

Charity registration number 1118598

Company registration number 06067557 (England and Wales)

LALEHAM LEA SCHOOL
(LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

LALEHAM LEA SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	M D Barras K Barry S Bignell E O'Domhnaill M Ryan Father P M L Sebastian Y Epale	(Appointed 19 November 2022)
Secretary	E Jones	
Charity number	1118598	
Company number	06067557	
Registered office	29 Peaks Hill Purley Surrey CR8 3JJ	
Auditor	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE	

LALEHAM LEA SCHOOL

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LALEHAM LEA SCHOOL

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2022

The governors, who are also the Trustees and directors of the charity for the purposes of the Companies Act 2006, present their annual report and financial statements for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity's objects are to advance the Catholic religion by the conduct of a Catholic School or by any ancillary or religious or educational activities for the benefit of the public.

The charity aims to deliver its objectives by focusing on the following key aims:

1. to ensure that all aspects of school life are permeated by the Catholic ethos of respect and love for one's neighbour;
2. to provide a first class education for boys and girls aged 3 to 11+;
3. to build each pupil's self-confidence so that they are prepared for the opportunities and responsibilities of the secondary curriculum and service to the wider community;
4. to provide facilities for local educational, family and catholic child-centred programmes.

Public benefit

The governors have paid due regard to guidance issued by the Charity Commission's general and supplementary guidance on public benefit, the advancement of education and fee-charging when reviewing our aims and objectives and in planning our future activities.

Achievements and performance

Charitable activities

Children from all backgrounds are welcomed into the school and pupils benefit from the kind, caring and diverse community. Places are offered following an assessment to ascertain the prospective pupils' pace of learning to ensure that they can benefit from the education provided. Student reports are issued twice a year and Parent Evenings are carried out during the year. Parent and Class Teacher communications are actively encouraged.

The Independent Schools Inspectorate carried out an inspection of the school from 21st February to 25th February 2022 and found the quality of the pupils' academic and other achievements is excellent. They found that the quality of the pupils' personal development is excellent and the compliance standards were fully met.

The Section 48 Denominational Inspection was carried out in October 2019. The Inspector's conclusion is that 'Laleham Lea is an Outstanding Catholic School' and 'Religious Education is exceptionally well led with the partnership between leaders at all levels being highly effective'.

Our strong commitment to safeguarding remains paramount and our training of all staff, Governors and volunteers is ongoing.

During the year, the students enjoyed curriculum lessons, individual instrumental lessons, LAMDA instruction and in-school clubs. As the pandemic eased off our students were once again able to take up opportunities for educational visits; Years 3 and 4 went to the Natural History Museum, Year 3 went to Morden Hall and Years 5 and 6 went to the Titanic Exhibition. Years 4 and 5 went to a production of 'Hamlet'. In the summer, our students and parents enjoyed Sports Day held at Purley Sports Club. Our Year 6 group enjoyed a residential trip to PGL Marchants Hill and our Year 5 group went to Aquasports for four afternoons.

LALEHAM LEA SCHOOL

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2022**

There are varied lunchtime and after-school club activities including Reading club, Verbal and Non-Verbal Reasoning, STEM, Art & Design, Accelerated Maths, and Classical Civilisation and Latin. LAMDA exams went ahead and excellent results were achieved. Tennis, fencing and soccer were part of the offering.

Our Nativity plays and Carols Concert, held in the autumn term were recorded for the parents to enjoy, the Easter Concert and a production of 'Olivia!' the musical, held later in the year were performed live for the parents. This was followed by our annual Prize-Giving ceremony.

A robust Risk Assessment for Covid-19 remained in place for the students, staff and parents at Laleham Lea School.

Caring for those less fortunate than ourselves is a recurring theme in the life of the school. Harvest Festival and Christmas gifts were donated to the Purley Food Hub. Other charities that have been supported include over 70 shoeboxes sent to the Samaritan Purse for the Christmas Shoebox appeal.

