

COMPANY REGISTRATION NUMBER: 1489366  
CHARITY REGISTRATION NUMBER: 280688

**ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**  
**Company Limited by Guarantee**  
**Financial Statements**  
**31 August 2022**

**EDMUND CARR LLP**  
Chartered Accountants & Statutory Auditor  
146 New London Road  
Chelmsford  
Essex  
CM2 0AW

**ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**  
**Company Limited by Guarantee**

**Financial Statements**

**Year ended 31 August 2022**

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	<b>Page</b>
Trustees' annual report (incorporating the director's report)	<b>1</b>
Independent auditor's report to the members	<b>14</b>
Statement of financial activities (including income and expenditure account)	<b>19</b>
Statement of financial position	<b>20</b>
Statement of cash flows	<b>21</b>
Notes to the financial statements	<b>22</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	<b>35</b>
Notes to the detailed statement of financial activities	<b>36</b>

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# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 August 2022

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The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2022.

#### Reference and administrative details

<b>Registered charity name</b>	ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED
<b>Charity registration number</b>	280688
<b>Company registration number</b>	1489366
<b>Principal office and registered office</b>	198 Hadleigh Road Leigh-on-Sea Essex SS9 2LP
<b>The trustees</b>	Mr S Mills Mrs F Evans Mrs J Attwell (Resigned 11 October 2021) Mr M Stennett Mrs S E Bird Dr V Shaw Fr D Wylie Mr F Macleod (Appointed 11 October 2021) Mr J Barrett Mr T Holdcroft Mrs S Minnis Mrs D Harris (Resigned 12 October 2021) Ms E Gibbons (Resigned 11 October 2021)
<b>Company secretary</b>	Karen Orwell
<b>Auditor</b>	Edmund Carr LLP Chartered Accountants & Statutory Auditor 146 New London Road Chelmsford Essex CM2 0AW
<b>Bankers</b>	HSBC Bank PLC 48 High Street Rayleigh Essex SS6 7JH

# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 August 2021**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Governors of St. Michael's School (Leigh-on-Sea) Limited, being a Charity, present their annual report and audited accounts for the year ended 31st August 2022 and confirm they comply with the requirements of the Charities Act 1993, as amended by the Charities Act 2011, the trust deed and the Charities SORP 2019.

##### **Governing Document**

Founded as a school and charity in 1922, St Michael's is governed by its Memorandum and Articles of Association dated 31<sup>st</sup> July 2019.

The School premises and Chapel are the subject of a scheme between The Chelmsford Diocesan Board of Finance Limited and the School, including the appointment of Trustees and vesting, and was registered with the Charity Commissioners on 1st November 1976.

##### **Governing Body**

The structure of the Charity consists of not more than four nominated Governors and not more than eight co-opted Governors. Of the four nominated Governors, not more than two shall be appointed by the Diocesan Education Committee for the Diocese of Chelmsford; the Vicar of St Margaret's Church, Leigh-on-Sea, as appointed by the Chelmsford Diocese, shall always be a member of the Governing Body; one shall be the Chairman of the Governing Body, being nominated by the Parochial Church Council of St Margaret's Church, Leigh-on-Sea. Of the co-opted Governors at least three shall be appointed from among persons for the time being on the electoral roll of St. Margaret's Church, Leigh-on-Sea.

##### **Recruitment and Training of Governors**

The Charity's elected Governors are appointed at a Meeting of the Governors based on nominations received either from the Diocese, St. Margaret's Church or the Governors themselves. A formal interview with the Nominations Committee ensures that candidates have the necessary skill sets to join the Board. New Governors are inducted into the workings of the Charity and School. When recruiting new trustees, the Governors consider the skills and experience of the individual and what they may bring to complement the existing Governing Body. Of paramount importance is they have a passion for the working of the school and an understanding of education as a holistic and rounded experience of personal growth. The diversity of the current board of governors ensures that all Committees are attended or chaired by people with a knowledge or level of expertise. All Governors receive guidance notes from a range of external services and sources, including The Association of Governing Bodies of Independent Schools (AGBIS), The Independent Schools' Bursars Association (ISBA), The Independent Association of Prep Schools (IAPS), the Independent School's Association (ISA) and the Independent Schools Council (ISC).

##### **Arrangement for setting pay and remuneration of key management personnel**

The Personnel Committee of the trustees has overall responsibility (on behalf of the full board) for the salary structure of key personnel.



# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 August 2022**

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#### **Organisational Management**

The Governors, as trustees of the Charity, are legally responsible for the overall management and control of the School and meet at least three times per year. The day to day running of the school is delegated to the Headmaster, supported by the Bursar, Deputy Head and Senior Leadership Team. However, key policy and strategic decisions are taken by the Board.

#### **Relationships**

St Michael's School is a member of the IAPS, ISC, ISA, AGBIS and ISBA for the promotion, maintenance and the delivery of excellence in education. We are also members of the Southend Primary Schools Sports Partnership (SPSSA), an organisation dedicated to the promotion of sports in primary schools across the borough, together with Energize Essex, a high-quality sports and fitness programme for out of school hours and in school holidays. The School actively contributes to the local community in several different ways as detailed below under Public Benefit.

