

COMPANY REGISTRATION NUMBER: 1489366  
CHARITY REGISTRATION NUMBER: 280688

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

**Company Limited by Guarantee**

**Financial Statements**

**31 August 2024**

**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 2024**

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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 2024**

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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 2024.

## **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>Registered office</b>	198 Hadleigh Road Leigh-on-Sea Essex SS9 2LP

## **The trustees**

The trustees who served the charity during the year were as follows:

Mr S Mills	
Mrs F Evans	
Mr M Stennett	Chair of Governors
Mrs S E Bird	Resigned 19 January 2024
Dr V Shaw	
Fr D Wylie	
Mr F Macleod	
Mr J Barrett	Resigned 4 December 2023
Mr T Holdcroft	
Mr W Parnell	Appointed 16 May 2024
Mrs H Tetchner	
Mrs S Minnis	
Mr T Sawyer	Appointed 29 May 2024

<b>Secretary</b>	Karen Orwell
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<b>Auditor</b>	Edmund Carr LLP Chartered Accountants & Statutory Auditor 146 New London Road Chelmsford Essex CM2 0AW
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<b>Bankers</b>	HSBC Bank PLC 48 High Street Rayleigh Essex SS6 7JH
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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 2024**

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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 2024 and confirm they comply with the requirements of the Charities Act 1993, as amended by the Charities Act 2006, the trust deed and the Charities SORP 2005.

#### **Governing Document**

Founded as a school and charity in 1922, St Michael's is governed by its Memorandum and Articles of Association updated on 31st 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 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 skill set of the 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).

#### **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.

# **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 2024**

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#### **Structure, governance and management *(continued)***

##### **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 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.

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
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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 2024**

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### **Public benefit aims, objectives and principal activities *(continued)***

#### **Our Objectives**

The school's objectives remain closely linked to our aims and strategic planning. St Michael's School has always been at the forefront of education, providing a rigorous academic foundation combined with a nurturing environment. Our dedicated team of teachers, subject matter specialists and pastoral leaders are committed to helping each child reach their full potential. Our staff work on supporting children in their development in many ways with particular emphasis on:

- Academic Success, providing a love of life-long learning
- Whole Child Wellbeing, through small class sizes, enabling personal growth and individual Support
- Global Citizenship, developing an awareness of Community, faith, moral code and compassion
- Character Development, encouraging kindness, integrity, courage, resilience and empathy
- Ethical Leadership, showing a strong moral compass
- A commitment to provide a broad and stimulating curriculum in order to develop the whole child and to identify and celebrate their individual talents
- To create strong partnerships between home and school to enable effective learning
- 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

With small class sizes, high staff ratios and specialised teaching, we offer a structured environment that prepares pupils for secondary school. Our focus on independence and responsibility ensures they are well equipped for their next educational journey.

We empower children to become confident, articulate and thoughtful leaders. Our supportive and caring community fosters their growth and success, providing the tools and encouragement they need to thrive.

Grounded in our Christian heritage, we offer a nurturing environment for tradition, moral guidance, reflection and spiritual peace.

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.

# **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 2024**

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## **Public benefit aims, objectives and principal activities *(continued)***

### **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 their 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 236 (2023: 250). Pupil numbers at the start of the new academic year grew from 229 to 242 by the end of the year.

### **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 ability. 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.

# **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 2024**

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##### **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. Our fees remain all inclusive, including lunches, a wide variety of extra subjects and all visits and residential visits. This year our Year 6 children spent four days on a residential visit to Desvres in the Pas-de Calais department in Northern France. In addition, our Year 5 children spent three days visiting the Juniper Hall Field Studies Centre in Surrey.

The School continues to accept the Government's 15hrs of free childcare. This supportive funding is greatly appreciated by the parents of children in our Early Years. We also accept the Government's tax-free childcare to help pay for tuition fees for children up to the age of five, after which these vouchers can be used to pay for music lessons, or chargeable drama lessons and before and after school care.