These financial statements cover the academic year 2021/2022:

- The school increased the pupil numbers during the year exiting with 142 on roll (2021: 132). Applications for future years are strong with school and nursery applications already received for 2024/5/6.
- All income and tax exemption savings/business rate reductions are applied for the charitable purposes of the company and indirectly help to support state school and community links. Nevertheless we cannot reclaim VAT input costs and also pay tax as an employer through our share of National Insurance contributions.
- Once again it has been possible to offer some limited bursary provision which was made available to 4 pupils during the year.
- During the course of the year the company employed 23 staff: fourteen full time and nine part-time. Of the 14 full time 10 were Teachers and Nursery Practitioners and 4 Support staff. Of the 9 part time 3 were Teachers and 6 Teaching Assistants and support staff, including staff involved in wraparound care. In addition the school used qualified sports coaches for PE lessons.
- The Laleham Lea PTA remained in contact via Zoom meetings during the course of the year.
- We are an equal opportunity organisation with a working environment free from discrimination of all kinds and a willingness to make reasonable adjustments to working practices to meet the needs of our staff.

Financial review

This year the school has recorded a surplus of £141,649 (2021: surplus of £71,829). Unrestricted reserves as planned stood at £751,409 and have been retained for future use as described below.

Reserves policy

The School carries minimal free Reserves with day to day operational costs met through working capital without recourse to borrowings.

It is the intention to retain modest reserves in the order of three to six months of operating costs to provide for contingencies, fiscal demands, the ongoing stability and financial security of the School, its commitments and undertakings.

Budgeting policy

The School Business Manager has prepared a budget for the year ending 31 August 2023 and maintains a careful regular check over the financial situation of the company, monitored by Governors.

Bank account

The Charity's funds are kept in current and deposit accounts in order to maximise returns on cash deposits, even though the deposit account rates are presently very low.

LALEHAM LEA SCHOOL

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2022**

Plans for future periods

The School operates a three-year strategic development plan that is reported on to the Board and formally reviewed by the Governors. The Governors' future plans are to further extend our environmental initiatives, to involve the students with the rollout of the Eco Council and the attainment of the Eco-Schools Green Flag Accreditation, and to carry on continuously improving the school site with the aim of cutting our carbon footprint. The Learning Environment will be continuously improved upon and upgraded as will the investment in technology.

Sustaining the standards of excellence (evidenced by the ISI inspection of February 2022) is a focal point of our extended curriculum and planning, with additional investment in staffing to ensure that the students continue to receive an excellent curriculum and extra-curricular offer providing breadth and depth in their education. The Head Teacher and Curriculum Sub Committee rigorously review the Curriculum from EYFS to Yr. 6, extending learning opportunities for all students and supporting the well-rounded development of the pupils, with the aim of extending specialist teaching at every opportunity.

Structure, governance and management

Laleham Lea School is a charitable company limited by guarantee governed by its Memorandum and Articles of Association dated 25 January 2007. The school remained dormant until 1st April 2009 when it commenced trading. The school has no share capital and is limited by guarantee. It is registered as a charity with the Charity Commission. All Governors give their time freely.

The governors, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M D Barras

K Barry

S Bignell

M Brunni

(Resigned 18 February 2023)

K Dwyer-Burchill

(Resigned 3 April 2023)

E O'Domhnaill

M Ryan

Father P M L Sebastian

Y Epale

(Appointed 19 November 2022)

S Webb

(Resigned 17 March 2022)

None of the governors has any beneficial interest in the company. All of the governors are members of the company and guarantee to contribute £1 in the event of a winding up.

The full Governing Board meet in full at least 3 times a year. Currently all governance decisions are referred to the full Board meetings. The Board seek to recruit Governors from within the local community who have an interest in developing the Catholic character of the school, and supporting the education needs of the children at Laleham Lea. Induction and ongoing training is provided by the school.

Auditor

In accordance with the company's articles, a resolution proposing that Baxter & Co be reappointed as auditor of the company will be put at a General Meeting.

Risk management

The Governors have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

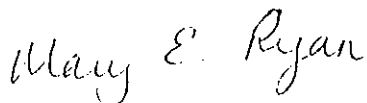
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

LALEHAM LEA SCHOOL

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 AUGUST 2022***

The governors' report was approved by the Board of Governors.

M Ryan
Chair of Governors

A handwritten signature in cursive script that reads "Mary E. Ryan".

