determine the general strategy of the Charity and review its overall management and control, for which they are legally responsible. Trustees and Governors convene with a separate session for Trustees only. The Trustees and Governors also attend the Annual General Meeting.

There are three sub-committees of the Board of Governors as follows:

1. Education and Staffing Committee - meet once each half term and whose members consider educational and staffing issues. This committee is chaired by Mr Robert Carlysle.

2. Finance and General Purposes Committee - meet before each main Board meeting. The committee scrutinises revenues & expenditures, the budget & reforecasts and capital expenditure. This committee is chaired by Mr Keith Wilkins (who is also the Treasurer (the Trustee with responsibility for the supervision of the finances of the School)).

3. Health and Safety Committee - meet termly to consider all Health and Safety matters. This committee is chaired by Dr David Harris.

The Key Management Personnel are the Trustees, Governors and the Senior Leadership Team. Day to day management of the School is delegated by the Governors to the Senior Leadership Team as defined on page 2, led by the Headmistress.

Remuneration of Key Management Personnel

Trustees and Governors do not receive any remuneration for their services. The remuneration of the Headmistress and Bursar is set by the Trustees, with the policy objective of ensuring that they are provided with appropriate

compensation to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The remuneration of the rest of the Senior Leadership Team is determined by the Headmistress within the parameters set by the Trustees and Governors. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the sector wide issues of pay and employment conditions. Delivery of the School's charitable vision and purpose is primarily dependent on the Senior Leadership Team.

Relationships

The School is an active member of the following organisations:

- Independent Association of Preparatory Schools (IAPS) for the promotion and maintenance of preparatory schools generally
- The Independent Schools Association (ISA)
- Catholic Independent Schools Congregation (CISC)
- Independent Schools Council (ISC)
- Independent Schools' Bursars Association (ISBA)
- Association of Governing Bodies of Independent Schools (AGBIS)

The School co-operates with and supports as many charities as possible in its ongoing endeavours to widen public access to the schooling it provides and to awaken in its pupils an awareness of the wider social context of the education they receive at the School.

OBJECTIVES AND ACTIVITIES

The objects are set out in the Memorandum of Association as the promotion and provision of the advancement of Roman Catholic education and the Roman Catholic religion. The School's policy is to enable each child to develop their full potential both academically and socially in accordance with the School's Mission Statement and to prepare them for the senior schools of their choice.

With effect from 1 September 2020, the School was registered as a single sex (all-girls) school. The School intends to become entirely single sex from September 2022.

In furthering the charity's objects, the Trustees have complied with the duty in Section 175(5) of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission concerning the operation of the Public Benefit Requirement under that Act.

When exercising their powers and duties and in particular when setting fees charged by the school and when identifying the benefits provided by the School in relation to its aims, the Trustees seek to achieve a fair balance between benefits provided and the need for the School to maintain a prudent financial position. Bursary funds are limited and those applicants judged most suitable in accordance with the School's Admissions Policy are given priority. The Trustees ensure that beneficiaries are not unreasonably restricted by way of geographical or other restrictions or ability to pay fees such that people with limited financial resources are not excluded from the opportunity to benefit.

Further information about the public benefits provided by the School is set out in the Strategic Report.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of St Mary's School, Hampstead for the purposes of company law, are responsible for preparing the Trustees' Report, the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the School's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR

MHA MacIntyre Hudson act as auditors under section 485 of the Companies Act 2006. MHA McIntyre Hudson has indicated its willingness to continue in office.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Trustees (who are also company directors) who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that:

- there is no relevant audit information which has not been disclosed to the auditor; and
- each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report was approved by order of the Trustees and signed on their behalf by

C Barry-Walsh
Chairman
30 November 2021

ST. MARY'S SCHOOL, HAMPSTEAD

Strategic Report

Year ended 31 August 2021

The School has chosen, in accordance with Companies Act 2006, S414c(ii), to set out in the School's Strategic Report, information required by Large and Medium sized companies and groups and The Charities (Accounts and Reports) Regulations 2008, (SI2008/629), to be contained in the Directors' Report. It has done so in respect of future developments.

The Trustees have prepared the following strategic report of St Mary's School, Hampstead for the year ended 31 August 2021 in accordance with the Companies Act 2006.

AIM, ACHIEVEMENTS AND PERFORMANCE

St Mary's School, Hampstead aims to provide an education firmly founded on Christ and the Catholic Faith. The achievement of this aim enables the School to fulfil its legal purposes of promoting and providing for the advancement of Roman Catholic education and the Roman Catholic religion.