#### **Risk Management**

The Governors and the Senior Management Team continue to keep the School's activities under review, particularly about any major risks that may arise from time to time, as well as systems and procedures established to manage them. They monitor the effectiveness of the system of internal controls, including the extent of insurance cover, by which those risks already identified can best be mitigated. The key risks are reviewed regularly.

### **PUBLIC BENEFIT AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

#### **Charitable Objects, Aims and Intended Impact**

The object for which the Charity is established is to advance the education of the public and to provide for the education of pupils based on Christian principles.

The School's strategic aims are:

- to provide the highest standards of teaching and learning;
- to fulfil each pupil's potential;
- to provide the best preparation for each pupil's transition to secondary school; and
- to provide a secure foundation for their future life in a caring atmosphere within a Christian ethos

In pursuit of these aims the School provides a broad yet balanced curriculum, with a wide provision of extra activities that reflect a strong emphasis on music, drama, languages and sport. Pupils are encouraged to match their performance to their potential, whilst raising self-awareness and confidence. As a non-selective school, children from all backgrounds are welcome.

#### **Aims and Vision**

Our vision is to have a school of happy and successful children all of whom are encouraged and supported to achieve their potential in learning, achievement and personal development. In so doing, our aim is to sustain and increase individual and collective knowledge and understanding in areas of study, skills and expertise.

# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 August 2022**

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##### **Aims and Vision *(continued)***

Underpinned through our Christian community we acknowledge and value that:

- Every child is unique
- Children learn best when they are happy, safe and secure
- Our school community is enriched by diversity
- It is not who a child is by birth that matters but rather what they make of their life (Non Quis Sed Quid)
- Personal, social, moral and spiritual development are equally important as academic success

##### **Our Objectives**

The school's objectives are closely linked to our aims and strategic planning. They are:

- To provide all children with the highest standards of teaching and learning and to instil in them a thirst for knowledge and a love of learning.
- A commitment to provide a broad and stimulating curriculum in order to develop the whole child to identify and celebrate their individual talents
- To create strong partnerships between home and school to enable effective learning
- Through strong pastoral support that pervades everyday school life, children learn the value of empathy and care.
- Develop in children their spiritual awareness and an understanding of the beliefs of others.
- Develop each child's confidence, self-esteem, independence and integrity.
- To equip children with strategies to enable them to achieve a healthy and balanced approach to their wellbeing.
- For all children to be happy and successful
- To promote a culture of care, respect and traditional values within our school family and the wider community. Our strong and effective leadership and governance will help ensure that the above aims are met.

In setting our objectives and planning our activities, we have considered the Charity Commission's general guidance on the advancement of education. This includes their guidance on the supplementary public benefit for charities.

##### **Principal Activities**

The principal activity of St. Michael's School is the provision of an Independent Preparatory Day School for Boys and Girls aged 3-11 years old. We seek to provide a structured educational environment that develops our pupils' capabilities, competences and skills. We promote the academic, moral and physical development of our pupils through our academic curriculum, pastoral care, sporting and other activities. We provide an educational environment where each student can develop and fulfil his or her potential, build self-confidence and instil a desire to contribute to the wider community.

The average number of children in school for the year was 254 (262 2021) Pupil numbers at the start of the new academic year grew from 253 to 254 by the end of the year. The School, along with the rest of the independent sector, continues to experience challenging conditions, however interest remains high, as evidenced by the number of weekly tours provided by the Headmaster.



# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 August 2022**

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#### **Our Ethos, Strategy and Policies**

Our school motto "Non quis, sed quid" - not who (you are), but what (you are) - underlies our basic Christian ethos, which pervades school life. Who you are by birth is not important, what you make of your life is. Our commitment is to encourage the children to fulfil their potential and make a positive contribution to our local community and society.

Our Headmaster and Governing body are responsible for setting a strategy to achieve the School's objectives. Our strategy is focused on the 'all-round' care and development of our pupils, including their attainment of high levels of academic and extra-curricular achievement, and is summarised in our School Development Plan.

St. Michael's School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level designed to ensure the on-going financial viability of the School, and are consistent with our aim to provide the highest levels of education. Our School welcomes pupils from all backgrounds. To admit a prospective pupil, we need to be satisfied that our School will be able to educate and develop them to the best of their potential. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

Parents are given regular information about their children's social and academic progress through parent evenings and end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts, our termly newsletters and our social media accounts. Further information about their child's attendance, achievement, timetable, school reports and letters home can be accessed via 'Engage', the school's information management system.

St. Michael's School is committed to safeguarding and promoting the welfare of our pupils, and expects all staff and volunteers to share this commitment.

#### **Fees**

When setting fees, Governors consider many factors that could affect the performance of the School. Where possible, these increases are restricted to a level that will ensure the School is able to fulfil its main objective of providing a first class education to pupils, the continued financial viability of the School and investment for continued growth and improvement in the main fabric of the building. In setting fees, the Governors are also mindful of their obligations under the Charities Act, to widen the access to the education we offer.

The School continues to accept the Government's 15-30 hrs of free childcare. This supportive funding has been greatly appreciated by our early year's parents.

#### **Fundraising**

The charity does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees

#### **Public Benefit**

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community, where learning occurs through social interaction, conversation and shared experiences. This in turn will help our pupils develop an understanding of the perspective of other people and learn the injustices of intolerance, which will help them grow into well rounded and responsible adults. Through developing our links in the local community, including partnership activities with other local schools, providing part or fully

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# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 August 2022**

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#### **Public Benefit *(continued)***

funded bursaries to eligible families, and keeping school fees affordable, we want more children in the local community to access and benefit from the school's charitable activities.