15 May 2023

LALEHAM LEA SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES **FOR THE YEAR ENDED 31 AUGUST 2022**

The governors, who are also the directors of Laleham Lea School for the purpose of company law, are responsible for preparing the Governors' 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 governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the governors are 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 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 charity will continue in operation.

The governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LALEHAM LEA SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF LALEHAM LEA SCHOOL

Opinion

We have audited the financial statements of Laleham Lea School (the 'charity') for the year ended 31 August 2022 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 charitable company's affairs as at 31 August 2022 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 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 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governors' 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 governors 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 governors are 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.

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 governors' 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.

LALEHAM LEA SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF LALEHAM LEA SCHOOL

Responsibilities of governors

As explained more fully in the statement of governors' responsibilities, the governors, who are also the directors of the charity for the purpose 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 governors 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 governors are 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 governors 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

We have been appointed as auditor under section 144 of the Charities 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.

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- 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.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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.

Other matters

The prior period financial statements were not audited.

LALEHAM LEA SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE GOVERNORS OF LALEHAM LEA SCHOOL

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Louise Hallsworth FCA (Senior Statutory Auditor)
for and on behalf of Baxter & Co**

18 May 2023
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**Chartered Accountants
Statutory Auditor**

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Baxter & Co 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.

LALEHAM LEA SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	2021 £
Income from:					
Donations and legacies	3	-	91,208	91,208	4,501
Educational activities	4	1,131,203	-	1,131,203	992,747
Other trading activities	5	2,691	-	2,691	-
Investments	6	2,506	-	2,506	2,158
Total income		1,136,400	91,208	1,227,608	999,406
Expenditure on:					
Raising funds	7	13,494	-	13,494	8,365
Charitable activities					
Educational activities	8	944,355	91,208	1,035,563	867,567
School equipment	8	36,902	-	36,902	51,645
Total charitable expenditure		981,257	91,208	1,072,465	919,212
Total expenditure		994,751	91,208	1,085,959	927,577
Net income for the year/ Net movement in funds		141,649	-	141,649	71,829
Fund balances at 1 September 2021		609,760	-	609,760	537,931
Fund balances at 31 August 2022		751,409	-	751,409	609,760

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LALEHAM LEA SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		198,794		186,059
Current assets					
Debtors	14	262,932		212,807	
Cash at bank and in hand		827,336		659,760	
		1,090,268		872,567	
Creditors: amounts falling due within one year	15	(537,653)		(448,866)	
Net current assets			552,615		423,701
Total assets less current liabilities			751,409		609,760
Income funds					
Unrestricted funds			751,409		609,760
			751,409		609,760

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Governors on 15 May 2023

M Ryan
Chair of Governors

Mary E. Ryan

Company registration number 06067557

LALEHAM LEA SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	22		214,707		219,637
Investing activities					
Purchase of tangible fixed assets		(49,637)		(36,361)	
Investment income received		2,506		2,158	
Net cash used in investing activities			(47,131)		(34,203)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			167,576		185,434
Cash and cash equivalents at beginning of year			659,760		474,326
Cash and cash equivalents at end of year			827,336		659,760

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

Laleham Lea School is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Peaks Hill, Purley, Surrey, CR8 3JJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Going concern

At the time of approving the financial statements, the governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the governors in furtherance of their charitable objectives.

1.4 Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The value of services provided by volunteers is not incorporated into these financial statements.

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

School fees provide the most significant income for the school and are recognised where there is an entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

All other income including donations and investment income is provided for at the point at which it is received as it is unpredictable and not material.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of educational programmes. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. The trustees have identified two charitable activities.

Governance costs

Support costs now include governance costs which are costs associated with meeting the constitutional and statutory requirements of the charity and include independent examination fees, accountancy fees, legal and professional fees and bank charges.

Allocation and apportionment of costs

Any costs which are not deemed as a direct cost are allocated as support costs which include governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity. All depreciation costs are deemed to be support costs of the provision of school equipment. All other support costs are deemed to be those that support the provision of educational activities.

1.6 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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10% straight line
Fixtures and fittings	10% straight line
Computers	20% straight line
Motor vehicles	33.3% straight line

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.

