

Charity registration number 1076999 (England and Wales)

ST MICHAEL'S SCHOOL TRUST

Annual report and financial statements

For the year ended 31 August 2024

ST MICHAEL'S SCHOOL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Board of Governors	R Chinchawala J K Tyson M Weatheritt E Sharman A Scarff S Ward N Skelly J Lidiard C Needham K Crozer	(Appointed 2 September 2024) (Appointed 2 September 2024) (Appointed 4 November 2024)
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Trustee St Michael's Trust Association Ltd

Clerk to Governors C Hampton

Charity number 1076999

Principal address St Michael's School
Row Dow
Otford Court
Otford
Kent
TN14 5RY

Key management Head - N Pears
Director of Finance and Operations - R Dearing
School Business Manager - S Saunders

Auditor WSM Advisors Limited
Connect House
133-137 Alexandra Road
Wimbledon
London
SW19 7JY

Bankers Barclays Bank Plc
80 High Street
Sevenoaks
Kent
TN13 1LR

Solicitors VWV
24 King William Street
London
EC4R 9AT

ST MICHAEL'S SCHOOL TRUST

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ST MICHAEL'S SCHOOL TRUST

TRUSTEE'S REPORT

For the year ended 31 August 2024

St Michael's School Trust Association Limited, the trustee of St Michael's School Trust, presents the annual report together with the financial statements and auditor's report of the charity for the year ended 31 August 2024 and confirms they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

Property known as Otford Court Estate was originally settled under a Memorandum of Trust dated 21 March 1925. A further Deed of Trust was executed on 25 November 1935 between G.E. Cowper and others (known as The Cowper-Miles Trust) which provided funds for the running of a school on the Otford Court Estate. As a result of a scheme of the Charity Commission of 17 July 1996 the above trusts were amalgamated to be administered as one charity named the St. Michael's School Trust. St. Michael's Trust Association Limited, a company incorporated on 18 January 1937, remains the trustee of the charity.

The charity operates a prep school for pupils aged 2 to 13, located in Otford, Sevenoaks, Kent. It has a pupil capacity of 488 and had a roll of 484 at the last day of the Trinity term 2024.

Objectives and Activities

Our aims

The aims of the charity are the advancement of education of children and young people by the provision of a school, or schools conducted in accordance with the principles of Church of England beliefs and practices. In the furtherance of this objective, the trustee has complied with the duty in s.4 of the Charities Act 2011 to have regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

The success of the school in achieving its aims means that it attracts and retains a high number of pupils. Most year groups are full and enquiry levels remain very high.

Ethos and strategy of the school

Joy is at the heart of life at St Michael's: the Joy of our children, the Joy of our community and the Joy and Wonder of Learning. St Michael's is driven by a passionate belief in the value and power of learning: for pupils, for teachers, for parents and everyone who comes into contact with us.

St Michael's is an inclusive school where everyone is known, valued and celebrated. We want our children to embrace each day and be inspired by their lessons and co-curricular activities.

We believe in providing a rounded education where children can pursue their passions, challenge themselves and enjoy a creative and innovative curriculum. We are continually looking for ways to improve in step with our ever-changing world. Access to our 100-acre site plays an important role in the pupils' learning and growth, developing them into mindful and knowledgeable citizens who will care for their environments throughout their lives.

Our growth mindset approach to teaching and learning ensures that every child understands the value of failure in their path to success. St Michael's children are not afraid to get things wrong, or be judgmental of others' mistakes, and this is something they carry with them.

The school motto: perseverantia, sapientia, gratia (perseverance, wisdom and gratitude) encapsulates our ethos of striving for success and using our skills to make a difference. These values are instilled daily throughout the St Michael's journey.

We strongly believe that to teach our children about the importance of life-long learning, we must first model this ourselves. Our staff undergo regular professional development, and parents are also invited to a range of workshops on relevant topics.

We are confident that when our pupils move on from St Michael's, they will use the wisdom, skills and values that we taught them to make a positive change in the world.

St Michael's actively manages the inclusion of its people and values human diversity, believing that our different ways of being and thinking adds value to our school community. We are committed to creating and sustaining a more ethnically diverse workforce.

ST MICHAEL'S SCHOOL TRUST

TRUSTEE'S REPORT (CONTINUED)

For the year ended 31 August 2024

Our School is committed to safeguarding and promoting the welfare of our pupils and expects all staff, volunteers and contractors to share this commitment.

Parents are given regular information about their children's social and academic progress through parent evenings, in addition to written reports throughout the year. We maintain regular contact with parents throughout the year through our weekly newsletter, social media, as well as via our open-door policy.

Our objectives

Our objectives are set to reflect our educational aims and the ethos of the school. It is important to us that we maintain and enhance the academic success of the school.