The School has continued to provide a Catholic preparatory education for girls aged 2 ¾ to 11 and boys aged 2 ¾ to 4. The pupil numbers for the year averaged 247, 53% Catholic (2020: 294, 53% Catholic). With effect from 1 September 2020, the School was re-registered as a single sex (all-girls) school. The admission of boys is being phased out to enable the School to become entirely single sex from September 2022.

During the year bursaries of £247,591 (2020: £220,401) were awarded to 18 pupils (2020: 19 pupils) in line with the School's policy on financial support. This includes five existing pupils receiving emergency bursaries as a result of financial hardship due to the extenuating circumstances arising from the Coronavirus pandemic. Bursaries and hardship payments are awarded based on financial means testing. The amount awarded to any pupil may vary depending on individual family circumstances and can cover up to 100% of the school fees plus other costs connected to attendance. These awards are normally reviewed annually, although the emergency bursaries relating to the Coronavirus pandemic are being reviewed termly. Prospective parents are made aware of the Bursary policy through a variety of ways, including a prominent position on the School's website. As of the Autumn Term 2021, 13 pupils are benefiting from bursaries, including three receiving emergency bursaries due to the Coronavirus pandemic.

In setting the fees, the Trustees have had regard to the level of fees that are appropriate for the educational services provided and the ability of parents to be able to pay them. The Trustees have set the fee levels with the intent for the School to produce a surplus which can be employed in providing bursaries to those who could not afford to pay the fees and to fund the use of the School's facilities, resources and staff to provide for the advancement of the objectives and aims of the School and to provide public benefit by other means to members of the wider community.

During the Spring Term 2021, the School was required to close its physical facilities, to all but vulnerable children and children of critical workers, to abide by Coronavirus Government-imposed restrictions. This initially entailed replacing in-school learning with a high-quality Distance Learning environment encompassing classes, assemblies and one-to-one teaching. Once the School was allowed to reopen for in-person learning, high-quality Distance Learning was also provided to all children unable to attend the building physically due to the personal impact of Coronavirus and the associated restrictions on themselves and household members.

The Trustees have continued to review the School's activities including revenue and financial, human and physical resources as part of their duties to monitor and ensure that the School's charitable objects and the public benefit are achieved most effectively.

Community activities in the year to 31 August 2021 continued to the benefit of both local and international communities despite the restrictions imposed by the pandemic.

The School has assisted current potential members of the Roman Catholic Church through preparing 8 children to make their First Confession (2020: 16) and 19 (2020: 13 – deferred into 2021) children to receive their First Holy Communion in the School Chapel. This included 13 children's First Holy Communion which had been scheduled for May 2020 but was delayed until September 2020 due to the pandemic. The School holds weekly Masses for parents, staff and children. There is an Act of Collective Worship everyday which links to the Sunday Gospel reading. The children take part in a service or a Mass each week as well as Hymn Practice. The school has an active prayer council consisting of Year 6 children who promote the Catholic faith to younger members of the school. As a result of the pandemic, all the School's religious services were re-modelled in line with Government guidance and the School's risk assessment, and were celebrated by the school community through a combination of virtual and in-person attendance.

Due to the pandemic, no external visitors came into the School but the School continued to provide support and resources to our staff and staff from other schools including running an on-line training session with the focus on the revised EYFS Statutory Framework in place from September 2021.

During the year the School supported the education of three pupils with Education and Healthcare Plans (2020: three pupils), including a pupil who had been supported to successfully obtain an Education and Healthcare Plan at the end of the previous academic year.

The School encourages charitable activities throughout the year with various fundraising activities. During the course of the year £13,220 (2020: £13,380) was raised through fundraising activities within the School, including by the PTA, for a number of third party charities and appeals. These included War Child, The Rainbow Trust, CAFOD, Jeans 4 Genes, Children in Need, Royal British Legion, Age UK and Sea Shepherd. The May Ball which had been planned by the PTA to take place in May 2020 and which was delayed due to the pandemic was further delayed due to the ongoing Coronavirus restrictions. A decision was taken during the year to refund ticket money and to start afresh once a new date is able to be arranged with confidence. Ticket money of £4,440 was refunded and £200 was donated to the School charities. In addition, the School undertook a number of charitable collections of food, clothes and shoes. These funds raised for other charities are not accounted for as school funds.

Management of the school facilities is overseen by the Bursar and Premises Manager and is monitored by the Health and Safety Committee which continues to ensure full compliance with all legislative requirements as well as incorporating rolling repairs with a programme to upgrade facilities on a carefully structured basis. During the year, the improvement work on the School's hot water system was continued, including installing new pipework through much of the original building. This work, which has been undertaken over a two-year period has hugely increased the School's hot water capacity and circulation so as to better meet the current and future needs of the School.