To support parents we have expanded our Fees in Advance Scheme to offer a more extensive multi-year scheme that complies with current charity, commercial and tax legislation. As part of the enhanced scheme, the school offers a 2% annual discount on tuition fees.

##### **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 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 two children benefited from partial bursaries. An additional three 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 premise where there is a compelling reason to admit pupils. In addition, 14 pupils who were children of staff were eligible for a reduction in school fees.

We remain committed to our bursary policy and this year the Public Benefit charge amounted to £24,728 (2023: £39,586). We have therefore allocated £24,728 from General Reserves to top-up the Designated Fund, bringing the year-end fund balance to £75,000.

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

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

**Year ended 31 August 2024**

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

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

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.

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**

St Michaels is well known for being dedicated to raising money for a variety of causes; from the Red Nose Day, an annual campaign that raises life-changing funds to help end the cycle of poverty and ensure children are safe, healthy, educated and empowered around the world, to Harp, a local Homeless charity. As guided by our Diocesan Education Advisor, CofE schools encourage children to think about why some charities exist, what can be done in the future to make the world a better place and put themselves in the shoes of someone who benefits from the charity. Children took part in Project Waterfall, specifically The Big Water Walk, designed to show solidarity with communities across the world who have to walk for hours to get water. To support their understanding and raise awareness of the challenges children around the world face, Year 4 also enjoyed their learning about the big six strategies for survival. In particular, they learnt about the importance of clean water, how to filter it in a survival situation and what needs to be done to make it safe to drink. Activities are geared towards the John Muir award that we at St Michael's are privileged to offer our pupils. When they leave us at the end of Year 6, pupils will have won the award, putting them in a great position to move on to the Duke of Edinburgh award at Secondary school.

The school's focus on charitable giving and making a difference encourages children to think of others. Pupils at the school raised just under £5,000 for charitable causes throughout the course of the year. Charitable events supported by the school include: Little Havens Hospice, Gold Geese, Poppy Appeal, Children in Need, The Children's Society, Place2Be, Project Waterfall, The WWF and Red Nose Day. As usual our Harvest Festival celebrations included donations of food to the local Foodbanks. Children take the lead on charitable opportunities they feel passionate about with our School Council, made up of children from a variety of year groups, enjoying the responsibility of suggesting charities and the ways in which the school undertakes its 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.

# **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 2024**

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## **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**

### **Curriculum**

Children from Nursery to Year 2 follow the structure of Read, Write Inc. Children are assessed and grouped according to where they are working, enabling us to create small, differentiated groups. This allows for children's learning to be scaffolded to ensure they make accelerated progress and are supported for their specific needs. Year 2 pupils also took part in an Active Maths Festival completing various fun maths challenges and problem-solving exercises.

As they progress through school, particularly at the start of lower Prep, children are prepared for the many selective tests and entrance exams for entry into Year 7. Staff following the national curriculum in both English and maths, assess and stretch pupils with a strong emphasis on building confidence in their own abilities.

During the course of the year, parents were invited in to speak to the children about the variety of professions and business sectors they work in. Children learnt the relevance of their day-to-day learning and how it is preparing them for their future working life.

As part of Book Week, children were delighted to meet author, Tamsyn Murray who joined the pupils for the day. Children had the opportunity to talk to Tamsyn about being an author as well as listening to hear read some of her works.

### **Sports**

Sporting achievements include, 3rd place in the Borough Cross Country at the Essex Cross Country event. In the ISA Swimming competition, a pupil in Year 5 came third at the Stratford Olympic Pool in London in both 50m breaststroke and 50m backstroke. Years 5 and 6 Dodgeball teams became the overall borough Dodgeball Champions and went on to represent the borough at the Essex Dodgeball Championships. KS1 football made it through to the SPSSA finals. Years 1 and 2 gymnastics won silver and bronze medals at the SPSSA Borough Gymnastics. Years 5 and 6 won gold in the Sports Hall Athletics and then went on to represent Southend in the Essex finals.