#### **(i) Bursaries**

The Governors view our bursary awards as important in helping children from families who would otherwise not be able to afford the fees to access the education we offer. Our bursary awards are available to all who meet our general entry requirements and are made based on parental financial means, or to relieve hardship where a pupil's education would otherwise be at risk. In assessing financial means, we take several factors into consideration including net household income, investments, savings and family circumstances. However, our School does not have a large endowment and, in funding our awards, we must be mindful that we need to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards

Throughout the year three children benefited from either a fully funded or partial bursary. An additional five pupils benefited from a partial reduction of fees as part of the school's Public Benefit awards. Public Benefit awards differ from means tested bursaries and are primarily offered on a business premis where there is a compelling reason to admit pupils.

We remain committed to our bursary policy and this year the Public Benefit charge amounted to £52,346. We have therefore allocated £52,346 from General Reserves to top-up the Designated Fund, bringing the year-end fund balance to £75,000.

#### **(ii) Teaching Links and Community Partnerships**

For the past hundred years, St. Michael's has prided itself on its strong links between the school and local communities.

To mark the Queen's Platinum Jubilee celebrations, we completed over seventy good deeds for the local community. The focus was to build a sense of charitable giving in the children, to build links in the local community and to complete voluntary work in recognition to the support the late Queen had given to the voluntary services. All the children from Pre-Nursery to Year 6 completed tasks ranging from litter picking in Old Leigh and Hadleigh Castle, making cakes for the residents of the local nursing and care homes, to creating displays for the local Library. The children also raised money by taking part in a variety of sponsored events and walks. One sponsored event of particular note involved taking part in a sponsored (dog) show jumping event for a local dog charity, Acres Way. Our Nursery children also took great delight in planting seeds for the bees.

In April 2022, we partnered with a local creative arts company on an exciting new project. Kim Davies, a local artist, was commissioned to design and paint a mural for our library wall. The children were all involved with the painting and we are very grateful to Create 98 for their generous support on this project. The mural was unveiled on St Michael's Day, 29<sup>th</sup> September 2022 by Mrs Steven Cotterell, wife of the Archbishop of York, which also marked the beginning of our year long Centenary celebrations.

As part of our community partnerships our children have the opportunity to worship alongside members of the local Parish by attending services at St. Margaret's Church in Leigh. They also learn about other religions from children's family members visiting the school to talk about their own traditions and beliefs. Our senior choir also perform at a number of church services, most notably at the Remembrance Services.



# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 August 2022**

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#### **(ii) Teaching Links and Community Partnerships *(continued)***

Energize Essex continued to hire the school's facilities to run a programme of high quality sports and fitness provision for all ages to have fun, broaden existing talents, develop new talents and to enhance futures. These holiday clubs are opened to local community schools as well as St Michael's School's own pupils.

#### **(iii) Charities**

The school's focus on charitable giving and making a difference encourages children to think of others. Charitable events supported by the school include its Harvest Festival celebrations with parents donating food to the local Foodbanks, British Legion for Remembrance, Children's Society at Christingle and local charities, which are decided upon by the school council. Children take the lead on charitable opportunities they feel passionate about, for example writing to the older generation in Care Homes, raising funds for COVID issues in India, support for refugees from Afghanistan and a greater focus on giving at Harvest. Our school council enjoys the responsibility of suggesting charities and how the school undertakes fundraising.

#### **(iv) Other Policies on Assistance**

##### **Family discounts policy**

To underline the value we place on continuity for families, we offer a sibling discount where parents have more than one child at the School.

##### **Termly Instalment Scheme**

A monthly payment plan to pay the term's fees is available to assist parents with their financial planning.

##### **Assistance for staff**

As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme when staff members choose to educate their children at our School.

#### **REVIEW OF THE YEAR**

The curriculum at St. Michael's is broad and varied. It aligns with the national curriculum for key subjects to ensure consistent development and experience in line with those in different settings. However, we utilise our freedom to further develop and enrich this provision, ensuring children are offered a curriculum which surpasses that required by the national curriculum. The specialist teachers, teaching rooms and range of subjects covered ensures that our learners are provided with a vast range of learning experiences. Children develop skills for life, along with subject knowledge, and the structure of our Prep department ensures that children are well prepared for their next step into secondary education. As a school, we have continued to invest in terms of technology for the children to access and promote effective teaching and learning. This includes: the availability of Chromebook devices 1:2 (Pre-Prep) and 1:1 (Prep) together with new backlit 10-point touch interactive whiteboards in all classrooms.

Our curriculum offers stretch and challenge to learners at all levels. Planning is regularly monitored and reviewed (a key focus for the 2021/2022 school year) to ensure that lesson content is up to date, engaging and inspiring.

Our extra-curricular provision, which is included within our school fees, provides children with opportunities to identify, nurture and extend their talents further.