School Development Plan

The 6 overarching strands of our School Development Plan for the academic year were:

- **Academic** - Driving Academic Excellence (within subject areas and across the whole school) – including links between Prep and Pre-Prep.
Governors' sub-committee: Education
- **SMSC** - Focus on wellbeing through promoting healthy strategies for mind and body with children, staff and parents. Focus on celebrating our successes.
Governors' sub-committee: Education
- **Facilities** - Provide an outstanding experience for our pupils and wider community through well-resourced, well maintained site and facilities which benefit from continual investment.
Governors' sub-committee: Finance and General Purposes
- **Business Development** - Sustain our position as a leading independent Prep School; well-resourced, financially sound and able to reinvest into the school.
Governors' sub-committee: Finance and General Purposes
- **Staffing** - To attract and retain a high quality and diverse staff body, who contribute to a healthy work environment and receive first class professional development and support.
Governors' sub-committee: Staffing and Remuneration
- **Public Benefit & Community** - Continue to meet the charitable aims of the school, broadening access to pupils who may not otherwise be able to afford it and by being generous with facilities and expertise sustainability and will reduce our negative impact on the environment.
Governors' sub-committee: Finance and General Purposes

Public Benefit

In agreeing the charity's objectives and planning activities, our Governors have considered the Charity Commission's public benefit guidance and the context of the broader goals we set for the school and our pupils. The school meets its public benefit requirements in several ways, namely:

- **Community and Outreach Work**

The partnership work carried out in 2023-24 involved state schools from across the local area with children from Year 1 to 10. Approximately 400 hours of staff time was given to the initiatives offered by St Michael's staff.

The biggest impact initiative has been the provision to local primary schools of a dedicated teacher of PE and Games. This member of the St Michael's staff team organizes his time to visit schools for a term at a time, to deliver a PE and Games programme to the children at that school. In addition to the staff resource given to the schools, other resources have also been shared and donated to the schools. Although the figure fluctuates from term to term, eight schools have benefited from this initiative.

St Michael's also has supported a local Special Educational Needs school with facility sharing (the swimming pool), allowing children and carers access to develop water safety and confidence. The swimming pool is also shared with three other local primary schools, with two schools also using the St Michael's minibuses to transport their children to St Michael's, thus giving greater flexibility and accessibility to these schools.

ST MICHAEL'S SCHOOL TRUST

TRUSTEE'S REPORT (CONTINUED)

For the year ended 31 August 2024

- **Bursaries**

As a thriving school we are keen to share the benefits of an education at St Michael's Prep with pupils who would otherwise be unable to attend the school and we do this through our means-tested bursary program. Support is also provided to parents of existing pupils who find themselves in financial difficulties. During 2023/24 the school was able to offer support with fees on a means tested basis to 19 pupils, including two Ukrainian children. (2022/23 was 10). This year means-tested bursaries amounted to £180,637. (2022/23: £113,677) This represented 2.5% (2022/23: 1.73%) of our gross fees.

Additional financial support for musical instrument tuition and help with school trips and activities is also offered. The bursary scheme is advertised on the school website and is promoted during Open Mornings, parent tours and in our information booklet.

We keep our Bursary policy under review to ensure we fulfil our aims of widening access to the school. We continue to use an external independent bursary administrator to conduct home visits and a financial review. In the assessment of means, we consider a number of factors, including family income, investments, savings and number of siblings. However, we do not have an endowment fund so in offering bursaries, we are respectful of the fact that our bursaries are funded through income from fee-paying parents. One of our development objectives is to explore ways to increase funds for bursaries and we are looking at how we identify and approach potential donors.

- **Scholarships**

In addition, the school offers a range of non-means-tested scholarships for entry into Year 7. This enables the school to attract and reward the most able pupils in their chosen discipline. Current scholarships available are Academic, All- rounder, Art & DT, Drama, Music and Sport.

- **Fee Assistance for staff:**

Fee remission continues to be a valuable tool to enable us to fulfil our continued commitment to attract, recruit and retain high calibre staff.

Achievements and performance

St Michael's Prep School is flourishing and received external recognition of this success in several ways. Of note was being a finalist for 'Independent Prep School of the Year' and being awarded a 'significant strength' in May 2024, by the Independent Schools Inspectorate following their rigorous whole school inspection and audit of our policies, procedures and outcomes for pupils. The inspection could not have gone better, and the school was delighted by the contents of their report.

Daily school life has been packed full of tremendous opportunities for pupils across the age range and the school continues to provide the very best educational experience possible for each child in our care.

Pre-Prep is a superb place to start your learning journey at St Michael's and it is a privilege to welcome so many wonderful visitors to the school and undertake fantastic trips to exciting places. The concerts our children take part in, are numerous and varied and involve every child aged 2 to 7 at some point in the year. We showcase individuals learning an instrument in assemblies, soloists during our Nativities and end of year productions and whole year groups performing plays and poetry for different occasions.

Highlights include the whole of Pre-Prep being engaged in a wonderful creative writing project, visits to Godstone Farm, Leeds Castle, Knole House, Chatham Dockyard and Stubbers Adventure Centre, visitors bringing a variety of animals for pupils to experience, authors sharing their stories and visiting drama troupes showcasing The Wizard of Oz and the space journey of Neil Armstrong.

After a successful pilot, our "mini-Hive" is now up and running, meaning in addition to the 7.30am to 7pm care we offer pupils from Reception to Year 8, we now offer extended after-school care until 6pm for our Nursery and Kindergarten families.