The Bursar, Premises Manager and Network Manager also oversaw further development works including improvements to the IT infrastructure to better meet the immediate needs of Distance Learning and to provide for a flexible approach for the future.

The School continues to develop its religious and pastoral life with the ongoing service and dedication of the Chaplain, Father Chris Connor, in conjunction with the Religious Education Leaders of Learning and the support of all staff. The Catholic life of the School and the Catholic education it delivers were both found to be outstanding in the School's Inspection by the Diocese of Westminster in June 2019.

Pupils at the School continued to perform at a national level well in excess of the standard expectation for their age groups. The Senior School Entrance Examination results show that the School continues to secure places for their pupils at a wide range of leading London day schools and out-of-London boarding schools.

School staff continue to participate in high quality external Professional Development courses and in-house training. All this serves to enrich the teaching style of the whole School and continues to be an important aspect of the Appraisal Policy. There were six whole School INSET days during the year at which staff training was delivered as well as a regular programme of short-focused training sessions that was delivered during and after school during term-time. Governors and Trustees also participate in internal, external and online training.

Principal Risks and Uncertainties

The Trustees undertake an annual risk review to identify major risks to which the Charity is exposed. This review includes a full evaluation and thorough assessment of the primary risks relating to the key areas of the Charity as defined below and how these risks can be best minimised to reduce their potential impact on the School. Responsibility for detailed monitoring of each of the categories of risk identified is allocated to a committee or retained by the full board of Governors and Trustees. The mitigation activities that have been undertaken in the preceding year in response to the risk are discussed in the meetings of the relevant committee/full board and any additional mitigation activities that are required are detailed and monitored.

In 2020-21, alongside all organisations within the UK and globally, it was necessary to address the risk from the Coronavirus pandemic. Specific risk assessments were drawn up in line with Government guidance and reviewed regularly to ensure that all reasonable steps are being taken to protect the health and well-being of staff and pupils. The pandemic has had consequential impact on the School's costs and income. However, the School has sufficient reserves to enable it to take a measured and considered approach to managing the current financial risk.

In addition to the current Health & Safety and Financial risks arising from the Coronavirus pandemic, the major risk areas are:

- Safeguarding: including Keeping Children Safe in Education, anti-bullying and online safety
- Operational: including Regulatory and Environmental factors
- Financial: including Information Technology and staff compensation factors
- Governance: including a review of Mission / Objects, Governance & Management and External factors
- Personnel: including Staffing, Employment and Academic factors
- Health & Safety: including Fire Risk Assessment / Procedures, Accidents and External events
- Reputation: including Safety, Education and Publicity

The principal risks identified and receiving a high level of mitigation activity concern the impact of external economic factors and their potential impact on pupil numbers leading to more sophisticated early warning indicators; external catastrophe planning; and recruitment and retention issues.

The Trustees continue to monitor the School's performance in relation to teaching, staff movement, Catholicity and the value added provided by the School.

Fundraising

The School raised £5,066 from parental donations towards bursaries in the year to 31 August 2021 (2020: £11,884).

FINANCIAL RESULTS

The principal source of funding for the School is its termly fees, which supports the key objective of providing a Roman Catholic education.

The total incoming resources for the year were £3,912,302 (2020: £4,557,191). The total outgoing resources were £4,281,641 (2020: £4,586,266). The net incoming resources for the year amounted to a deficit of £369,339 (2020: £29,075). This decrease in net incoming resources for the year 2020-21 compared with 2019-20 arose mainly from a reduction in pupil numbers as a result of the pandemic.

Within total incoming resources, £36,283 was restricted funds (2020: £169,852) which related to the Coronavirus Job Retention Scheme (2020: £169,537). £5,066 (2020: £11,884) was also received as parental donations towards bursaries, the expenditure of which also shows within incoming resources for the year. All restricted funds received were fully expended during the year.

At 31 August 2021, the total funds of the School were £4,764,009 (2020: £5,133,348). All the School funds as at 31 August 2021 are unrestricted and are held for use by the School. Its assets are sufficient to meet its obligations. The funds are being used to help finance current and future operational and capital projects.

RESERVES POLICY

Reserves are primarily held to enable the continuity of services and activities undertaken by the School.

Specific reasons to hold reserves are:

- to handle a sudden reduction in income;
- to cover for other key risks crystallising resulting in unplanned expenditure; or
- to take advantage of unexpected opportunities.