Pupils' progress is regularly monitored through informal and formal assessments. Pupils' attainment of curriculum objectives (Reception - Y6) is collectively assessed as either target, working towards, met or

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# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 August 2022

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##### REVIEW OF THE YEAR*(continued)*

as exceeding, half termly. This assessment closely mirrors the EYFS scale with Working Towards and Met being the equivalent of lower and upper levels of the Expected grade in EYFS. Mid-year GL Assessments (externally marked) allow children's progress to be tracked year on year. Participation in End of Key Stage 2 SATS also provides opportunity for pupil performance to be evaluated in relation to national norms.

We feel that children are successful in their learning when they can demonstrate that they are 'active learners'. Children who are able to concentrate, persevere and enjoy learning are successful learners. Similarly, children who are confident to play, explore, investigate and 'have a go' are successful learners. We measure success through children's independence and through their critical thinking. Children who are able to make links in their learning and are able to use strategies and ideas of their own are successful learners. Whilst these skills may play some part in formal examinations, these successes are best measured through observation and discussion with the children themselves. Children who are engaged, keen and able to share their learning with others can be deemed as successful learners.

Within the curriculum, much emphasis is placed upon providing information about different cultures and encouraging a positive attitude and high level of respect for different people's views. A curriculum audit, focusing on equality, diversity and inclusion, was conducted at the start of the current school year. On 15th October 2021, the school held a cultural day. Pupils were thoroughly engaged in learning about other cultures from each continent around the world. Pupils wanted to understand how other cultures lived and how that compared with their own. They showed respect to each of the guest visitors and had the opportunity to ask sensitive questions to aid their own expansion of knowledge about the World. Staff utilise our school diversity calendar to further ensure that our curriculum takes our children beyond their own personal experiences.

To support the children on their learning journey, the educational space has been improved in recent years with upgrades to the Music Room and Drama Studio. This year additional improvements to the Art Room were carried out. Under the supervision of Mrs Claire Hankey, a recognised artist in her own right, children have produced a variety of artworks in an array of different mediums. A Chicken Wire workshop resulted in such high-quality work that the children were invited to send a selection of their wire sculptures for display at the National Gallery in London.

As part of the School's commitment to support the wellbeing of its pupil's, Maggie, a therapy dog joined the School in the Trinity Term. Maggie, a Cavapoo, was warmly welcomed by the children, and staff and has already settled well into school life. Maggie has brought so much joy to the school and the children have thoroughly engaged with the programme. Maggie provides support to children who are suffering from emotional issues. A poor self-image for many children is at the heart of their behavioural issues. A therapy dog will distract a child from any negative thoughts towards school and provide a relaxed platform for them to talk much more freely about their own emotions and feelings.

The Adventure Trail for our Early Years' children, which has been out of action for a number of months due to its degenerating wetpour surfacing, was given a new home in the "Saunders' Meadow". Children from Nursery and Reception were finally able to enjoy their curriculum time in the Meadow during the Trinity Term. The Meadow has also seen an increase in activity due to the new security fencing that was installed last year.

Improvements to the main playground entrance, which required the relocation of the Calvary, further improved and increased the size of the play area in the Chapel playground.

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

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## REVIEW OF THE YEAR*(continued)*

Finally, the much-awaited refurbishment to the Chapel happened over the Summer in readiness for the start of the Centenary celebrations. The Chapel benefited from new lighting and re-wiring, new flooring, and an upgrade to the music and sound systems to improve the quality of assembly recordings that are streamed weekly to our parents. The Chapel is now a fully functioning, multi-purpose room used for a variety of lessons and activities yet it still retains the ambience and sanctity of the place of worship for which it was originally intended.

## REVIEW OF THE ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

### Selection test information for 2022 entry

#### 11+ information

As in previous years, a statistical test was used to assess whether age adjustment was necessary to take account of any apparent bias against younger candidates. This year, the test was statistically significant for English and the corresponding age adjustments were made.

27 pupils, 79% of the cohort, opted to take the 11+ examination. Based on historical data, of those pupils we thought would gain a score to apply for a selective place, all but one pupil was successful (93%). Of those we deemed borderline, 2 out of 7 were successful however, 4 of the 5 unsuccessful children were disadvantaged due to their date of birth as they had less weighting added to their raw score.

#### Other selection tests

In addition, 1 pupil applied to other schools where selection tests were required. The pupil was successful in their test and gained a performing arts scholarship, keeping our success rate at 100%.

### Destination Schools

School	No. of pupils	School	No. of pupils
Southend High School for Girls	5	Southend High School for Boys	3
Westcliff High School for Girls	6	Westcliff High School for Boys	5
St Thomas More High School for Boys	1	The Deanes School	1

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 August 2022

The Eastwood Academy	1	The FitzWimarc School	1
The King John School	5	Thorpe Hall School	4

#### Academic Results for Year 6

##### Maths

All pupils:

In 2021 84% of all pupils scored 97 or above - 24% above national average.

In 2022 91% of all pupils achieved expected level or above – 20% above national average

Gender:

In 2021 80% of boys scored 97 or more - 20% above national average.

In 2022 94% of boys achieved expected level or above - national average data has not been published

In 2021 88% of girls scored 97 or above - 25% above national average.

In 2022 88% of girls achieved expected level or above – national average data has not been published

##### English

All pupils:

In 2021 81% of all pupils scored 97 or more - 21% above national average.

In 2022 92% of all pupils achieved expected levels or above – 21% above national average. 51% achieved 110 or more.

Gender:

In 2021 67% of boys scored 97 or above - 7% above national average.

