

SARUM ST MICHAEL EDUCATIONAL CHARITY

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

CHARITY NO: 309456

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**FLETCHER & PARTNERS
CHARTERED ACCOUNTANTS
SALISBURY**

SARUM ST MICHAEL EDUCATIONAL CHARITY

REPORT OF THE MANAGING TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

The Managing Trustees present this report together with financial statements of the Charity for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out on pages 10 and 11 and comply with the Charity Commission Order, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – Charities SORP (FRS102).

Registered Charity Number	309456
Registered Address	Room 2, Suite 1 Second Floor North Cross Keys House 22 Queen Street Salisbury Wiltshire, SP1 1EY
Governors Ex Officio Governors The Bishop of Salisbury The Dean of Salisbury The Diocesan Director of Education The Diocesan Secretary The Chapter Clerk of Salisbury Cathedral	The Right Revd Stephen Lake The Very Revd Canon N Papadopoulos Mrs K Fitzsimmons Mr D Pain Mrs J Molnar
Nominative Governors Salisbury Diocesan Synod Salisbury Diocesan Board of Education	Mr J Leigh (Chair) Mr G Light appointed 19 February 2025 Mrs JA Pitcher (Vice-Chair) The Revd Prof E Stuart MBE Mrs D Wood
Additional Governors	The Revd FJ Dunlop retired June 2024 Mr T Almond Ms I Deverill
Clerk to the Governors	Mrs JR Doig
Banker	Lloyds Bank plc 38 Blue Boar Row Salisbury Wiltshire, SP1 1DB
Solicitor	Parker Bullen 45 Castle Street Salisbury Wiltshire, SP1 3SS
Independent Examiner	Mrs NA Halls FCA Fletcher & Partners Crown Chambers Bridge Street Salisbury Wiltshire, SP1 2LZ
Investment Manager	Rathbones Investment Management 30 Gresham Street London, EC2V 7QN

SARUM ST MICHAEL EDUCATIONAL CHARITY

REPORT OF THE MANAGING TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Sarum St Michael Educational Charity is a Registered Charity founded in 1979 and is regulated under the Charity Commission scheme of 24 January 1980. In June 2004 the Charity Commission gave an Order enabling the Charity to make changes to the original Scheme without prior approval of the Charity Commission unless related to the purposes of the Charity, spending of the endowment, conferring a benefit to Trustees or changing the name of the Charity.

In addition Resolution 2016 permitted changes to enable electronic means of communication and recording.

The Charity is managed by the Managing Trustees (known as Governors) who comprise five ex-officio Governors (as shown on page 1 of this report) and five nominative Governors consisting of three from the Salisbury Diocesan Board of Education and two from the Synod of the Diocese of Salisbury (one of which is currently gapped). The Salisbury Diocesan Board of Education is the Custodian Trustee of the Charity.

The Governors may appoint not more than two additional Governors to hold office for a term of two years. Every appointment shall be made by a resolution of the Governors to be passed at a meeting of their body.

All other governors are appointed after consultation with both the Diocesan Synod and the Salisbury Diocesan Board of Education. The aim is to have a Board of Governors with as wide a breadth of experience and skills as possible to include religious, educational, legal and financial knowledge.

Governors

Before new Governors are appointed they are invited to attend a Governors' meeting as an observer. An Induction pack is sent to a new Governor which includes the latest annual report and accounts, copies of the Charity's Scheme and accompanying Order and Resolutions, as well as all policies of the Charity.

Organisation

The Managing Trustees meet four times a year to determine grants and other expenditure. They review policy, consider financial statements and receive reports by the investment manager.

At each of the Governors' meetings personal, parish, school and corporate grant applications are considered and the decision whether or not to award grants and the level of the award is reached with the consensus of the Governors present. There is a quorum when four Governors are present at the meeting. All votes are to be determined by the majority, however, in the case of equal votes the Chair has the deciding vote.

Day-to-day management of the Charity is delegated to the Clerk to the Governors, assisted by a secretary/book-keeper. The Chair of the Governors regularly discusses the management of the Charity with the Clerk.

Trustee Remuneration

All Governors give of their time freely and no Trustee remuneration was paid during the reporting period. Details of any Trustee expenses and related party transactions are disclosed in this report.