In considering the level of reserves that should be held, the Trustees test the policy level against various scenarios to ensure that adequate levels of reserves are held. In doing so, the Trustees have set a target range for free reserves (being total funds less any restricted funds and fixed assets) equivalent to the annual fee value resulting from a drop in pupil numbers of ten to thirty-three percent. At 31 August 2021, this range was between £502,200 and £1,674,000.

At 31 August 2021, the total funds of the School were £4,764,009 (2020: £5,133,348) while the net book value of fixed assets totalled £3,514,034 (2020: £3,766,605) resulting in free reserves of £1,249,975 (2020: £1,366,743).

The Trustees have reviewed areas of uncertainties that may impact the School's free reserves. Pupil numbers are an uncertainty as they are challenging to forecast accurately and can be impacted by factors outside the School's control. Pupil numbers, and in turn fee income, in 2020-21 have been significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School.

It had been expected that the reduction in pupil numbers and additional costs arising from the pandemic would result in a net deficit and a decrease in free reserves during 2020-21. The Trustees expect that this position will continue in 2021-22 and, to a lesser degree, during 2022-23. The Trustees are satisfied that the free reserves are sufficient for this impact to be managed within the target range of free reserves (general reserves) and that there is adequate working capital for the going concern status of the School to be assured. The School plans to return to making surpluses in 2022-23 or 2023-24 with the aim of reaching the top end of the target for free reserves.

PLANS FOR THE FUTURE

The Trustees intend for the School to continually improve its educational offering in line with its objectives and to maximise the benefits it provides to the wider community.

During the year to 31 August 2022, the School's focus is on the integration of the STEAM (Science, Technology, Engineering, Art and Maths) centre throughout the curriculum and to review the offering of Music and Drama with the new Head of Music & Drama. The School also intends to draw up plans for the next stage of its ongoing programme of improvements to ensure the School continues to offer an outstanding experience for all our pupils.

The Strategic Report was approved by order of the Trustees and signed on their behalf by

Carroll Barry-Walsh

C Barry-Walsh
Chairman
30 November 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S SCHOOL, HAMPSTEAD

Opinion

We have audited the financial statements St Mary's School, Hampstead (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021, and of its incoming resources and application of resources, including 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

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 charitable company'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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the Directors' report) and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report and Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- 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 and 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: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sudhir Singh

Sudhir Singh, FCA (Senior Statutory Auditor)

For and on behalf of:
MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditor
6th Floor
2 London Wall Place
London
EC2Y 5AU

1 January 2022

ST MARY'S SCHOOL, HAMPSTEAD

Statement of Financial Activities (incorporating Income and Expenditure Account) for the year ended 31 August 2021

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income					
Investment income – interest receivable		166	-	166	11,318
Donations		-	5,066	5,066	12,199
***Charitable activities*:**					
School operations:	2a				
Gross Fees receivable		3,808,190	-	3,808,190	4,141,590
Less: Bursaries		(242,525)	(5,066)	(247,591)	(220,401)
		3,565,665	(5,066)	3,560,599	3,921,189
Ancillary Income	2a	310,188	-	310,188	442,948
Material Items	2a	-	36,283	36,283	169,537
		3,875,853	31,217	3,907,070	4,533,674
TOTAL INCOME		3,876,019	36,283	3,912,302	4,557,191
Expenditure					
Charitable activities:					
School operating costs		(4,245,358)	(36,283)	(4,281,641)	(4,586,266)
TOTAL EXPENDITURE	3	(4,245,358)	(36,283)	(4,281,641)	(4,586,266)
Net income and net movement in funds for the year		(369,339)	-	(369,339)	(29,075)
Reconciliation of funds					
Total funds brought forward		5,133,348	-	5,133,348	5,162,423
Total funds carried forward	9	4,764,009	-	4,764,009	5,133,348

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 20 to 32 form part of these Financial Statements.
All income and expenditure arise from the School's continuing operations.

ST MARY'S SCHOOL, HAMPSTEAD
Company No: 2643515
Balance Sheet
at 31 August 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	5		3,514,034		3,766,605
Current assets					
Debtors	6	67,414		161,013	
Cash at bank and in hand		2,224,652		2,319,331	
		2,292,066		2,480,344	
Liabilities: Amounts falling due within one year	7	(805,657)		(876,101)	
Net current assets			1,486,410		1,604,243
Total assets less current liabilities			5,000,443		5,370,848
Liabilities: Amounts falling due after more than one year	8		(236,434)		(237,500)
Net Assets			4,764,009		5,133,348
Funds					
Unrestricted Funds:					
General Funds	9		1,249,975		1,366,743
Tangible Fixed Assets Fund	9		3,514,034		3,766,605
Total Funds			4,764,009		5,133,348

The Financial Statements on pages 17 to 32 were approved by the Board and authorised for issue on 30 November 2021 and signed on its behalf by:

Carroll Barry-Walsh

C Barry-Walsh (Chairman)

K K Wilkins

K K Wilkins (Treasurer)

The notes on pages 20 to 32 form part of the Financial Statements.