In 2022 96% of boys achieved expected levels or above – national average data has not been published

In 2021 92% of girls scored 97 or above - 32% above national average.

In 2022 96% of girls achieved expected levels or above - national average data has not been published

Overall Form 6 have maintained their progress over the last two years.

The above data reflects that children were not affected academically by the pandemic, where working from home was mandatory, and that the teaching provided during lockdown was of a consistently high standard that allowed children to maintain their learning and progress.

#### Other Key Achievements of 2021/2022:

- St Michael's continued to be listed in The Times Top 50 Independent Preparatory Schools (Ranked 26 – 2021)



# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 August 2022**

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##### **Other Key Achievements of 2021/2022 *(continued)***

- Shortlisted for the Independent Schools of the Year Awards 2022 in two categories – Independent Pre-Prep School / Independent School of the Year in Performing Arts (Music & Drama)
- Awarded one of only 30 coveted places in the National Gallery's annual 'Take One Picture' exhibition
- All 22 pupils in Years 3-6 who took their LAMDA exams passed with Distinction
- Reached the ISA National Finals in Year 4 and 5 in the Sprint
- A Year 5 pupil gained second place in the 17th World Children's Haiku Poetry Competition
- Achieved Gold (U10 Boys) and Silver (U10 Girls) in the ERSA School Ski Race

##### **ISI Inspections**

The School underwent a Compliance Inspection in June 2018, with the next Inspection now overdue. The School was found to be fully compliant with all regulations.

##### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

###### **Operational performance of the school**

The financial statements show incoming resources for the year on School activities of £2,822,108 against total expenditure of £2,911,897. The principal source of income for the School is from our fees.

As a charity, the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes.

###### **Results for the Year**

The school strives to achieve an annual minimum surplus of 2.5% of total income and, as a not-for-profit organisation, reinvests all surplus back into the school. As a result of our continued investment in the school, with improvements both to the facilities and resources, the school reported a loss for the year ended 31 August 2022 of £89,789 (2021: loss £116,054) after charging depreciation of £40,398 (2021: £28,314)

###### **Reserves policy and risk management**

**Reserves Policy:** The school's overall reserves decreased during the year by £89,789 as a result of the net loss. General Reserves now stand at £321,724, in line with the reserves policy, of which £75,000 has been designated for the purpose of fulfilling public benefit. The Governors aim to establish and maintain General Reserves at approximately £750,000, this being roughly just under one term's operating costs. They recognise that the level of reserves will fluctuate during periods of investment in the school but aim to ensure that it should not fall below £300k, which is the amount deemed necessary as a financial buffer to protect against times of economic uncertainty and to be called upon in times of emergency.

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 August 2022

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##### **Reserves policy and risk management *(continued)***

Having reviewed the strategic risks facing the school, the budget and plans for the period through to the end of the current academic year, and the overall cash levels held, the Governors consider that sufficient reserves are held at 31 August 2022 to manage those risks successfully.

**Investment Policy:** The Governing Body remains vigilant and continues to review the Charity's investment strategy, taking an integrated approach to risk management. One key aim is to repay the mortgage facility and the bounce back loan, once General Funds allow, to protect the Charity against any future interest rate rises. Investments are regularly monitored against policy guidelines.

**Risk Management:** The Governors are responsible for ensuring the risks faced by the School are appropriately managed. Risk Matrices have been drawn up by the Governing Body which are reviewed annually to ensure the management procedures in place are as robust as possible.

##### **Future Plans**

The Governors intend to continue their current strategies for maintaining the School's position in a competitive market by investing to provide high quality education for our pupils.

Our future plans are financed primarily from fee income and from our reserves. The Governors need to maintain an equitable balance between ongoing investment in the school, day-to-day operational expenditure and maintenance of a sound financial base.



# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

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#### Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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.

#### Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

#### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 05/12/22 and signed on behalf of the board of trustees by:

Registered office:  
198 Hadleigh Road  
Leigh-on-Sea  
Essex  
SS9 2LP

Signed by order of the trustees



Karen Orwell  
Charity Secretary

# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

**Company Limited by Guarantee**

## **Independent Auditor's Report to the Members of ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

**Year ended 31 August 2022**

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### **Opinion**

We have audited the financial statements of ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED (the 'charity') for the year ended 31 August 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees with respect to going concern are described in the relevant sections of this report.

# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED *(continued)***

**Year ended 31 August 2022**

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#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.



# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED (continued)**

**Year ended 31 August 2022**

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and Regulations.

- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

- Considering the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Tested journal entries to identify unusual transactions.

- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

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# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED *(continued)*

**Year ended 31 August 2022**

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In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation.
- Enquiring of management as to actual and potential litigation and claims.
- Reading the minutes of meetings of those charged with governance.
- Enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

## Independent Auditor's Report to the Members of ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED *(continued)*

Year ended 31 August 2022

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

### Use of our report

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

*Edmund Carr LLP*

Sandra Morrell (Senior Statutory Auditor)

For and on behalf of  
Edmund Carr LLP  
Chartered Accountants & Statutory Auditor  
146 New London Road  
Chelmsford  
Essex  
CM2 0AW

*12.12.2022*

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and grants	5	500	500	29,738
Charitable activities	6	2,821,594	2,821,594	2,565,474
Investment income	7	14	14	59
<b>Total income</b>		<u>2,822,108</u>	<u>2,822,108</u>	<u>2,595,271</u>
<b>Expenditure</b>				
Expenditure on charitable activities	8,9	2,899,937	2,899,937	2,700,527
Other expenditure	10	11,960	11,960	10,798
<b>Total expenditure</b>		<u>2,911,897</u>	<u>2,911,897</u>	<u>2,711,325</u>
<b>Net expenditure and net movement in funds</b>		<u>(89,789)</u>	<u>(89,789)</u>	<u>(116,054)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		411,513	411,513	527,567
<b>Total funds carried forward</b>		<u>321,724</u>	<u>321,724</u>	<u>411,513</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 22 to 33 form part of these financial statements.