SARUM ST MICHAEL EDUCATIONAL CHARITY

REPORT OF THE MANAGING TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

Trustee Conflicts of Interest

All Governors are required to declare any conflict of interests during every Board Meeting. In the event that there is a conflict of interest the Governor in question is requested to leave the meeting for the relevant discussion/decision.

OBJECTIVES AND ACTIVITIES

The advancement of education in accordance with the principles and doctrines of the Church of England in one or more of the following ways:

- a. in the promotion of the education and training of persons who are, or intend to become, engaged as teachers or otherwise in work connected with religious education.;
- b. in the promotion of research in, and development of religious education;
- c. in the provision and conduct, or assistance in the provision and conduct, of a chapel and chaplaincy providing for student's religious worship, instruction and care;
- d. in the promotion of education by the provision of instruction, classes, lectures, books, libraries and reading rooms;
- e. in making grants to persons in need of financial assistance to enable them to attend an establishment of higher and further education or otherwise to pursue their education;
- f. and in such ways as the Governors may from time to time determine'.

Of note within the Scheme 1980 is paragraph 24 when considering the Application of Income. Having already dealt with the need to expend operational costs out of the income of the Charity, this section goes on to state that the 'Governors shall apply the income of the Charity in furthering the object thereof'. With the following at paragraph 24 (2):

'The Governors shall have particular regard to the needs of persons undergoing training and further training as teachers and persons pursuing higher and further education'.

The Charity is a member of the Religious Education Council (REC) and Association of Church College Trusts (ACCT), with the aim of supporting national efforts to promote the cause of religious education. The REC annual conference is attended by the School Improvement Advisor within Salisbury Diocesan Board of Education, whom reports to the Board to Governors. One of the Governors and Clerk to the Governors attend two conferences held by the ACCT each year, again reporting back to the Board afterwards.

Grant making is the primary activity of the Charity and as such when planning spend on grants for the year, Governors confirm that they have regard to the Charity Commission's guidance on public benefit. The Charity's Objects are entirely consistent with grants being awarded for the public benefit.

Policy on Grant Making

The Charity pursues its policy by making grants in accordance with its Objects, to those living or studying in Salisbury Diocese or a neighbouring Diocese, for the public benefit. Applicants are advised to check the criteria for the type of grant applied for.

Grants are awarded to individuals for the purpose of their own education whether that be in higher or further education. In particular those studying at Sarum College are usually supported by the Charity. But many study MAs and PhDs at other educational establishments across the country including the Open University.

SARUM ST MICHAEL EDUCATIONAL CHARITY

REPORT OF THE MANAGING TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

Of significance are the number of applicants wishing to become Religious Education (RE) teachers. The Charity has a strong relationship with Winchester University to whose students studying RE PGCE are awarded a bursary. Students studying the RE PGCE elsewhere are also entitled to the bursary.

The Charity makes awards to organisations such as churches, schools and not for profit organisations which meet the requirements of the Objects.

Information regarding the criteria and the Objects of the Charity is available on the website and by request over the telephone, post or email. Applicants are invited to complete an application form, along with the provision of references.

As a rule funding for future years is not awarded except in the case of the Salisbury Diocesan Board of Education. Applicants completing a course over several years must reapply each year.

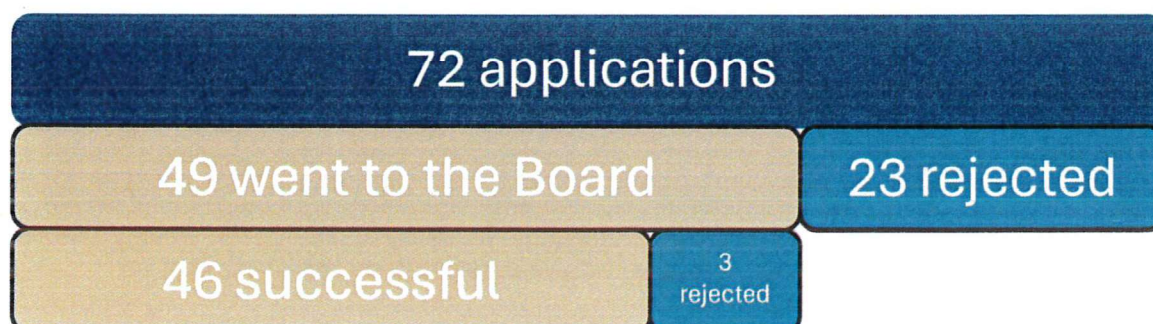
ACHIEVEMENTS AND PERFORMANCE

In February of the previous year Governors agreed a grant spend budget of £205,000 against a similar percentage breakdown as the years before. Split of grant spend agreed was for Personal (inc bursaries) 45%, Parishes 2%, Schools 3% and Corporate 50%. The number of applications received was similar to that of previous years at 72. Albeit during this reporting period more were rejected. Care was taken to record why applications were rejected which will prove useful data. Primarily most did not meet the Objects of the Charity or were out of scope on the basis of geography.