ST MARY'S SCHOOL, HAMPSTEAD
Company No: 2643515
Statement of Cash Flows
at 31 August 2021

	Notes	2021	2020
		£	£
Cash (used)/provided by operating activities	13	(74,859)	178,650
Cash flows from investing activities			
Bank interest received		166	11,318
Purchase of Tangible Fixed Assets		(19,986)	(179,642)
Cash used in investing activities		(19,820)	(168,324)
Increase/(Decrease) in cash and cash equivalents in the year		(94,679)	10,326
Total cash and cash equivalents and the beginning of the year		2,319,331	2,309,005
Total cash and cash equivalents at the end of the year		2,224,652	2,319,331

Analysis of changes in net debt

	2021		
Cash and cash equivalents	**As at 1 September £**	**Cashflows £**	**As at 31 August £**
Cash	2,319,331	(94,679)	2,224,652
Total	2,319,331	(94,679)	2,224,652

	2020		
Cash and cash equivalents	**As at 1 September £**	**Cashflows £**	**As at 31 August £**
Cash	1,009,005	1,310,326	2,319,331
Cash and cash equivalents – deposit account	1,300,000	(1,300,000)	-
Total	2,309,005	10,326	2,319,331

The notes on pages 20 to 32 form part of the Financial Statements.

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standards applicable to the UK and the Republic of Ireland (FRS102) and the Charities Act 2011. The Charity constitutes a public benefit entity as defined by FRS102.

The functional and presentational currency is sterling and amounts are rounded to the nearest pound.

b. Going concern

The School's key activity of providing a Roman Catholic education is such that fee income represents the majority of the School's income. Fee income in 2020-21 has been significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. Forecasts for 2021-22 and 2022-23 have been produced and provided to the Trustees. It is expected that the impact of the Coronavirus pandemic on income and expenditure will result in a net deficit and decrease in free reserves during 2021-22 and, to a lesser degree, during 2022-23.

Pupil numbers are an uncertainty. However, they are not a material uncertainty and do not cast doubt on the ability of the School to continue as a going concern, as the uncertainty is being managed through cost management strategies and a strong focus on marketing. The School's level of the free reserves are sufficient for the impact to be managed over the medium-term within the target range of free reserves (general reserves). Additionally, there is adequate working capital for the going concern status of the School to be assured, specifically in the 12 months from the date of the signing of the Financial Statements. The School plans to return to making surpluses in 2022-23 or 2023-24 with the aim of reaching the top end of the target for free reserves.

c. Income

Fees receivable consist of charges billed for the school year 2020/2021. Fees received for education provided in future years are carried forward as deferred income (fees received in advance). Other fee income consists of additional fees from tuition classes, lunches and registration fees which is accounted for on a receivable basis. Donations and income from fundraising activities are recognised when the School has entitlement to the receipt of the income, it can accurately measure the amount and it is probable that the economic benefits associated with the transaction will flow to the School. Fundraising activities undertaken within the School for other Charities are treated as funds held for third parties and any amounts held at the year-end are shown in the balance sheet.

Income also includes material Government grants relating to the Coronavirus Job Retention Scheme provided to support organisations during the Coronavirus pandemic. These have been recognised in full in the year for which they were receivable. All grants for staff costs in 2020-21 were applied for during the year. This income was treated as restricted funds.

d. Assets

Fixed assets costing more than £1,000 are shown on the balance sheet at cost less cumulative depreciation. Group purchases of IT equipment costing less than £1,000 per item are also capitalised where the estimated life extends over at least 3 years and the value of the group purchase exceeds £1,000. Current assets are shown at the lower of cost and net realisable value.

e. Depreciation

Depreciation is provided on all tangible fixed assets retained for the School's own use, other than freehold land, at rates calculated to write off their cost over their estimated useful economic lives at the following rates, on a straight-line basis:

Freehold buildings	2½% to 10% on cost
Furniture, equipment and IT	20% to 33⅓% on cost

Land is not depreciated.