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

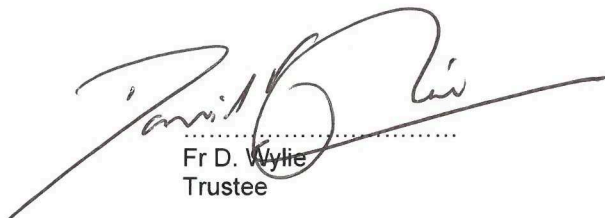
## Statement of Financial Position

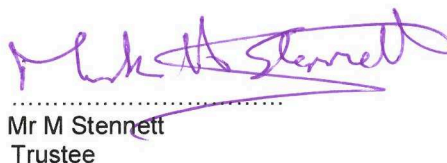
31 August 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	15	664,525	639,385
<b>Current assets</b>			
Stocks	16	4,092	4,055
Debtors	17	115,963	129,061
Cash at bank and in hand		189,757	288,920
		<u>309,812</u>	<u>422,036</u>
<b>Creditors: amounts falling due within one year</b>	18	<u>438,466</u>	<u>438,185</u>
<b>Net current liabilities</b>		128,654	16,149
<b>Total assets less current liabilities</b>		535,871	623,236
<b>Creditors: amounts falling due after more than one year</b>	19	<u>214,147</u>	<u>211,723</u>
<b>Net assets</b>		<u>321,724</u>	<u>411,513</u>
<b>Funds of the charity</b>			
Unrestricted funds		321,724	411,513
<b>Total charity funds</b>	21	<u>321,724</u>	<u>411,513</u>

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

These financial statements were approved by the board of trustees and authorised for issue on ....., and are signed on behalf of the board by:

  
Fr D. Wyllie  
Trustee

  
Mr M Stennett  
Trustee

Company Registration Number: 1489366

The notes on pages 22 to 33 form part of these financial statements.

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

## Statement of Cash Flows

Year ended 31 August 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net expenditure	(89,789)	(116,054)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	40,398	28,314
Other interest receivable and similar income	(14)	(59)
Interest payable and similar charges	6,894	5,662
Accrued (income)/expenses	(23,163)	219,516
<i>Changes in:</i>		
Stocks	(37)	484
Trade and other debtors	13,098	(42,958)
Trade and other creditors	54,352	(158,815)
Cash generated from operations	1,739	(63,910)
Interest paid	(6,894)	(5,662)
Interest received	14	59
Net cash used in operating activities	(5,141)	(69,513)
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(65,598)	(24,022)
Proceeds from sale of tangible assets	60	—
Net cash used in investing activities	(65,538)	(24,022)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(28,484)	(22,607)
Net cash used in financing activities	(28,484)	(22,607)
<b>Net decrease in cash and cash equivalents</b>	(99,163)	(116,142)
<b>Cash and cash equivalents at beginning of year</b>	288,920	405,062
<b>Cash and cash equivalents at end of year</b>	189,757	288,920

The notes on pages 22 to 33 form part of these financial statements.

# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 August 2022**

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#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 198 Hadleigh Road, Leigh-on-Sea, Essex, SS9 2LP.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

St. Michael's School (Leigh-On-Sea) Limited meets the definition of a public benefit entity under FRS102.

##### **Going concern**

There are no material uncertainties about the charity's ability to continue.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Taxation**

The company, as a charitable company, is not liable for assessment to taxation on its results to the extent that these are applied to its charitable objects.



# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

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#### 3. Accounting policies *(continued)*

##### Fund accounting

Funds held by the charity are either:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted funds for specific future purposes or projects. These are detailed in the financial statements.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objectives of the charity. There are no such funds within this charity.

##### Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income for the supply of educational services is recognised as delivered and is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

All expenditure on the running of the school is considered by the trustees to be either directly related to its one charitable activity and is accounted for on an accruals basis, or related to general costs relating to the administering of the charity which are included under governance costs. The irrecoverable element of VAT is included with the related item of expense.

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

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#### 3. Accounting policies *(continued)*

##### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Assets costing £500 or more are capitalised. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	20% straight line
Other Equipment	-	33% straight line
Computer Equipment	-	33% straight line
Library Demountable	-	10% straight line

##### Freehold property

Freehold property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Freehold property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of freehold property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

##### Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

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#### 3. Accounting policies *(continued)*

##### **Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

##### **Cash**

Cash at bank consists of cash held in bank accounts and cash in hand.

##### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

##### **Stocks**

Stocks are measured at the lower of cost and estimated selling price and relate to sundry items and stationery.