Each of these activities requires teamwork, leadership and problem-solving skills, the building blocks for a successful future.

### **Performing Arts**

Our children won gold in the KS2 Ballet Category at the prestigious ISA National Dance Competition held in Birmingham, beating stiff competition from all over the country.

For the fourth year running, pupils who took the LAMDA exam all achieved Distinction.

The Prep Play for all children in Years 3 - 6 this year was the Snow Queen. As well as developing their acting skills, efficient dressing room preparation and behind the scenes experience helps pupils to develop confidence, thereby enhancing their performance and their enjoyment of participating in such productions.

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

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

**Year ended 31 August 2024**

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### **Music**

Children performed at a number of informal concerts that were held in the Chapel throughout the course of the year as well as taking part in a wonderful Christmas Showcase. Pupils demonstrated their commitment to developing their musical performing skills, which helped build their confidence when performing in front of a live audience. Our choirs joined the congregation at St Margaret's Remembrance Sunday Service in November. Year 2 took part in the Infant Music Festival, where this year's theme was animals. All the songs and activities were related to the names, sounds and movements of a variety of animals. Year 5 and the senior orchestra attended the Junior Music Festival, and our Year 6 joined children from all over the country at the Young Voices Concert at the O2 in London in January.

All the children were a credit to St Michael's in both their performance skills and in the way they represented the school.

We continue to celebrate children's achievements that are won outside school, with pupils taking part in Awards Assemblies where they are invited to talk about their chosen awards.

### **Parent Survey**

We continue to engage with our parents through an annual survey which seeks to assess the extent to which we are meeting parents' expectations. This year's questionnaire showed a growing trend of 'Strongly Agree', which was welcomed by the staff and Governors. We will continue to act on areas where parents feel we could improve.

### **Refurbishment**

This year we were delighted to finally install the new windows for the Chapel, following 18 months of fundraising by the children, parents, staff and friends of St Michael's. Designed by Sarah Galloway, the three beautiful windows were installed over the summer, depicting icons from Leigh, the school and the Church.

We were also able to resurface our Netball Playground with a beautiful new netball court in school colours. New flooring was also put down on the ground floor and it is hoped to replace all carpets within the next few years.

## **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 2024**

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**Review of the academic achievements and performance for the year**

**Selection test information for 2024 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.

60% of pupils sitting selection tests were successful in gaining a selective place. This equates to 12 pupils out of 20 who chose to sit a selection test for secondary school entry.

**Destination Schools September 2024**

<b>School</b>	<b>No. of pupils</b>	<b>School</b>	<b>No. of pupils</b>
Southend High School for Girls	2	Southend High School for Boys	1
Westcliff High School for Girls	5	Westcliff High School for Boys	4
St Thomas More High School for Boys	2	FitzWimarc	1
St Bernard's	1	Sweyne Park	1
Belfairs Academy	5	Eastwood	1
The King John School	4	Eastwood	1
Thorpe Hall School	3		

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

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Year ended 31 August 2024

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Academic Results for Year 6

## KS2 SATs 2024

### Mathematics

Reaching 100 + (expected level)	National	Difference	Reaching 110+ (Greater depth)	National	Difference	Average point score
90%	73%	+17	47%	24%	+23	107

### Reading

Reaching 100 + (expected level)	National	Difference	Reaching 110+ (Greater depth)	National	Difference	Average point score
90%	74%	+16	63%	28%	+35	110

### Spelling, Punctuation and Grammar

Reaching 100 + (expected level)	National	Difference	Reaching 110+ (Greater depth)	National	Difference	Average point score
90%	72%	+18	37%	32%	+5	108

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

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Year ended 31 August 2024

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### Writing

Writing levels are based on externally moderated teacher assessment, not a test, so therefore no average point score is available.