Since the end of the financial year, the Trustees have reconsidered the estimated useful economic life of IT and now consider 4 years to be a better estimate of the useful economic life of such assets. Accordingly, going forward, IT will be depreciated on a straight-line basis at a rate of 25% on cost.

f. Pension costs

The School contributes to the Teachers' Pension Scheme (a defined benefit scheme) at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with SORP (FRS102) the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School also contributes to personal defined contribution pension schemes for staff other than teachers and these contributions are paid or accrued within the year in which the corresponding salary is earned.

g. Deposits

Deposits are refundable when a pupil leaves the School and are treated as a long term liability upon entry to the School except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income. Unclaimed deposits are deemed forfeited one year after a pupil leaves the School.

h. Expenditure

Expenditure is recognised on an accruals basis as soon as a liability is considered probable and has been analysed between School Operating Costs and Educational Grants. Expenditure is summarised under functional headings either on a direct cost basis or, for overhead support costs, apportioned according to management estimates of staff time spent. Irrecoverable VAT is included within the item of expenditure to which it relates. Support costs represent school administration costs incurred to support charitable activities and governance.

i. Termination payments

Termination payments do not provide future economic benefits and are therefore recognised as an expense in the Statement of Financial Activities as soon as the Charity is demonstrably committed to terminate the relevant employment (when a formal plan for termination of employment, without the realistic possibility of withdrawal, has been established). The amount recognised is the best estimate of the expenditure required to settle the obligation at the reporting date.

j. Operating leases

Operating lease costs are written off to the Statement of Financial Activities on a straight- line basis over the lease period.

k. Financial Instruments

The Charity only holds basic Financial Instruments. Financial Instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including any accrued income) are financial instruments and are debt instruments measured at amortised cost as detailed in note 6. 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 7 and 8. Amounts due for taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

l. Cash at bank and in hand

Cash at bank and in hand includes cash and highly liquid assets with a short maturity of less than twelve months.

m. Corporation Tax

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

n. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions - the School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The School has provided for doubtful debts on the basis of assumptions over which debts at the balance sheet date may not be paid in full. However, due to the low level of debts that had not been paid by the date of preparing the provision, the range of possible outcomes resulting from various assumptions is not material and therefore the estimates used to calculate the provision are not considered critical.

Critical areas of judgment - the depreciation policies used by the School represent a critical judgement as to the useful lives of the tangible fixed assets of the Charity.

2a. School operation income

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Gross School fees receivable	3,808,190	-	3,808,190	4,141,590
Less Bursaries	(242,525)	(5,066)	(247,591)	(220,401)
	3,565,665	(5,066)	3,560,599	3,921,189
Ancillary Income:				
Extras	142,352	-	142,352	247,377
Lunches	147,779	-	147,779	168,264
Registration fees	8,625	-	8,625	8,831
Other	11,432	-	11,432	18,476
	310,188	-	310,188	442,948
Material items:				
Government grants under the Coronavirus Job Retention Scheme	-	36,283	36,283	169,537
	3,875,853	31,217	3,907,070	4,533,674

All income in 2020 was for unrestricted funds.

2b. Net movement in funds

	2021 £	2020 £
Net movement in funds is stated after charging:		
Auditor's remuneration (including VAT):		
External audit (current year)	17,760	14,340
Operating lease charges	11,415	11,278
Depreciation	272,557	303,363
Loss on disposal of fixed assets	-	5,185

All these movements are movements in unrestricted funds.

3. Charitable Expenditure

The split of expenditure between restricted and unrestricted funds in the year ended 31 August 2021 is shown below. This is primarily due to the restricted funds received in the form of Government grants under the Coronavirus Job Retention Scheme.

	Unrestricted funds £	Restricted funds £	Total 2021 £
2021 Charitable expenditure -			
School operating costs:			
Teaching costs	2,659,369	33,915	2,693,284
Catering	227,592	-	227,592
Premises	621,353	-	621,353
School administration	736,049	2,368	738,417
Public benefit	995	-	995
	4,245,358	36,283	4,281,641

	Unrestricted funds £	Restricted funds £	Total 2020 £
2020 Charitable expenditure -			
School operating costs:			
Teaching costs	2,784,299	148,656	2,932,955
Catering	175,845	-	175,845
Premises	673,676	6,430	680,106
School administration	778,950	14,451	793,401
Public benefit	3,644	315	3,959
	4,416,414	169,852	4,586,266

Analysis of charitable activities expenditure:

	Direct costs £	Support costs £	Total 2021 £
2021 Charitable expenditure -			
School operating costs:			
Teaching costs	2,693,284	-	2,693,284
Catering	227,592	-	227,592
Premises	621,353	-	621,353
School administration	200,559	537,858	738,417
Public benefit	995	-	995
	3,743,783	537,858	4,281,641