ST MICHAEL'S SCHOOL TRUST

TRUSTEE'S REPORT (CONTINUED)

For the year ended 31 August 2024

Due to the hard work, dedication and inspiring teachers, the school continues to achieve outstanding academic success. It is a constant delight to see the achievements of our children in the classroom and to celebrate as they gain superb Kent Test (11+) results and secure first choice places at the top independent schools in the country, many with Scholarships and Exhibitions.

The school is continuing to use the Cambridge University Press and Assessment CEM (Centre for Evaluation and Monitoring) INCAS Assessment for children from Year 1 to Year 6, following their introduction in Trinity Term 2023. This assessment is completed online and is adaptive. Therefore, the questions are personalised for each child and will change to calculate each child's scores. Age equivalent scores and standardised scores are collected in:

- Developed ability
- Reading
- Spelling
- Mental arithmetic
- General mathematics

This data was analysed and used to inform form teachers, subject teachers and leaders about overall trends and patterns and specific children.

In Year 8, an alternative assessment in English and Maths this year. For English, there was ongoing assessments, testing reading and writing skills. Pupils achieved an average of 72% across the year group in all assessments. For Mathematics, where previous Common Entrance papers were used, pupils achieved an average of 77% in the core papers and 77% in the foundation papers. In Science, pupils scored an average of 72% in end of topic tests throughout Year 8.

The Year 8 cohort were assessed in Academic Excellence, Collaboration, Commitment, Creativity, Perseverance, Critical Thinking and Independence. In each Diploma subject (Computing, Geography, History, Religious Studies, PE/Games/Swimming, Drama, Music, Art, French, Latin and Design Technology) pupils are graded as Working Towards, Pass, Merit, Merit Plus and Distinction. Merit Plus was used again this year to recognise the children achieving a very high merit grade.

Diploma Grade	Total
Working Towards	0
Pass	0
Merit	10
Merit Plus	4
Distinction	2
Total	16

All areas of school life were celebrated this year and were pleased to once again see our pupils achieving great success in the National Science Quiz and benefitting from the rich variety of co-curricular opportunities on offer here. The school has witnessed many wonderful moments in Art, Music, Drama and Sport this year; outstanding performances in Drama, incredible Art exhibitions and superb sporting results.

In Sports, beyond the day-to-day success of seeing hundreds of children representing the school each week in competitive fixtures, it has achieved regional success in Athletics, national success in Swimming and Hockey, our U11 Girls once again being crowned IAPS National Champions in the latter. Again, it was an honour to be acknowledged externally as we were awarded the Muddy Stilletoes 'Passionate about Sport' title out of hundreds of schools across the country.

The school remains committed to making a difference to people and our planet. It continues to support families with financial assistance, have donated tens of thousands of pounds to a range of charities as well as continuing to support local state schools with our community sports programme, entirely funded by St Michael's as well as community school partnership events. The school was also awarded the Eco-Schools Green Flag Award, in recognition of the work it is doing around sustainability and the environment.

ST MICHAEL'S SCHOOL TRUST

TRUSTEE'S REPORT (CONTINUED)

For the year ended 31 August 2024

Parents and Friends

Partnership with parents remains key for our community and our parents have once again excelled in terms of the time and effort they have given to the school. with volunteering, accompanying trips, hearing children read, making artwork, fundraising and support of their children at concerts, plays, events and matches Particular thanks goes to the school's Parents and Friends Committee (P&F) who over the course of this academic year have brought our community together and raised funds for the school, augmenting our day to day offering with some super, additional benefits for our children. The school are enormously grateful for their hard work in bringing the school community together and for their generosity in funding numerous projects across both Prep and Pre- Prep. New parents are always welcome and encouraged to get involved in P&F activities in whatever capacity they are able.

There have been many highlights again this year but a few things to note are our Christmas Fayre, which not only benefitted our own families but also those from one of our partner charities, the Emily Ash Trust, who were able to bring their children to meet both Santa and Mrs Claus, pet huskies and skate on our outdoor Ice Rink.

The P&F raised funds for both the Emily Ash Trust and Friends for Families at the very popular May Ball and for the Emily Ash Trust at the Ellis Andrews Charity Cricket Match.

Financial review

The financial statements show the school generated a surplus of £342,587 (2022/23: £312,057). The net assets of the Charitable Trust amount to £9,692,266 (2022/23: £9,349,679).

The principal source of income is fees, accounting for 94% of the school's income. Pupil numbers have increased and this, combined with increased third-party hire income and careful financial management, have resulted in an increased net surplus this year. The school continues to see a healthy number of parents registering interest in the school and adding their children's name to waiting lists.

This continued strong financial performance has enabled the Governors to pursue opportunities for further improvement to the school's facilities. There is a program of continued investment in upgrading and enhancing the facilities for the benefit of our pupils.

As a charity, parents of our pupils have the assurance that the school's income must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment, income provided these are applied for the achievement of our charitable aims.

In addition to the very substantial benefits our school brings to our pupils, the local community and wider society through the education we offer, our bursary program and our partnership program create a social asset without cost to the Exchequer.