Reaching expected level	National	Difference	Reaching Greater depth
87%	72%	+15	40%

### Combined Mathematics, Reading and Writing Scores

Reaching expected level in all three areas:	National	Difference	Reaching Greater depth in all three areas:	National	Difference
87%	61%	+26	33%	8%	+25

National Data taken from:

<https://explore-education-statistics.service.gov.uk/find-statistics/key-stage-2-attainment>

### Other Key Achievements of 2023/2024:

- Shortlisted for the third year running in the Independent Schools of the Year Awards 2024, this time in the Performing Arts Category.
- Highly Commended in the Muddy Stilleto Awards 2023 in the Giving Something Back Category.
- 25 Pupils across Years 3-6 who took part in the 2024 LAMDA exams passed with Distinction, the fourth year running that all pupils have passed with this score.
- Won an impressive 12 medals in total with a Year 4 pupil achieving the highest number of points across all gymnastic elements at the SPSSA Borough Gymnastics Competition.
- Achieved Gold (U10 Girls) and Bronze (U10 Mixed) in the ERSA School Ski Race 2023.
- Head of Art, Mrs Hankey was chosen to exhibit at the prestigious Wells Cathedral Contemporary Art Exhibition 2023

# **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 2024**

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##### **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 £2,959,991 against total expenditure of £2,898,165. 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. Given the challenging economic environment that existed throughout the year, Governors are pleased to record a surplus of £61,826 (2023: £51,760), which equates to 2.1% of total income. While less than our general target, this was slightly larger than our budgeted surplus, due to a bigger than anticipated increase in pupil numbers from the start of the year.

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

**Reserves Policy:** The school's overall reserves increased during the year by £61,826 as a result of the net surplus. General Reserves now stand at £547,225 (£485,399: 2023) 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.

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 2024 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. A significant portion of the Charity's reserves are tied up in property. However, due to the increase in parents taking advantage of the school's fees in advance scheme, a substantial amount of funds have been invested in medium and longer term high interest accounts, and in repaying the mortgage facility on the bungalow. Cashflow still remains a key focus of the Finance Committee, while efforts are also ongoing to repay 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, and are reviewed annually to ensure the management procedures in place are as robust as possible. The principal risks to the School at present are:

1. Significant reduction in current and future pupil numbers due to the continued decline in birth rates, and;
  2. Financial pressures on both the school and on parents due to: the imposition of VAT on school fees; loss of business rate relief; and the continual increase in employment costs. The impact of these changes has led some parents to question the affordability of fees.
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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 2024**

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The Governors have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its assets, its investments and its finances. The Governors believe that effective controls exist over key financial systems, and the operational risks faced by the charity.

#### **Future Plans**

In light of the principal risks noted above, Governors have launched a strategic review, as part of which a number of working groups have been established to explore potential additional revenue streams and cost reduction measures, with a view to minimising the levels of future fee increases, thereby helping to secure the long-term sustainability of the school.

The Governors remain resolute in their desire to maintain 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 aim to maintain an equitable balance between ongoing investment in the school, day-to-day operational expenditure and maintenance of a sound financial base.

#### **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.



# **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 2024**

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## **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 13/12/2024 and signed on behalf of the board of trustees by:



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 2024**

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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 2024 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 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2024**

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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 2024**

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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.
-

## **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 2024**

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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 2024**

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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

*30/12/2024*

# 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 2024

		2024		2023
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and grants	5	148	148	8
Charitable activities	6	2,926,612	2,926,612	2,886,679
Fundraising activities	7	25,607	25,607	8,468
Investment income	8	7,624	7,624	1,511
<b>Total income</b>		<u>2,959,991</u>	<u>2,959,991</u>	<u>2,896,666</u>
<b>Expenditure</b>				
Expenditure on charitable activities	9,10	2,884,563	2,884,563	2,833,307
Other expenditure	11	13,602	13,602	11,599
<b>Total expenditure</b>		<u>2,898,165</u>	<u>2,898,165</u>	<u>2,844,906</u>
<b>Net income</b>		<u>61,826</u>	<u>61,826</u>	<u>51,760</u>
<b>Other recognised gains and losses</b>				
Gains from revaluation of fixed assets		—	—	111,915
<b>Net movement in funds</b>		<u>61,826</u>	<u>61,826</u>	<u>163,675</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		485,399	485,399	321,724
<b>Total funds carried forward</b>		<u>547,225</u>	<u>547,225</u>	<u>485,399</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 25 to 36 form part of these financial statements.