##### **Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.



# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Notes to the Financial Statements (continued)

Year ended 31 August 2022

#### Defined benefit plan

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multiemployer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

#### 4. Limited by guarantee

In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity whilst he or she is a member or within one year thereafter.

#### 5. Donations and grants

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
<b>Donations</b>				
Donations	500	500	500	500
<b>Grants</b>				
Job Retention Scheme	—	—	29,238	29,238
	<u>500</u>	<u>500</u>	<u>29,738</u>	<u>29,738</u>

#### 6. Charitable activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
School tuition fees	2,799,210	2,799,210	2,554,038	2,554,038
Registration fees	3,960	3,960	2,990	2,990
Miscellaneous school income	18,424	18,424	8,446	8,446
	<u>2,821,594</u>	<u>2,821,594</u>	<u>2,565,474</u>	<u>2,565,474</u>

#### 7. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>14</u>	<u>14</u>	<u>59</u>	<u>59</u>

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

## 8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
School running costs	2,562,873	2,562,873	2,419,039	2,419,039
Support costs	337,064	337,064	281,488	281,488
	<u>2,899,937</u>	<u>2,899,937</u>	<u>2,700,527</u>	<u>2,700,527</u>

## 9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
School running costs	2,562,873	260,617	2,823,490	2,643,158
Governance costs	—	76,447	76,447	57,369
	<u>2,562,873</u>	<u>337,064</u>	<u>2,899,937</u>	<u>2,700,527</u>

## 10. Other expenditure

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank and merchant charges	11,960	11,960	10,798	10,798

## 11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>40,398</u>	<u>28,314</u>

## 12. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	8,500	9,355
Other services	<u>3,122</u>	<u>3,037</u>

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

## Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

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### 13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	1,719,973	1,621,198
Social security costs	158,636	144,912
Employer contributions to pension plans	288,800	265,794
	<u>2,167,409</u>	<u>2,031,904</u>

The average head count of employees during the year was 94 (2021: 84).

The number of employees whose remuneration for the year fell within the following bands, were:

	2022	2021
	No.	No.
£60,000 to £69,999	3	2
£70,000 to £79,999	—	1
	<u>3</u>	<u>3</u>

### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £263,266 (2021:£255,076).

### 14. Trustee remuneration and expenses

During the year £1,000 was gifted to Father David (2021 - £950). No other trustees received any remuneration or reimbursement of expenses during the year.



# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

## 15. Tangible fixed assets

	Freehold land and property £	Fixtures and fittings £	Other equipment £	Computer equipment £	Library dismountable £	Total £
<b>Cost or valuation</b>						
At 1 Sep 2021	558,085	42,901	57,756	107,269	85,728	851,739
Additions	—	65,598	—	—	—	65,598
Disposals	—	(236)	—	—	—	(236)
<b>At 31 Aug 2022</b>	<u>558,085</u>	<u>108,263</u>	<u>57,756</u>	<u>107,269</u>	<u>85,728</u>	<u>917,101</u>
<b>Depreciation</b>						
At 1 Sep 2021	—	32,333	47,217	98,513	34,291	212,354
Charge for the year	—	20,822	3,999	7,004	8,573	40,398
Disposals	—	(176)	—	—	—	(176)
<b>At 31 Aug 2022</b>	<u>—</u>	<u>52,979</u>	<u>51,216</u>	<u>105,517</u>	<u>42,864</u>	<u>252,576</u>
<b>Carrying amount</b>						
<b>At 31 Aug 2022</b>	<u>558,085</u>	<u>55,284</u>	<u>6,540</u>	<u>1,752</u>	<u>42,864</u>	<u>664,525</u>
At 31 Aug 2021	<u>558,085</u>	<u>10,568</u>	<u>10,539</u>	<u>8,756</u>	<u>51,437</u>	<u>639,385</u>

### Tangible fixed assets held at valuation

Included within freehold land and buildings is land that was revalued to £70,000 on 23rd May 2018 by Bruton Knowles, an independent valuer. The historical cost of the freehold land is £66,727.

## 16. Stocks

	2022 £	2021 £
Stock	<u>4,092</u>	<u>4,055</u>

## 17. Debtors

	2022 £	2021 £
Prepayments and accrued income	40,653	53,182
School fees	<u>75,310</u>	<u>75,879</u>
	<u>115,963</u>	<u>129,061</u>

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

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**18. Creditors: amounts falling due within one year**

	2022	2021
	£	£
Bank loans and overdrafts	34,158	34,782
Trade creditors	27,701	25,700
Accruals and deferred income	247,741	270,904
Social security and other taxes	38,023	37,221
Returnable deposits	75,250	68,000
Other creditors	15,593	1,578
	<u>438,466</u>	<u>438,185</u>

Included within accruals and deferred income is deferred income relating to school fees received in advance for the next year.

**19. Creditors: amounts falling due after more than one year**

	2022	2021
	£	£
Bank loans and overdrafts	183,863	211,723
Other creditors	30,284	—
	<u>214,147</u>	<u>211,723</u>

Included within creditors: amounts falling due after more than one year is an amount of £36,388 (2021: £73,809) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The bank loan is secured by charge over the property dated 29 October 2018 with a carrying amount of £488,085 in the balance sheet.

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

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#### 20. Pensions and other post retirement benefits

##### The 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. 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:

1) employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)

2) 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

3) 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. 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.