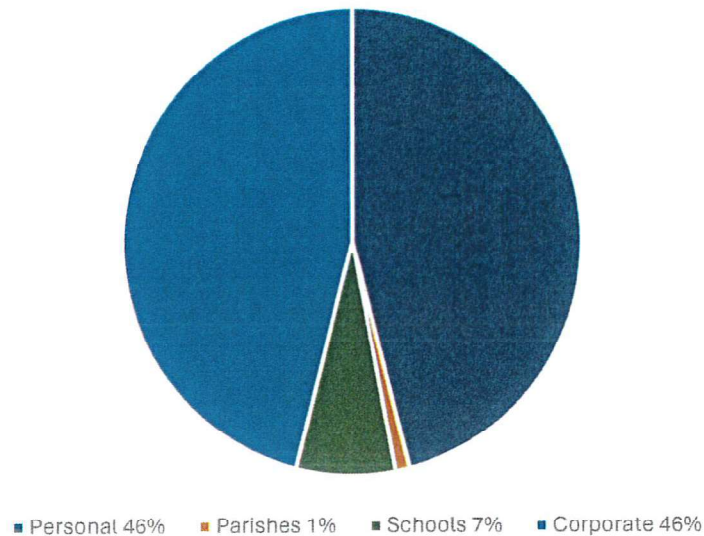
The award allocation mostly fell within the percentages set except for schools, which the Governors were pleased to see increase. 10 bursaries were awarded to potential RE teachers, sadly 2 students at Winchester University did not complete the course (their bursary awards have been refunded into FY25).

Overall the amount awarded fell from the previous year to £157,511 (£185,000 FY23) but with only £1,307 refunded (£6,025 FY23).

Grant spend of £157,104 during this reporting period included an unpaid grant from the previous year (£900 FY23) and a deferred grant (£1,285 FY22) less £1,307 refunded. The Charity will no longer defer awards except in the case of the large award made to the Salisbury Diocesan Board of Education.



Amount of Money Awarded FY24



£157,104

spent on 2,908 beneficiaries

+ all.....

schools in Bath & Wells Diocese and Salisbury Diocese.

Monitoring Achievement

The driver needs to be the number of applications received in order to turn around a greater number of beneficiaries. This is the work to be outlined in The Plans for the Future paragraph.

Nonetheless the Charity can and does monitor the level of achievement by its beneficiaries. All of whom under the terms of the award make an undertaking to provide the Charity with a report of their progress, whether they be individuals pursuing a course of study or an organisation running a specific project.

Evidence to demonstrate the difference the Charity's awards have made can be found below in a sample of quotations from the many emails of thanks received by the Charity:

SARUM ST MICHAEL EDUCATIONAL CHARITY

REPORT OF THE MANAGING TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

"An enormous thank you for the wonderful grant towards supporting the future and education of young carers through our Aspirations Conference. Your grant will have a direct impact on the number of young carers attending." £1,750 to *The Young Carers Development Trust*.

"I do not take this financial contribution lightly. I see it as support for God's calling on my life and investment in the ministry" £2,243 1st year of MA in *Christian Spirituality* at *Sarum College*.

"The £2,500 bursary I received last year was immensely beneficial, alleviating significant strain and enabling me to excel in my studies." £2,500 bursary for RE PGCE student now teaching RE in a secondary school.

"This generous support will significantly aid my journey to becoming a proficient sign language interpreter.....I am deeply appreciative of your investment in my education and future." £2,500 Diploma in Sign Language Interpreting and Translation to assist church worship amongst the deaf community.

"I am extremely grateful for the support of the trust for supporting my research, and ultimately enabling the completion of my PhD". £2,500 PhD at *Oxford Brookes University*.

"I'm so grateful to Sarum St Michael for helping to make this year happen for me. I think I'm really making a difference here." £2,500 to fund a Gap Year student at *Bishop Wordsworth School* in the role assisting School Chaplain.