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

Company Limited by Guarantee

## Statement of Financial Position

31 August 2024

	Note	2024	2023
		£	£
<b>Fixed assets</b>			
Tangible fixed assets	16	750,200	750,198
<b>Current assets</b>			
Stocks	17	3,200	3,500
Debtors	18	107,120	72,573
Cash at bank and in hand		1,094,580	287,907
		<u>1,204,900</u>	<u>363,980</u>
<b>Creditors: amounts falling due within one year</b>	19	<u>1,374,493</u>	<u>452,827</u>
<b>Net current liabilities</b>		169,593	88,847
<b>Total assets less current liabilities</b>		580,607	661,351
<b>Creditors: amounts falling due after more than one year</b>	20	<u>33,382</u>	<u>175,952</u>
<b>Net assets</b>		<u>547,225</u>	<u>485,399</u>
<b>Funds of the charity</b>			
Unrestricted funds:			
Revaluation reserve		115,188	115,188
Other unrestricted income funds		432,037	370,211
<b>Total unrestricted funds</b>		<u>547,225</u>	<u>485,399</u>
<b>Total charity funds</b>	22	<u>547,225</u>	<u>485,399</u>

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

The statement of financial position  
continues on the following page.

The notes on pages 25 to 36 form part of these financial statements.



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

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 August 2024

These financial statements were approved by the board of trustees and authorised for issue on ~~13/12/2024~~, and are signed on behalf of the board by:



Mr M Stennett  
Trustee



Mr S. Templer-Mills  
Trustee

Company Registration Number: 1489366

The notes on pages 25 to 36 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 2024

	2024 £	2023 £
<b>Cash flows from operating activities</b>		
Net income	61,826	51,760
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	27,390	29,323
Other interest receivable and similar income	(7,624)	(1,511)
Interest payable and similar charges	9,074	10,970
Accrued expenses	932,752	5,548
<i>Changes in:</i>		
Stocks	300	592
Trade and other debtors	(34,547)	43,390
Trade and other creditors	(164)	(295)
Cash generated from operations	989,007	139,777
Interest paid	(9,074)	(10,970)
Interest received	7,624	1,511
Net cash from operating activities	<u>987,557</u>	<u>130,318</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(27,392)	(3,081)
Net cash used in investing activities	<u>(27,392)</u>	<u>(3,081)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(153,492)	(29,087)
Net cash used in financing activities	<u>(153,492)</u>	<u>(29,087)</u>
<b>Net increase in cash and cash equivalents</b>	806,673	98,150
<b>Cash and cash equivalents at beginning of year</b>	<u>287,907</u>	<u>189,757</u>
<b>Cash and cash equivalents at end of year</b>	<u>1,094,580</u>	<u>287,907</u>

The notes on pages 25 to 36 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 2024**

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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 2024**

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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.

##### **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.

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

**Company Limited by Guarantee**

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

**Year ended 31 August 2024**

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

### **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 is recognised in the revaluation reserve.

If a reliable measure of fair value is not 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.