Going concern

After making appropriate enquiries, the Board has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies

ST MICHAEL'S SCHOOL TRUST

TRUSTEE'S REPORT (CONTINUED)

For the year ended 31 August 2024

Reserves and Financial Health

The Governors regularly review the finances, budgets and spend against budget as part of the effective stewardship of the school. The Governors have invested substantial sums into a new Pre-Prep building and refurbished facilities in recent years and have a continuing program of refurbishment, development, and investment to maintain excellent teaching facilities for our pupils.

The reserves fund represents the unrestricted funds arising from past operating results. It also represents the free reserves of the charity.

The principal source of income for the charity is school fees. This is sufficient to cover the day to day running of the school. It is not the policy of the school to accumulate significant cash reserves and the main reason for the current surplus is to service the bank loan, to meet our financial commitments and to fund capital development. The Governor's policy is, whilst ensuring that the school is always able to meet its obligations, to use the reserves to enhance the educational facilities and maintain and improve the fabric of the school. The Governors consider this to be the best way of furthering the charity's objectives.

Charitable giving

St Michael's continues to place great importance in the raising of money and awareness for selected charities, via the School Council, comprised of pupils from across the age range. The charities supported are voted on by the Council, stemming from nominations by the pupils in the form classes.

The school charity days during the 2023/24 academic year were for:

- Guide Dogs for the Blind
- Médecins sans Frontières
- Holding on, Letting Go

In addition to the above charity days, many of the pupils, staff and parents supported the following:

- Children in Need
- Royal British Legion Poppy Appeal
- Trussell Trust (UK Food Charity Bank)
- Loaves and Fishes Foodbank, Sevenoaks
- Children's Society
- Guide Dogs UK

Investment Policy and performance

Under the Memorandum and Articles of Association the charity has the power to make any investments which the trustee sees fit. Other than owning a piece of land in Norfolk which is rented out for agricultural purposes there are no other investments held by the charity. There are no plans for this to change in the foreseeable future. The Governing Body's policy continues to be put any short and medium term cash surplus into interest bearing accounts, some of which are on fixed term notice.

Future Developments

In its October 2024 Budget, the Government introduced legislation which will impact not only St Michael's Prep School, but all of the independent school sector, with VAT being implemented on school fees from 1 January 2025 and the removal of business rates relief (previously 80%) from 1 April 2025. Alongside these measures there were also considerable changes to employers' national insurance. The introduction of VAT means that the school will also be able to recover some of its input VAT on its expenditure from that date. To mitigate the impacts of these measures for fee payers, the school has reviewed its budgets and amended these accordingly.

The school's curriculum and facilities continue to be reviewed to ensure that its pupils receive the best possible environment for them to develop and flourish. Similarly outreach arrangements around supporting local primary schools and the local community are reviewed to see if they can be improved or extended.

ST MICHAEL'S SCHOOL TRUST

TRUSTEE'S REPORT (CONTINUED)

For the year ended 31 August 2024

Structure, governance and management

Governance

The organizational structure of the charity consists of three levels:

- Trustee;
- Governors: and
- Committees

The trustee which served the charity during the year was St Michael's Trust Association Limited.

The Governors of the School are also Directors of St Michael's Trust Association Limited. The Governors who served during the year are as stated below:

- R Chinchawala* Chair of Governors and Chair of the Finance and General Purpose Committee
- J K Tyson ~ Vice Chair of Governors and Chair of the Staffing and Remuneration Committee
- M Weatheritt ** Chair of Education Committee
- E Sharman ~ Health & Safety
- C Kiggell ~ Safeguarding (resigned 31 August 2024)
- A Scarff *
- B Charles ** (resigned 20 June 2024)
- S Ward **
- N Skelly *
- J Lidiard ** (appointed 2 September 2024)
- C Needham * (Appointed 2 September 2024)
- K Crozer ~ (Appointed 4 November 2024)
- Clerk to Governors: C Hampton

* Member of the Finance and General Purposes Committee

~ Member of the Staffing and Remuneration Committee

** Member of the Education Committee

The Governors meet as a Board three times a year, with the sub-committees also meeting termly. The Finance and General Purposes Committee has specific responsibility to review the financial plans and activities of the school, agree the budget and the annual accounts. The Staffing & Remuneration Committee has responsibility to plan staffing resources, discuss staff welfare and remuneration, whilst the Education Committee oversees all curriculum matters.

Individual Governors also provide representation on the school's Health and Safety Committee and there is a governor with specific responsibility for overseeing the safeguarding of children. All Governors receive regular safeguarding training delivered by the school's Designated Safeguarding Lead as well as online training.

The Governors determine the general policy of the school. On a day-to-day basis the Governors delegate the running of the school to the Head and the Director of Finance & Operations who are fully supported by the Senior Leadership Team. Form communication between the Governors and those with delegated responsibilities is by both formal meetings and on an ad hoc basis. The Clerk to the Governing Body is responsible for coordinating the work of the Governors and their Committees, circulation of papers and the review of matters arising.

The Head oversees the recruitment of all educational staff, whilst under delegated authority the Director of Finance & Operations oversees the recruitment of administrative and operational staff. The Head and Director of Finance & Operations are invited to attend Governors' meetings. The Head of Pre-Prep and other members of the Senior Leadership team also attend as appropriate.

No Governor or person connected with a Governor received any benefit from either means tested bursaries or scholarships awarded to our pupils.