"We had a colourful day, full of drama, dance, music and art, learning about Hindu culture and stories.....many thanks for your support." £300 towards a *Hinduism Education day* at *Coombe Bissett Primary School*. Photos below:



SARUM ST MICHAEL EDUCATIONAL CHARITY

REPORT OF THE MANAGING TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL REVIEW

The only income stream is derived from the investment portfolio held by Rathbones Investment Management. The name change is indicative of Investec, with whom the funds have been invested with since 2012, having been taken over by Rathbones.

The Charity does not have a fundraising campaign as it does not fundraise nor seek donations or legacies.

The Charity set a budget for both grant spend and operational costs in February of the previous year; grant spend was below budget and operational costs almost spot on.

Total investment income for the year was £193,496 (£164,989 FY23).

Investment management costs for the reporting period were £36,809 (£35,142 FY23).

Operational costs to run the Charity were £33,112 (£30,116 FY23).

Total expenditure was £227,025 (£244,233 FY23), and the net expenditure for the year was £33,529 (£79,244 FY23).

Investment gains for the year were £407,363 (£300,463 FY23), making a net movement in funds for the year a £373,834 surplus (£221,219 surplus FY23). Encouraging after seeing a deficit 2 years previously in 2022.

At the end of the year the net assets of the Charity were £6,609,104 (£6,235,270 FY23).

There were no grants approved in this financial year to be paid out in the next year except the standing £68,000 award to Salisbury Diocesan Board of Education (last 2 remaining payments to be paid in 2025 and 2026). This grant covers the salary of the Schools Improvement Advisor.

The Internal Controls Policy is reviewed annually.

Investment Policy and Performance

Rathbones were instructed to manage the main portfolio (Endowment Fund) to enhance the real value of the capital and income of the Fund to aim for a target return of CPI +3%, net of fees. A revised income target of £180,000 was adopted.

The year delivered another positive year for equity markets. The growth of Artificial Intelligence continued to result in a rather concentrated market, whereby a handful of very large US technology firms delivered an outsized return, compared with the broader market. Robust US economic growth, allied to a services component of inflation that remained sticky, meant that the expectation of multiple interest rate cuts largely dissipated, and the market adjusted to an expectation that interest rates might stay higher for longer.

The total return achieved by the fund over the financial year, net of fees, was +9.2%, which compares favourably with the CPI +3% target return of +5.5%. The fund again benefitted from a degree of exposure to the high-growth technology sector, but this was balanced with income-producing assets, given the income requirement. Income of £192,000 was generated for the year.

At the end of 2024, the main portfolio was valued at £6,436,544. The asset allocation was 21% bonds, 20% UK equities, 47% overseas equities, 3% property, 8% alternative assets and 1% cash.

SARUM ST MICHAEL EDUCATIONAL CHARITY

REPORT OF THE MANAGING TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

Rathbones also manages the smaller accumulated income portfolio. The objective is to enhance the value of the capital and income of the fund with the avoidance of undue risk, as the fund will be drawn down and spent when suitable opportunities arise. At the end of 2024 the portfolio was valued at £177,079 and was invested 37% in bonds, 30% in UK equities and 33% in cash. The return for the financial year was +4.9%, against the comparator of +2.9%.

The inflation-adjusted value of the endowed capital funds whose original value was £907,698 on 24 January 1980 was £3,817,817 at the end of this financial year. This compares with the market value of £6,613,623 on 31 December 2024.

The Investment Policy is reviewed annually.

Risk Management

Risk Management is considered annually by the Governors and a comprehensive Risk Assessment in place. Of significance remains the matter of investment returns since it is that which determines whether the Charity can carry out its Objects. However, the Governors are content that their decision to place the funds in the care of Rathbones Investment Management the Charity has done all it can to minimise any risk. Regular reports are received and the Investment Manager invited to speak with the Governors annually.

Likewise regular Liquidity and Spend Reports presented prior to any decisions on grant spend is made ensures that only the funds available to spend can be awarded.

Reserves Strategy

In essence all that sits within the Accumulated Income Account is the Charity's Reserve and as such is still earning on the markets whilst accessible. This is deemed sufficient by the Governors. A sum of 3 months of operating costs and impending grants expenditure is considered as an appropriate amount to be held as a minimum level of reserve. The Accumulated Income Fund held by Rathbones always exceeded this amount throughout this reporting period.