### **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.

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

**Company Limited by Guarantee**

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

**Year ended 31 August 2024**

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

### **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.

### **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.

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

## Company Limited by Guarantee

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

Year ended 31 August 2024

#### 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 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations	148	148	8	8

#### 6. Charitable activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
School tuition fees	2,902,063	2,902,063	2,860,860	2,860,860
Registration fees	2,825	2,825	3,600	3,600
Miscellaneous school income	21,724	21,724	22,219	22,219
	<u>2,926,612</u>	<u>2,926,612</u>	<u>2,886,679</u>	<u>2,886,679</u>

#### 7. Fundraising activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Fundraising events	<u>25,607</u>	<u>25,607</u>	<u>8,468</u>	<u>8,468</u>

#### 8. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank interest receivable	<u>7,624</u>	<u>7,624</u>	<u>1,511</u>	<u>1,511</u>

#### 9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
School running costs	2,523,133	2,523,133	2,504,973	2,504,973
Support costs	361,430	361,430	328,334	328,334
	<u>2,884,563</u>	<u>2,884,563</u>	<u>2,833,307</u>	<u>2,833,307</u>

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

## 10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
School running costs	2,523,133	303,183	2,826,316	2,776,366
Governance costs	—	58,247	58,247	56,941
	<u>2,523,133</u>	<u>361,430</u>	<u>2,884,563</u>	<u>2,833,307</u>

## 11. Other expenditure

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank and merchant charges	13,602	13,602	11,599	11,599

## 12. Net income

Net income is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	<u>27,390</u>	<u>29,323</u>

## 13. Auditors remuneration

	2024 £	2023 £
Fees payable for the audit of the financial statements	9,426	8,380
Other services	<u>3,732</u>	<u>2,660</u>



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

Company Limited by Guarantee

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

Year ended 31 August 2024

### 14. Staff costs

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

	2024	2023
	£	£
Wages and salaries	1,742,551	1,724,976
Social security costs	152,331	155,925
Employer contributions to pension plans	289,310	284,827
	<u>2,184,192</u>	<u>2,165,728</u>

The average head count of employees during the year was 83 (2023: 86).

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

	2024	2023
	No.	No.
£60,000 to £69,999	1	2
£70,000 to £79,999	2	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 £299,433 (2023: £276,774).

### 15. Trustee remuneration and expenses

During the year £1,000 was gifted to Father David (2023: £1,000). 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 2024

## 16. Tangible fixed assets

	Freehold land and property £	Fixtures and fittings £	Other equipment £	Computer equipment £	Library dountabl e £	Total £
<b>Cost or valuation</b>						
At 1 Sep 2023	670,000	111,344	57,756	107,269	85,728	1,032,097
Additions	–	4,524	–	22,868	–	27,392
Disposals	–	–	–	(37,912)	–	(37,912)
<b>At 31 Aug 2024</b>	<b>670,000</b>	<b>115,868</b>	<b>57,756</b>	<b>92,225</b>	<b>85,728</b>	<b>1,021,577</b>
<b>Depreciation</b>						
At 1 Sep 2023	–	68,414	55,215	106,833	51,437	281,899
Charge for the year	–	15,840	2,541	436	8,573	27,390
Disposals	–	–	–	(37,912)	–	(37,912)
<b>At 31 Aug 2024</b>	<b>–</b>	<b>84,254</b>	<b>57,756</b>	<b>69,357</b>	<b>60,010</b>	<b>271,377</b>
<b>Carrying amount</b>						
<b>At 31 Aug 2024</b>	<b>670,000</b>	<b>31,614</b>	<b>–</b>	<b>22,868</b>	<b>25,718</b>	<b>750,200</b>
At 31 Aug 2023	670,000	42,930	2,541	436	34,291	750,198

### 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.

Included within freehold land and buildings is a property that was revalued to £600,000 on 28 July 2023. The property was revalued based on market research undertaken by the trustees. The historical cost of the freehold land is £488,085.

## 17. Stocks

	2024 £	2023 £
Stock	3,200	3,500

## 18. Debtors

	2024 £	2023 £
Prepayments and accrued income	48,078	44,728
School fees	59,042	27,845
	<u>107,120</u>	<u>72,573</u>

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

## 19. Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank loans and overdrafts	5,715	29,791
Trade creditors	50,158	36,272
Accruals and deferred income	1,186,041	253,289
Social security and other taxes	34,234	36,461
Returnable deposits	83,250	82,250
Other creditors	15,097	14,764
	<u>1,374,493</u>	<u>452,827</u>

Included within accruals and deferred income is deferred income totalling £1,090,809 (2023: £203,342). This relates to school fees received in advance.