3. Charitable Expenditure (continued)

	Direct costs £	Support costs £	Total 2020 £
2020 Charitable expenditure -			
School operating costs:			
Teaching costs	2,932,955	-	2,932,955
Catering	175,845	-	175,845
Premises	680,106	-	680,106
School administration	236,240	557,161	793,401
Public benefit	3,959	-	3,959
	4,029,104	557,161	4,586,266

2021 Support costs:	Unrestricted funds £	2021 Restricted funds £	Total £
School administration: staff costs	482,151	2,368	484,519
Governance costs:			
Audit fee	17,760	-	17,760
Legal and professional fees	32,943	-	32,943
Trustees' and Governors' expenses	2,635	-	2,365
	535,490	2,368	537,858

2020 Support costs:	Unrestricted funds £	2020 Restricted funds £	Total £
School administration: staff costs	459,945	14,451	474,396
Governance costs:			
Audit fee	14,340	-	14,340
Legal and professional fees	66,663	-	66,663
Trustees' and Governors' expenses	1,762	-	1,762
	542,710	14,451	557,161

3. Charitable Expenditure (continued)

	2021	2020
	£	£
Staff costs include:		
Wages and salaries	2,413,788	2,335,973
Social security costs	245,353	237,953
Pension contributions	365,069	352,880
Supply staff costs	25,660	214,679
	3,049,870	3,141,485

Material Government grants amounting to £169,537 relating to the Coronavirus Job Retention Scheme were received in 2019-20. This related to claims for gross pay of £156,587, employer's national insurance contributions of £10,542 and pension contributions of £2,408. In 2020-21 further grants were received amounting to £36,283, which related entirely to claims for gross pay.

Staff wages and salary costs include termination payments paid during the year of £19,733 (2020: £1.556).

Total employee salaries and other benefits of key management personnel, including employers' pension contributions and employer's national insurance contributions:

£422,869	£414,023

The members of the key management personnel are Trustees, Governors and the senior leadership team as listed on page 2. The increase in total employee benefits of key management personnel reflects the employment of all the senior leadership for the full financial year.

Governors' and Trustees' remuneration and expenses

No remuneration or benefits were provided to any Governors or Trustees during the year other than the School purchasing Trustees' and Governors' indemnity insurance to provide cover of up to £1 million. The premium for 2021 was £699 (2020: £812). In the year to 31 August 2021, two Trustees were reimbursed £112 (2020: £1,553 two Governors, of which one was also Trustees, and one Trustee) in respect of training and out of pocket expenses. A further £2,523 (2020: £209) was spent in connection with the Governors and Trustees on training, stationery, hospitality and a modest gift given to DH Rands (Chair of Trustees) by the Trustees on the occasion of his retirement following 20 years' service to the School.

The number of employees whose emoluments (including salaries and other benefits but excluding employers' pension contributions and employer's national insurance contributions) exceeded £60,000 was:

	2021	2020
	No.	No.
£60,000 - £70,000	2	2
£70,000 - £80,000	-	1
£80,000 - £90,000	1	-
£100,000 - £110,000	1	1

These employees are accruing retirement benefits under the Standard Life Pension Scheme, a defined contribution scheme, and the Teachers' Pension Scheme, a defined benefit scheme.

	2020	2020
The average number of employees during the year was:	No.	No.
Teaching	57	56
Other	16	17
	73	73

4. Taxation

Value Added Tax on expenditure is borne in full and is included within the expenditure headings to which it relates.

5. Tangible fixed assets

	Land	Freehold Buildings	Furniture & Equipment	Total
	£	£	£	£
Cost				
At 1 September 2020	1,000,000	3,647,466	1,073,994	5,721,460
Additions	-	7,391	12,595	19,986
At 31 August 2021	1,000,000	3,654,857	1,086,589	5,741,446
Depreciation				
At 1 September 2020	-	1,227,005	727,850	1,954,855
Charge for year	-	122,590	149,967	272,557
At 31 August 2021	-	1,349,595	877,817	2,227,412
Net book value				
At 31 August 2021	1,000,000	2,305,262	208,772	3,514,034
Net book value				
At 31 August 2020	1,000,000	2,420,461	346,144	3,766,605

5. Tangible Fixed Assets (continued)

There were no contractual commitments to acquire tangible fixed assets at the year end.

The Trustees are of the opinion that the current market value of the freehold land and buildings is significantly in excess of its current book value. This is supported by the valuation of the property by Cluttons in July 2008 which resulted in an existing use valuation (with vacant possession) of £8,250,000 (before Mary Ward Hall build completion).