At the end of the year the total reserves were £184,188 (£180,539 FY23). An immediate reserve of £59,662 if needed in the worst case scenario (3mths operating costs plus grant spend) was always available.

The Reserves Policy is reviewed annually.

PLANS FOR THE FUTURE

Much work was done to ensure that the necessary governance was put in place during this reporting period. Moving forward the Governors want to see an increase in the number of applications, hoping that in turn there will be an increase in grant spend and number of beneficiaries. In order to do this it will be necessary to launch a communications campaign commencing with the rewrite of the Charity's website. Once complete and with an online application process steps will be taken to broadcast the Charity's existence amongst schools initially.

A new website will bring additional benefits of a more efficient and accessible application process, which the staff are very much looking forward to.

SARUM ST MICHAEL EDUCATIONAL CHARITY

REPORT OF THE MANAGING TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The purpose of this statement is to distinguish the trustees' responsibilities for the accounts from those of the independent examiners, as stated in their report.

The trustees are responsible for preparing the Trustees' Annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the Charity's financial position at any time, and to enable the trustees to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the Charity's assets, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 3 JUN 25 and signed on their behalf by

Trustee



J. A. PITCHER

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
SARUM ST MICHAEL EDUCATIONAL CHARITY

I report to the trustees on my examination of the accounts of the Sarum St Michael Educational Charity (the Charity) for the year ended 31 December 2024, which are set out on pages 11 to 20.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination;

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Nicola Halls

Mrs N A Halls FCA
Fletcher & Partners Chartered Accountants
Crown Chambers
Bridge Street Salisbury
Wiltshire
SP1 2LZ

Date: 13th June 2025

SARUM ST MICHAEL EDUCATIONAL CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>Unrestricted Funds</u>	<u>Endowment Funds</u>	<u>Total 2024</u>	<u>Total 2023</u>
INCOME FROM:					
Investments	2	193,496	-	193,496	164,989
TOTAL		<u>193,496</u>	<u>-</u>	<u>193,496</u>	<u>164,989</u>
EXPENDITURE ON:					
Raising funds:					
Investment management costs	3	716	36,093	36,809	35,142
Charitable activities:					
Grants payable	4	190,216	-	190,216	209,091
TOTAL		<u>190,932</u>	<u>36,093</u>	<u>227,025</u>	<u>244,233</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS/(LOSSES) ON INVESTMENTS:		2,564	(36,093)	(33,529)	(79,244)
NET GAINS/(LOSSES) ON INVESTMENTS:					
Realised gains/(losses) on investments		231	35,684	35,915	2,740
Unrealised gains/(losses) on investments	8	854	370,594	371,448	297,723
NET INCOME/(EXPENDITURE)		<u>3,649</u>	<u>370,185</u>	<u>373,834</u>	<u>221,219</u>
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		3,649	370,185	373,834	221,219
RECONCILIATION OF FUNDS:					
Total funds brought forward	11, 12	<u>180,539</u>	<u>6,054,731</u>	<u>6,235,270</u>	<u>6,014,051</u>
Total funds carried forward	11, 12	<u>£ 184,188</u>	<u>£ 6,424,916</u>	<u>£ 6,609,104</u>	<u>£ 6,235,270</u>

The statement of financial activities includes all gains and losses recognised in the years 2024 and 2023.

The notes on pages 14 to 20 form part of these accounts.

SARUM ST MICHAEL EDUCATIONAL CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

			<i>2023 COMPARATIVES ONLY</i>	
	<u>Note</u>	<u>Unrestricted Funds</u>	<u>Endowment Funds</u>	<u>Total 2023</u>
INCOME FROM:				
Investments	2	164,989	-	164,989
TOTAL		<u>164,989</u>	<u>-</u>	<u>164,989</u>
EXPENDITURE ON:				
Raising funds:				
Investment management costs	3	642	34,500	35,142
Charitable activities:				
Grants payable	4	209,091	-	209,091
TOTAL		<u>209,733</u>	<u>34,500</u>	<u>244,233</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS/(LOSSES)		(44,744)	(34,500)	(79,244)
NET GAINS/(LOSSES) ON INVESTMENTS:				
Realised gains/(losses) on investments		2,092	648	2,740
Unrealised gains/(losses) on investments	8	4,556	293,167	297,723
NET INCOME/(EXPENDITURE)		<u>(38,096)</u>	<u>259,315</u>	<u>221,219</u>
Transfers between funds		-	-	-
NET MOVEMENT IN FUNDS		(38,096)	259,315	221,219
RECONCILIATION OF FUNDS:				
Total funds brought forward	11, 12	<u>218,635</u>	<u>5,795,416</u>	<u>6,014,051</u>
Total funds carried forward	11, 12	<u>£ 180,539</u>	<u>£ 6,054,731</u>	<u>£ 6,235,270</u>