The charity was granted a 50 year lease at a peppercorn rent and took over the existing building with its assets which were purchased for the nominal sum of £1.

The charity's policy is to capitalise tangible fixed assets which cost over £1,250 per individual asset.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.9 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.

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.

1.10 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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Restricted funds	Unrestricted funds
	2022 £	2021 £
Donations and gifts	-	4,501
Government grant income	91,208	-
	<u>91,208</u>	<u>4,501</u>

4 Educational activities

	Charitable Income Heading 1 2022 £	Charitable Income Heading 1 2021 £
School fees	1,092,829	992,747
Club income	23,756	-
Other income	14,618	-
	<u>1,131,203</u>	<u>992,747</u>

5 Other trading activities

	Unrestricted funds	Total
	2022 £	2021 £
Trading activity income: other	<u>2,691</u>	<u>-</u>

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

6 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	2,506	2,158

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
<u>Fundraising and publicity</u>		
Advertising	11,678	8,365
Other fundraising costs	1,816	-
Fundraising and publicity	13,494	8,365
	13,494	8,365

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities

	Educational activities 2022 £	School equipment 2022 £	Total 2022 £	Educational activities 2021 £	School equipment 2021 £	Total 2021 £
Staff costs	744,773	-	744,773	662,511	-	662,511
Rates and water	12,120	-	12,120	(3,023)	-	(3,023)
Insurance	4,381	-	4,381	5,633	-	5,633
Light and heat	13,260	-	13,260	14,886	-	14,886
Educational resources and expenditure	36,782	-	36,782	-	-	-
Postage, telephone and stationery	17,934	-	17,934	14,343	-	14,343
Sundries	1,731	-	1,731	(155)	-	(155)
Repairs and maintenance	56,839	-	56,839	49,684	16,321	66,005
Travelling expenses	1,191	-	1,191	1,179	-	1,179
Indirect employee expenses	11,477	-	11,477	4,827	-	4,827
Bad debts	3,548	-	3,548	(4,634)	-	(4,634)
Subscriptions	5,477	-	5,477	5,539	-	5,539
IT costs	15,985	-	15,985	20,492	-	20,492
Catholicity (Nativity / Easter)	1,817	-	1,817	342	-	342
Club and Outings expenses	8,251	-	8,251	5,284	-	5,284
Catering expenses	74,345	-	74,345	76,865	-	76,865
	1,009,911	-	1,009,911	853,773	16,321	870,094
Share of support costs (see note 9)	2,595	36,902	39,497	2,381	35,324	37,705
Share of governance costs (see note 9)	23,057	-	23,057	11,413	-	11,413
	1,035,563	36,902	1,072,465	867,567	51,645	919,212
Analysis by fund						
Unrestricted funds	944,355	36,902	981,257	867,567	51,645	919,212
Restricted funds	91,208	-	91,208	-	-	-
	1,035,563	36,902	1,072,465	867,567	51,645	919,212

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Depreciation	36,902	-	36,902	35,324	-	35,324
Bank charges	2,595	-	2,595	2,381	-	2,381
Audit fees	-	9,350	9,350	-	3,150	3,150
Accountancy	-	-	-	-	900	900
Legal and professional	-	13,707	13,707	-	-	-
Consultancy costs	-	-	-	-	7,363	7,363
	<u>39,497</u>	<u>23,057</u>	<u>62,554</u>	<u>37,705</u>	<u>11,413</u>	<u>49,118</u>
Analysed between						
Charitable activities	<u>39,497</u>	<u>23,057</u>	<u>62,554</u>	<u>37,705</u>	<u>11,413</u>	<u>49,118</u>

Governance costs includes payments to the auditors of £9,350 (2021- £3,150) for audit fees.

10 Net movement in funds

	2022	2021
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	9,350	3,150
Depreciation of owned tangible fixed assets	<u>36,902</u>	<u>35,324</u>

11 Governors

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the School. The Head Teacher and other Staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

K Barry (Head Teacher):

- Remuneration: £85,000 - £90,000 (2021 - £85,000 - £90,000)
- Employer's pension contributions: £15,000 - £20,000 (2021 - £15,000 - £20,000).