## 20. Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Bank loans and overdrafts	29,727	159,143
Other creditors	3,655	16,809
	<u>33,382</u>	<u>175,952</u>

Included within creditors: amounts falling due after more than one year is an amount of £5,384 (2023: £17,439) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

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

### **Company Limited by Guarantee**

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

**Year ended 31 August 2024**

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#### **21. 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation was implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The above is the standard position for schools. However, the charity has agreed contracts of employments with teaching staff that have the effect of capping employer contribution rates for those teachers that remain enrolled in the TPS at 23.68%. The charity's teaching staff have a choice between (i) remaining in the TPS and funding the excess contribution via salary sacrifice; (ii) opting out of the TPS and joining the charity defined contribution (DC) scheme; or (iii) opting out entirely.

The employer's pension costs paid to TPS in the period amounted to £223,303 (31/08/23: £234,942).

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.

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

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

## Defined contribution schemes

The amount recognised in the statement of financial activities in relation to defined contribution plan was £66,007 (2023: £50,263).

## 22. Analysis of charitable funds

### 2024

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2024 £
Designated Fund					
Public Benefit	75,000	—	(24,728)	24,728	75,000
General Funds	286,743	2,934,384	(2,837,636)	(26,454)	357,037
Chapel Window fund	8,468	25,607	(35,801)	1,726	—
Revaluation reserve	115,188	—	—	—	115,188
Total	485,399	2,959,991	(2,898,165)	—	547,225

Designated funds include a sum for the purpose of fulfilling public benefit. The charge in the year amounted to £24,728 and a top up of £24,728 was transferred from general funds.

Designated funds also include the Chapel Window fund. The balance of this fund represents monies raised, through donations and various fund raising initiatives, towards the cost of designing and installing commemorative windows above the Altar in the School Chapel. During the year the funds generated totalled £25,607 and the expenditure in the year totalled £35,801. As the Chapel windows initiative was completed in the year and because the initiative was in deficit, the remaining funds of £1,726 was transferred from general funds.

### 2023

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2023 £
Designated fund					
Public Benefit	75,000	—	(39,586)	39,586	75,000
General Funds	246,724	2,888,198	(2,805,320)	(42,859)	286,743
Chapel Window fund	—	8,468	—	—	8,468
Revaluation Reserve	—	111,915	—	3,273	115,188
Total	321,724	3,008,581	(2,844,906)	—	485,399

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

Company Limited by Guarantee

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

Year ended 31 August 2024

### 23. Analysis of net assets between funds

2024

	Tangible fixed assets £	Other net assets £	Total £
Unrestricted Income Funds:			
Designated funds	–	75,000	75,000
General funds	750,198	(275,906)	474,292
Total funds	750,198	(200,906)	549,292

2023

	Tangible fixed assets £	Other net assets £	Total £
Unrestricted Income Funds:			
Designated funds	–	83,468	83,468
General funds	750,198	(348,267)	401,931
Total funds	750,198	(264,799)	485,399

### 24. Analysis of changes in net debt

	At 1 Sep 2023 £	Cash flows £	At 31 Aug 2024 £
Cash at bank and in hand	287,907	806,673	1,094,580
Debt due within one year	(29,791)	24,076	(5,715)
Debt due after one year	(159,143)	129,416	(29,727)
	98,973	960,165	1,059,138

### 25. Operating lease commitments

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

	2024 £	2023 £
Not later than 1 year	33,792	49,038
Later than 1 year and not later than 5 years	30,928	64,720
	64,720	113,758

### 26. Related parties

During the year the school received £15,600 (2023: £14,900) of rental income from an employee.

Payments totalling £2,791 (2023: £2,323) were made to a connected person in relation to after school activities and general assistance.