Other relationships

The Director of Finance & Operations is a member of the Independent Schools Bursars' Association (ISBA). This association provides an opportunity to share expertise, knowledge and experience across the independent school sector.

ST MICHAEL'S SCHOOL TRUST

TRUSTEE'S REPORT (CONTINUED)

For the year ended 31 August 2024

Governors' Recruitment and Training

The Governing Body is a member of AGBIS (the Association of Governing Bodies of Independent Schools). St. Michael's believes that the governing body must have a broad breadth and depth of experience to discharge all its duties effectively. The current board is diverse and well balanced, with members having professional expertise in education, business, finance, safeguarding, HR, legal, estates and other sectors, working with and supporting the Head, Senior Leadership Team, staff and the wider school community.

Anyone wishing to become a Governor of St. Michael's School is invited to approach the governing board either directly or indirectly. We look for individuals who have passion and time to commit to the governance of St. Michael's and who can contribute in any number of ways. The board would currently like to hear from anyone interested in and who has experience with the areas of Equality, Diversity and Inclusion (EDI) and Sustainability.

An induction programme is offered to new governors upon joining, including safeguarding training. Present parents and members of staff are not eligible to become Governors until their day-to-day association with St. Michael's has ended.

Auditors

In so far as the Governors are aware:

- there is no relevant audit information of which the charity's auditor is unaware
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

In accordance with the company's articles, a resolution proposing that WSM Advisors Limited be reappointed as auditor of the Charitable Trust will be put at a General Meeting.

The Trustees' report, was approved by order of the Board of Trustees on 2nd March 2025 and signed on the Board's behalf by:

Rashid Chinchawala ACA, Chair of Governors

St Michael's Trust Association Limited

ST MICHAEL'S SCHOOL TRUST

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

For the year ended 31 August 2024

Statement of Trustee responsibilities

The trustee is responsible for preparing the Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity's financial activities and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustee is required to:

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

The trustee is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ST MICHAEL'S SCHOOL TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEE OF ST MICHAEL'S SCHOOL TRUST

Opinion

We have audited the financial statements of St Michael's School Trust (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 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 charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties. All audits assess and challenge the reasonableness of estimates made by the members and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the charitable company's future prospects and performance.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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 trustee 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 trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ST MICHAEL'S SCHOOL TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE OF ST MICHAEL'S SCHOOL TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the statement of trustee's responsibilities, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity'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 trustee either intends to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Companies Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and posting inappropriate journal entries to manipulate the fair value of the charitable company's assets.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation where relevant, enquiries with management as to the risks of non-compliance and any instances thereof, challenging assumptions and judgments made by management, performing a proof in total calculation to gain assurance over completeness of revenue, and identifying and testing journal entries, in particular any journal entries posted with unusual account combinations. Our audit procedures also focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

ST MICHAEL'S SCHOOL TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE OF ST MICHAEL'S SCHOOL TRUST

Due to 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to it 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 charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

**Simon Marsh FCA MA FCA(Senior Statutory Auditor)
for and on behalf of WSM Advisors Limited**

21 March 2025

**Chartered Accountants
Statutory Auditor**

Connect House
133-137 Alexandra Road
Wimbledon
London
SW19 7JY

WSM Advisors Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ST MICHAEL'S SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2024

	Notes	Total 2024 £	Total 2023 £
<u>Income and endowments from:</u>			
Donations and legacies	2	8,345	20,986
Charitable activities	3	7,308,444	6,749,910
Investments	4	142,293	79,192
Other income	5	-	5,815
		<hr/>	<hr/>
Total income and endowments		7,459,082	6,855,903
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	6	7,141,337	6,543,846
Other	11	10,158	-
		<hr/>	<hr/>
Total resources expended		7,151,495	6,543,846
		<hr/>	<hr/>
Net gains on investments	13	35,000	-
		<hr/>	<hr/>
Net movement in funds		342,587	312,057
		<hr/>	<hr/>
Reconciliation of funds			
Fund balances at 1 September 2023		9,349,679	9,037,622
		<hr/>	<hr/>
Fund balances at 31 August 2024		9,692,266	9,349,679
		<hr/> <hr/>	<hr/> <hr/>
All funds are unrestricted.			

ST MICHAEL'S SCHOOL TRUST

BALANCE SHEET

As at 31 August 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	14	8,167,525		8,321,272	
Investment properties	15	55,000		20,000	
		<u>8,222,525</u>		<u>8,341,272</u>	
Current assets					
Debtors	16	127,022		103,027	
Cash at bank and in hand		5,887,416		3,519,789	
		<u>6,014,438</u>		<u>3,622,816</u>	
Creditors: amounts falling due within one year	17	<u>(2,727,727)</u>		<u>(1,814,409)</u>	
Net current assets		3,286,711		1,808,407	
Total assets less current liabilities		11,509,236		10,149,679	
Creditors: amounts falling due after more than one year	18	<u>(1,816,970)</u>		<u>(800,000)</u>	
Net assets		<u>9,692,266</u>		<u>9,349,679</u>	
The funds of the charity					
<u>Unrestricted funds</u>					
Designated funds	22	410,964		238,478	
General funds		9,226,767		9,091,666	
Revaluation reserve		<u>54,535</u>		<u>19,535</u>	
Total charity funds		<u>9,692,266</u>		<u>9,349,679</u>	