During the period, travel and subsistence payments totalling £46 (2021: £nil) was reimbursed or paid directly to 1 Trustee (2021: none). Expenses were incurred in performing the normal duties of employment.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

12 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Teaching	12	12
Support	12	12
Total	24	24

Employment costs	2022 £	2021 £
Wages and salaries	592,865	532,549
Social security costs	53,023	39,346
Other pension costs	98,885	90,616
	744,773	662,511

The trustees consider 3 (2021: 3) members of staff to be key management personnel. The total employment benefits of key management personnel were £203,978 (2021: 216,514).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number (Restated)
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

The prior year has been amended in order for the two years to be comparable.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

13 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2021	24,036	224,238	40,109	22,260	310,643
Additions	-	30,734	18,903	-	49,637
At 31 August 2022	24,036	254,972	59,012	22,260	360,280
Depreciation and impairment					
At 1 September 2021	12,773	68,153	21,398	22,260	124,584
Depreciation charged in the year	2,402	26,193	8,307	-	36,902
At 31 August 2022	15,175	94,346	29,705	22,260	161,486
Carrying amount					
At 31 August 2022	8,861	160,626	29,307	-	198,794
At 31 August 2021	11,263	156,085	18,711	-	186,059

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	237,469	182,855
Other debtors	5,174	-
Prepayments and accrued income	20,289	29,952
	262,932	212,807

15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		14,197	9,305
Deferred income	16	390,917	349,875
Trade creditors		47,570	7,228
Other creditors		74,814	64,344
Accruals and deferred income		10,155	18,114
		537,653	448,866

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2022**

16 Deferred income

	2022	2021
	£	£
Arising from School fees received in advance	390,917	349,875
	<u> </u>	<u> </u>
Deferred income is included in the financial statements as follows:		
	2022	2021
	£	£
Deferred income is included within:		
Current liabilities	390,917	349,875
	<u> </u>	<u> </u>
Movements in the year:		
Deferred income at 1 September 2021	349,875	284,970
Released from previous periods	(349,875)	(284,970)
Resources deferred in the year	390,917	349,875
	<u> </u>	<u> </u>
Deferred income at 31 August 2022	390,917	349,875
	<u> </u>	<u> </u>

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2022**

17 Retirement benefit schemes

The Charity's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the TPT Pension Scheme (TPT) for non-teaching staff.

The pension charge for the year includes contributions payable to the TPS of £87,693 (2021 - £80,594) and contributions payable to the TPT scheme of £11,192 (2021 - £9,241). Contributions amounting to £12,514 (2021 - £10,938) were payable to the schemes at 31 August 2022 and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in the Charity but all teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension 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 2014 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 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions) together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Charity has set out above the information available on the scheme.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 1 September 2021	Incoming resources	Resources expended	Balance at 31 August 2022
	£	£	£	£	£
LA Grant income	-	-	91,208	(91,208)	-

19 Financial commitments, guarantees and contingent liabilities

During the year ended 31 August 2020 the school opened its kitchen for meals. A contract was formed with Nourish Contract Catering Limited to supervise and manage the catering services. The term of this contract is six years from 1 September 2019. If the school decides to terminate this contract before this date they will be liable to reimburse Nourish Contract Catering Limited for any un-depreciated investment remaining. As at 31 August 2022 the value of this liability is £3,250, this value will depreciate on a straight line basis in line with the term of the contract.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

20 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:

	2022 £	2021 £
Within one year	1,536	-
Between two and five years	1,536	-
	<hr/>	<hr/>
	3,072	-
	<hr/>	<hr/>

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

22 Cash generated from operations	2022 £	2021 £
Surplus for the year	141,649	71,828
Adjustments for:		
Investment income recognised in statement of financial activities	(2,506)	(2,158)
Depreciation and impairment of tangible fixed assets	36,902	35,324
Movements in working capital:		
(Increase)/decrease in debtors	(50,125)	66,128
Increase/(decrease) in creditors	47,745	(16,390)
Increase in deferred income	41,042	64,905
Cash generated from operations	214,707	219,637

23 Analysis of changes in net funds

The charity had no debt during the year.