6. Debtors

	2021	2020
	£	£
Fees	19,368	74,385
Other debtors	1,210	42,361
Prepayments	46,836	44,267
	67,414	161,013

Fees outstanding are stated after a provision for doubtful debts of £29,085 (2020: £30,665).

7. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	146,096	162,452
Fees received in advance	427,347	397,333
Fee deposits	30,393	38,873
Other taxes and social security	63,503	57,911
Accruals and deferred income	92,812	170,206
Pension contributions	36,025	35,071
Other creditors	9,481	14,255
	805,657	876,101

Deferred Income

	2021	2020
	£	£
Brought forward at 1 September 2020	99,842	69,870
Resources deferred in the year	41,500	99,842
Resources released to SOFA in year	(99,842)	(69,870)
Deferred Income at 31 August 2021	41,500	99,842

Deferred income is amounts received from parents in advance in respect of fees in lieu of notice relating to the Autumn Term 2021 and deposits for trips taking place in 2021-22.

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Fee deposits:		
Between 2-5 years	159,434	161,500
More than 5 years	77,000	76,000
	236,434	237,500

9. Restricted and unrestricted funds

	Balance at 1 September 2020 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2021 £
Unrestricted funds:					
General funds	1,366,743	3,876,019	(4,245,358)	252,571	1,249,975
Tangible fixed assets fund	3,766,605	-	-	(252,571)	3,514,034
	5,133,348	3,876,019	(4,245,358)	-	4,764,009
Restricted funds:					
Material Government grants	-	36,283	(36,283)	-	-
Donations	-	-	-	-	-
Other	-	36,283	(36,283)	-	-
	5,133,348	3,912,302	(4,281,641)	-	4,764,009

The tangible fixed asset fund is represented by the accumulated capitalised expenditure on tangible fixed assets net of depreciation. The amounts transferred in the year represent the net of depreciation, additions and disposals in the year.

In 2020-21, the restricted funds were received and used for the following purposes:

- Material Government grants received under the Coronavirus Job Retention Scheme were used to fund part of the cost of salaries for staff on furlough leave. In 2019-20 these also funded part of the cost of employer's national insurance and pension contributions for these employees.
- Donations were made for the purposes of funding bursaries (the expenditure of which is also shown within incoming resources).

For comparative purposes the movement on funds in 2019-20 were as follows:

	Balance at 1 September 2019 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2020 £
Unrestricted funds:					
General funds	1,266,913	4,387,339	(4,416,414)	128,905	1,366,743
Tangible fixed assets fund	3,895,510	-	-	(128,905)	3,766,605
	5,162,423	4,387,339	(4,416,414)	-	5,133,348
Restricted funds:					
Material Government grants	-	169,537	(169,537)	-	-
Donations	-	-	-	-	-
Other	-	315	(315)	-	-
Other	-	169,852	(169,852)	-	-
	5,162,423	4,557,191	(4,586,266)	-	5,133,348

10. Operating leases

	2021 £	2020 £
Hire of equipment		
Total of future minimum lease payments under non-cancellable operating leases:		
Payments due within one year	7,246	11,403
Payments due in one to two years	142	7,219
Payments due in two to five years	-	125

11. Pensions

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £310,366 (2020: £302,938). At the year-end £36,025 (2020: £27,803) was accrued in respect of contributions to this scheme.

The Teachers' Pension Scheme (TPS or scheme) 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 Service 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' Pensions 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 latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation, from September 2019 TPS employers pay an increased contribution rate of 23.68% (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers paid the previous rate of 16.48%.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website:
https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Defined Contribution Scheme

The School also runs a pension scheme with Standard Life for those members of staff who are not eligible to join the Teachers' Pension Scheme. This is a money purchase scheme. The School contributes between 1% and 14% of an employee's salary, dependent on length of service. The cost for the year represents the School's contribution to the scheme of £54,703 (2020: £49,942). This had been paid in full during the year and nothing was owing at the year-end (2020: £7,268 owing).

12. Related party transactions

There were no related party transactions in the year other than the Governors' expenses disclosed in note 3. DH Rands, who retired as the Chair of Trustees and as a Trustee on 2 December 2020 was presented with a modest gift to honour his service to the School, on the occasion of his retirement.

13. Reconciliation of movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net (outgoing)/incoming resources	(369,339)	(29,075)
Add: Depreciation	272,557	303,363
Add: Loss on disposal of fixed assets	-	5,185
Less: Investment income and bank interest	(166)	(11,318)
Decrease/(increase) in debtors	93,599	(39,442)
(Decrease)/increase in creditors	(71,510)	(50,063)
Net cash (used)/provided by operating activities	(74,859)	178,650