The employer's pension costs paid to TPS in the period amounted to £238,563 (31/08/21: £218,428).

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 school has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

##### Defined contribution schemes

The amount recognised in the statement of financial activities in relation to defined contribution plan was £50,236 (2021: £47,366).



# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

## Notes to the Financial Statements (continued)

Year ended 31 August 2022

### 21. Analysis of charitable funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2022 £
Designated Fund					
Public Benefit	75,000	—	(52,346)	52,346	75,000
General Funds	336,513	2,822,108	(2,859,551)	(52,346)	246,724
Total	<u>411,513</u>	<u>2,822,108</u>	<u>(2,911,897)</u>	<u>—</u>	<u>321,724</u>

Designated funds include a sum for the purpose of fulfilling public benefit. The charge in the year amounted to £52,346 and a top up of £52,346 was transferred from general funds.

### 22. Analysis of net assets between funds

	Tangible fixed assets £	Other net assets £	Total £
Unrestricted Income Funds:			
Designated funds		75,000	75,000
General funds	664,525	(417,801)	246,724
Total funds	<u>664,525</u>	<u>(342,801)</u>	<u>321,724</u>

### 23. Analysis of changes in net debt

	At 1 Sep 2021 £	Cash flows £	At 31 Aug 2022 £
Cash at bank and in hand	288,920	(99,163)	189,757
Debt due within one year	(34,782)	624	(34,158)
Debt due after one year	(211,723)	27,860	(183,863)
	<u>42,415</u>	<u>(70,679)</u>	<u>(28,264)</u>

### 24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Not later than 1 year	41,485	28,273
Later than 1 year and not later than 5 years	122,656	78,726
	<u>164,141</u>	<u>106,999</u>

# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

**Company Limited by Guarantee**

**Notes to the Financial Statements** *(continued)*

**Year ended 31 August 2022**

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## **25. Related parties**

During the year the school received £13,000 (2021 - £5,000) of rental income from an employee.

Payments totalling £2,012 (2021 - £0) were made to a connected person in relation to after school activities.

# **ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED**

**Company Limited by Guarantee**

**Management Information**

**Year ended 31 August 2022**

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**The following pages do not form part of the financial statements.**



# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

## Detailed Statement of Financial Activities

Year ended 31 August 2022

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	2022 £	2021 £
<b>Income and endowments</b>		
<b>Donations and grants</b>		
Donations	500	500
Job Retention Scheme	—	29,238
	<u>500</u>	<u>29,738</u>
 <b>Charitable activities</b>		
School tuition fees	2,799,210	2,554,038
Registration fees	3,960	2,990
Miscellaneous school income	18,424	8,446
	<u>2,821,594</u>	<u>2,565,474</u>
 <b>Investment income</b>		
Bank interest receivable	14	59
	<u>14</u>	<u>59</u>
 <b>Total income</b>	<u>2,822,108</u>	<u>2,595,271</u>

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# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities *(continued)*

Year ended 31 August 2022

	2022 £	2021 £
<b>Expenditure on charitable activities</b>		
<b>School running costs</b>		
<b><i>Activities undertaken directly</i></b>		
Education budget	51,160	45,155
Wages and salaries	1,560,938	1,483,132
Employer's NIC	143,901	132,749
Pension costs	277,933	256,138
Sports hire and transport costs	25,346	6,735
Rates and water	14,481	11,299
Light and heat	30,293	25,415
Premises expenditure, repairs and maintenance	65,903	43,415
Insurance	24,894	25,997
Discretionary bursaries and public benefit	52,346	49,517
Depreciation	40,399	28,314
Rentals and licences	2,999	2,274
Computer maintenance and software	63,475	46,778
Equipment and books for resale	2,495	996
Household supplies	6,539	8,748
Catering costs	149,082	95,590
Sundry school expenses	5,688	4,125
Bad debts	5,516	10,495
Remodelling classrooms	39,485	142,167
	<u>2,562,873</u>	<u>2,419,039</u>
<b><i>Support costs</i></b>		
Office wages and salaries	159,035	138,066
Employer's NIC	14,735	12,163
Pension costs	10,867	9,656
Telephone	6,028	6,009
Printing, postage and stationery	34,003	30,481
Subscription fees	6,371	8,312
Recruitment	96	2,983
Marketing, advertising and prospectus costs	13,377	13,657
School representation	16,105	2,792
	<u>260,617</u>	<u>224,119</u>
<b>Governance costs</b>		
Accountancy fees	3,122	3,037
Audit fees	8,100	9,355
Legal and professional fees	52,509	34,191
Trustees indemnity insurance	747	749
Loan interest	6,894	5,662
Sundry administration expenses	5,075	4,375
	<u>76,447</u>	<u>57,369</u>
<b>Expenditure on charitable activities</b>	<u>2,899,937</u>	<u>2,700,527</u>

# ST. MICHAEL'S SCHOOL (LEIGH-ON-SEA) LIMITED

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities *(continued)*

Year ended 31 August 2022

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	2022 £	2021 £
<b>Other expenditure</b>		
Bank and merchant charges	<u>11,960</u>	<u>10,798</u>
<b>Total expenditure</b>	<u><u>2,911,897</u></u>	<u><u>2,711,325</u></u>
<b>Net expenditure</b>	<u><u>(89,789)</u></u>	<u><u>(116,054)</u></u>