The accounts were approved by the Trustee on 20 March 2025

R Chinchawala, ACA
St Michael's Trust Association Limited

ST MICHAEL'S SCHOOL TRUST

STATEMENT OF CASH FLOWS

For the year ended 31 August 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	26		2,611,374		735,920
Investing activities					
Purchase of tangible fixed assets		(293,812)		(149,493)	
Proceeds on disposal of tangible fixed assets		7,772		12,350	
Interest received		142,293		79,192	
Net cash used in investing activities			(143,747)		(57,951)
Financing activities					
Repayment of bank loans		(100,000)		(100,000)	
Net cash used in financing activities			(100,000)		(100,000)
Net increase in cash and cash equivalents			2,367,627		577,969
Cash and cash equivalents at beginning of year			3,519,789		2,941,820
Cash and cash equivalents at end of year			5,887,416		3,519,789

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2024

1 Accounting policies

Company information

Property known as Otford Court Estate was originally settled under a Memorandum of Trust dated 21 March 1925. A further Deed of Trust was executed on 25 November 1935 between G.E. Cowper and others (known as The Cowper-Miles Trust) which provided funds for the running of a school on the Otford Court Estate. As a result of a scheme of the Charity Commission of 17 July 1996 the above trusts were amalgamated to be administered as one charity called the St. Michael's School Trust. St. Michael's Trust Association Limited, a company incorporated on 18 January 1937, remains the trustee of the charity.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustee have undertaken an assessment of the adequacy of the resources available to the charity as well as the expected support to charities available from the government measures in place through the period of disruption caused by coronavirus. The trustee have a reasonable expectation the charity has adequate resources to continue in operational existence for the foreseeable future accordingly continue to adopt the going concern basis of accounting in preparing the financial statements.

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

1 Accounting policies

(Continued)

1.3 Incoming resources

School fees receivable are accounted for in the period in which the service is provided including fees in lieu of notice. Fees receivable are stated after deducting discounts, bursaries and head teacher's awards by the School.

Hire of facilities income receivable is accounted for in the period in which the use of the school's facilities are provided.

Swimming lessons fees are accounted for in the period in which the service is provided.

Donations and similar income resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource. Donations received for the general purposes of the charity are included as unrestricted funds. Donations for activities restricted by the wishes of the donor are taken to restricted funds where these wishes are legally binding on the Governors.

Income from investment and rental income are included in the Statement of Financial Activities (SOFA) in the year in which it is receivable.

Other income including registration fees, crèche fees and commissions are recognised on a receipts basis.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.4 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Resources expended are included in the Statement of Financial Activities in the year in which they are incurred, inclusive of any VAT which cannot be recovered.

Resources expended are allocated and apportioned between costs in furtherance of charitable objects (namely teaching costs, support costs and premises costs) and governance costs.

Teaching costs represent all costs directly incurred in the course of furthering the charity's principal objective through the provision of education to children and young people, including teaching staff costs, educational materials, depreciation and related equipment.

Premises costs represent those costs incurred in the running, maintenance and up-keeping of the School.

Support costs represent those costs incurred through the administration of the charity's activities in furtherance of the charity's principal objective.

Costs incurred in assisting the trustees in their stewardship of the charity are classified under governance costs.

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost on initial acquisition less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Freehold land and buildings	Straight line over 40 years
Plant and machinery	Straight line over 6 years
Fixtures and fittings	Straight line over 6 years
Motor vehicles	Straight line over 6 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Investment land

Investment land & property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as at the reporting period end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

The charity contributes to the Teachers' Pension Defined Benefits 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 charity. In accordance with FRS17 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The charity also contributes to defined contribution pension schemes for certain members of staff who are not eligible to join the Teachers' Pension Scheme. The assets of this scheme are held separately from those of the charity, being invested with insurance companies.

Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year.

1.11 VAT

The charity registered for VAT on 1 December 2024. Up until this date, expenditure is shown gross of irrecoverable VAT.

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

1 Accounting policies

(Continued)

1.12 Fund accounting

The funds held by the charity are either:

- *Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- *Designated funds* - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- *Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2 Donations and legacies

	2024	2023
	£	£
Donations and gifts	8,345	20,986
	=====	=====
Unrestricted funds	8,345	20,986
	=====	=====

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

3	Income from: Charitable activities	School tuition £	Hire of facilities £	Swim school £	Wrap around care £	School of sport £	Other income £	Total 2024 £	Total 2023 £
	Income within charitable activities	6,859,506	150,882	92,246	105,129	43,445	57,236	7,308,444	6,749,910
	Analysis by fund								
	Unrestricted funds	6,859,506	150,882	92,246	105,129	43,445	57,236	7,308,444	
	For the year ended 31 August 2023								
	Unrestricted funds	6,347,847	111,272	110,642	105,140	26,570	48,439	6,749,910	

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

4 Investments

	2024	2023
	£	£
Rental income	750	375
Interest receivable	141,543	78,817
	<u> </u>	<u> </u>
Unrestricted funds	142,293	79,192
	<u> </u>	<u> </u>

5 Other income

	Total Unrestricted funds	
	2024	2023
	£	£
Net gain on disposal of tangible fixed assets	-	5,815
	<u> </u>	<u> </u>

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

6 Expenditure on: Charitable activities	School tuition £	Hire of facilities £	Swim school £	Wrap School of sport around care £	School of sport £	Total 2024 £	Total 2023 £
Staff costs	4,060,484	-	39,146	45,709	23,521	4,168,860	3,772,033
Depreciation and impairment	429,629	-	-	-	-	429,629	409,571
Direct costs	712,715	-	25,811	2,182	4,007	744,715	660,456
Establishment costs	646,926	-	-	-	-	646,926	632,588
Other charitable expenditure	4,084	-	-	-	-	4,084	4,542
	5,853,838	-	64,957	47,891	27,528	5,994,214	5,479,190
Share of support costs (see note 8)	1,090,047	23,146	-	-	-	1,113,193	1,049,032
Share of governance costs (see note 8)	33,588	342	-	-	-	33,930	15,624
	6,977,473	23,488	64,957	47,891	27,528	7,141,337	6,543,846
Analysis by fund							
Unrestricted funds	6,977,473	23,488	64,957	47,891	27,528	7,141,337	
For the year ended 31 August 2023							
Unrestricted funds	6,360,966	21,293	77,092	41,700	42,795		6,543,846

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

7	Net movement in funds	2024 £	2023 £
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	-	-
	Depreciation of owned tangible fixed assets	429,629	409,571
	Loss/(profit) on disposal of tangible fixed assets	10,158	(5,815)
		<u> </u>	<u> </u>

8	Support costs	Support costs £	Governance costs £	2024 £	2023 £	Basis of allocation
	Staff costs	666,364	-	666,364	589,943	98% schooling/2% letting
	Advertising	74,159	-	74,159	46,060	98% schooling/2% letting
	Post, printing, stationery	1,124	-	1,124	2,535	98% schooling/2% letting
	Computer and telephone	43,201	-	43,201	73,492	98% schooling/2% letting
	Premises cost	109,073	-	109,073	105,098	98% schooling/2% letting
	Entertaining	13,587	-	13,587	4,865	98% schooling/2% letting
	Sundries	4,416	-	4,416	13,470	98% schooling/2% letting
	Bank charges	47,637	-	47,637	48,485	98% schooling/2% letting
	Professional fees	54,778	-	54,778	58,059	98% schooling/2% letting
	Subscriptions	89,081	-	89,081	91,819	98% schooling/2% letting
	Donations	2,663	-	2,663	9,030	98% schooling/2% letting
	Trustee Expenses	7,110	-	7,110	6,176	98% schooling/2% letting
	Audit	-	33,930	33,930	12,000	98% schooling/2% letting
	Accountancy	-	-	-	3,624	98% schooling/2% letting
		<u>1,113,193</u>	<u>33,930</u>	<u>1,147,123</u>	<u>1,064,656</u>	

9 Trustee and board of governors

No trustee (or any member of the board of governors) received any remuneration or benefits from the charity during the year.

During the year total expenditure of £7,110 (2023 - £7,648) was incurred by and reimbursed to members of the board of governors.

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Administrative staff	23	23
Teaching staff	105	99
	<u>128</u>	<u>122</u>

Employment costs

	2024 £	2023 £
Wages and salaries	3,838,678	3,482,107
Social security costs	356,138	321,235
Other pension costs	640,408	550,324
	<u>4,835,224</u>	<u>4,353,666</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2024 Number	2023 Number
£60,000-£70,000	4	3
£80,001-£90,000	-	1
£90,001-£100,000	1	-
£120,001-£130,000	-	1
£130,001-£140,000	1	-
	<u>1</u>	<u>-</u>

The charity paid emoluments amounting to £716,075 (2023: £632,786) including pension contributions amounting to £168,504 (2023: £124,294) in the year for the key management members of staff.

11 Other

	2024 £	2023 £
Net loss on disposal of tangible fixed assets	<u>10,158</u>	<u>-</u>

12 Taxation

The charity is exempt from income tax on its charitable activities.

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

13 Net gains/(losses) on investments

	2024	2023
	£	£
Revaluation of investments	35,000	-

14 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2023	12,123,459	380,377	1,133,201	69,587	13,706,624
Additions	196,206	46,930	5,142	45,534	293,812
Disposals	-	(34,294)	-	-	(34,294)
At 31 August 2024	12,319,665	393,013	1,138,343	115,121	13,966,142
Depreciation and impairment					
At 1 September 2023	4,103,027	352,317	900,376	29,632	5,385,352
Depreciation charged in the year	303,681	8,962	95,044	21,942	429,629
Eliminated in respect of disposals	-	(16,364)	-	-	(16,364)
At 31 August 2024	4,406,708	344,915	995,420	51,574	5,798,617
Carrying amount					
At 31 August 2024	7,912,957	48,098	142,923	63,547	8,167,525
At 31 August 2023	8,020,432	28,060	232,825	39,955	8,321,272

Freehold land and buildings are subject to a fixed charge and, along with all other assets, a floating charge debenture in favour of a bank lender. At the balance sheet date the amount of £800,000 (2023: £900,000) is subject to the security charges.

15 Investment land

	£
Fair value	
At 1 September 2023	20,000
Net gains through fair value adjustments	35,000
At 31 August 2024	55,000

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

15 Investment land

(Continued)

Investment property comprises Glebe land, a plot of land held in Little Walsingham, Norfolk. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 21 March 2024 by O.A. Chapman & Son, Chartered Surveyors, who are not connected with the charity. The basis of the valuation was the amount that would be exchanged between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

16 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	70,365	15,281
Other debtors	24,767	4,958
Prepayments	16,857	12,782
Accrued income	15,033	70,006
	<u>127,022</u>	<u>103,027</u>

17 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Bank loans		100,000	100,000
Deferred income	21	1,797,041	836,752
Trade creditors		19,677	34,503
Other creditors		612,164	520,462
Accruals		198,845	322,692
		<u>2,727,727</u>	<u>1,814,409</u>

Included in other creditors are pupil deposits of £302,744 (2023: £293,994). The Governors have concluded that the charity does not have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and so have presented the deposits within current liabilities.

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

18 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans		700,000	800,000
Deferred income	21	1,116,970	-
		<u>1,816,970</u>	<u>800,000</u>

The charity has one bank loan. The loan is repayable in 3 instalments annually, 15 September, 15 January and 15 May. Interest is charged as follows:

Fixed rate loan of £1,200,000 on which interest is charged at 5.23% (3.15% plus lending margin of 2.08%).

The loan is due to be fully repaid on 15 July 2032.

19 Pension and other post-retirement benefit commitments

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £640,408 (2023: £550,324)

Teaching Staff Pensions

The charity 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 £546,898 (2023: £473,055).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2014. 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. It is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the charity. As required by section 28 of FRS102, the charity accounts for this scheme as if it were a defined contribution scheme.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2020 and was published in October 2023. From 1 September 2019, the employer contribution rate for the TPS increased from 16.1% to 23.6%. Employers in addition pay a scheme administration levy of 0.08% of the employers' salary costs which increases the total payment rate from 23.6% to 23.68%.

Non-teaching Staff Pensions

The charity pays contributions into personal pension schemes for its non-teaching staff at 5% of gross pay and these contributions amounted to £93,510 (2023: £77,269).

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

20 Provisions for Liabilities

During the year, the charity recognised total provisions of £31,060 (2023: £75,326).

This consisted of:

Bad debt provision	£31,060 (2023: £30,326)
Legal cost provision	Nil (2023: £45,000)

The bad debt provision is net off against trade receivables and relates to the recoverability of outstanding fees from parents.

The legal cost provision is included within accruals and relates to expected future legal costs arising from debt chasing.

21 Deferred income

	2024 £	2023 £
Arising from fee income	2,914,011	836,752

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Current liabilities	1,797,041	836,752
Non-current liabilities	1,116,970	-

Deferred income within current liabilities relates to fees paid in advanced in relation to the 2024/25 academic year.

Deferred income within non-current liabilities relates to fees paid in advanced which fall due within 2-5 years.

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustee for specific purposes:

	Movement in funds		
	Balance at 1 September 2023 £	Transfers £	Balance at 31 August 2024 £
Capital Investment reserve	88,478	(2,514)	85,964
Capital Projects reserve	150,000	175,000	325,000
	<u>238,478</u>	<u>172,486</u>	<u>410,964</u>

The Capital Investment reserve is being amortised in line with the depreciation of the buildings associated with the Stable Court development. The Stable Court development is being depreciated over 40 years.

The Capital Projects reserve has been ringfenced for future capital projects in line with the charitable objective.

23 Analysis of net assets between funds

	Total £
Fund balances at 31 August 2024 are represented by:	
Tangible assets	8,167,525
Investment properties	55,000
Current assets/(liabilities)	3,286,711
Non current liabilities	(1,816,970)
	<u>9,692,266</u>
All relate to unrestricted funds.	

ST MICHAEL'S SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2024

24 Operating lease commitments

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	32,509	39,161
Between two and five years	76,103	34,453
	<u>108,612</u>	<u>73,614</u>

25 Analysis of changes in net funds

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	3,519,789	2,367,627	5,887,416
Loans falling due within one year	(100,000)	-	(100,000)
Loans falling due after more than one year	(800,000)	100,000	(700,000)
	<u>2,619,789</u>	<u>2,467,627</u>	<u>5,087,416</u>

26 Cash generated from operations

	2024 £	2023 £
Surplus for the year	342,587	312,057
Adjustments for:		
Investment income recognised in profit or loss	(142,293)	(79,192)
Loss/(gain) on disposal of tangible fixed assets	10,158	(5,815)
Fair value gains and losses on investments	(35,000)	-
Depreciation and impairment of tangible fixed assets	429,629	409,571
Movements in working capital:		
(Increase) in debtors	(23,995)	(9,024)
(Decrease)/increase in creditors	(46,971)	128,754
Increase/(decrease) in deferred income	2,077,259	(20,431)
Cash generated from operations	<u>2,611,374</u>	<u>735,920</u>