The statement of financial activities includes all gains and losses recognised in the year 2023

The notes on pages 14 to 20 form part of these accounts.

SARUM ST MICHAEL EDUCATIONAL CHARITY
BALANCE SHEET
AS AT 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u>	<u>2023</u>
FIXED ASSETS:			
Tangible assets	7	-	-
Investments	8	6,436,545	6,071,130
Endowment Funds	8	118,664	141,978
Unrestricted Funds			
Total fixed assets		<u>6,555,209</u>	<u>6,213,108</u>
CURRENT ASSETS:			
Investments	8	58,416	31,157
Unrestricted Funds	9	1,279	1,435
Debtors		8,274	3,186
Cash at bank and in hand			
Total current assets		<u>67,969</u>	<u>35,778</u>
LIABILITIES:			
CREDITORS: amounts falling due within one year	10	<u>(14,074)</u>	<u>(13,616)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>53,895</u>	<u>22,162</u>
TOTAL NET ASSETS		<u>£ 6,609,104</u>	<u>£ 6,235,270</u>
THE FUNDS OF THE CHARITY:			
Endowment Funds	11	6,424,916	6,054,731
Unrestricted Funds	12	184,188	180,539
TOTAL CHARITY FUNDS	14	<u>£ 6,609,104</u>	<u>£ 6,235,270</u>

Approved by the Managing Trustees on

3rd June

2025

and signed on their behalf by :

Trustee



J. A. PITCHER

The notes on pages 14 to 20 form part of these accounts

SARUM ST MICHAEL EDUCATIONAL CHARITY
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

a Basis of preparing the financial statements

The financial statements of the Charity are prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2019. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn. These financial statements are drawn up on the historical cost accounting basis except that investment assets are carried at market value. The charity constitutes a public benefit entity as defined by FRS 102. A summary of the more important accounting policies is set out below.

b Preparation of the accounts on a going concern basis

The investment income and values improved in comparison with the previous year. The number of grants paid increased in the year. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. There are no material judgements that affect the accounts. The main source of estimation uncertainty for 2025 relates to the value of investments and investment income.

c Fund structure

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes (see note 12).

The endowment fund represents those assets which must be held permanently by the Charity. Income arising on the endowment fund is to be used in accordance with the objects of the Charity and is included as unrestricted income. Any realised or unrealised capital gains or losses arising on the investments form part of the fund.

d Income

Income is accounted for in the period in which the Charity is entitled to the income, it is probable that the income will be received and the amount of income can be measured reliably. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest is recognised when receivable.

e Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is included on an accruals basis and includes VAT where charged.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

f Allocation of support costs and governance costs

Support costs have been differentiated between governance costs and other support costs.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit or independent examination together with an apportionment of support costs.

Governance and other support costs relating to charitable activities have been apportioned based on the number of grants awarded per category of grant in recognition that the administrative burden of awarding and monitoring each grant is broadly equivalent.

The allocation of support and governance costs is analysed in note 5.

SARUM ST MICHAEL EDUCATIONAL CHARITY
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (Continued)

g Expenditure on raising funds

Expenditure on raising funds comprise investment management costs.

h Charitable activities

Costs of Charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 4.

i Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost.

Depreciation is provided on fixed assets at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment:	25% per annum on cost
Office equipment:	20% per annum on cost
Office furniture:	10% per annum on cost

j Fixed asset investments

Fixed asset investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value (mid market price) as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. The charity does not acquire put options, derivatives or other complex financial instruments.

k Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sale proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

l Debtors

Debtors are measured at the amounts the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

m Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

n Liabilities

Liabilities are measured at the amounts the charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

o Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. These are recognised at amortised cost, except for investments which are measured at fair value with changes recognised on the Statement of Financial Activities.

p Leases

Commitments in respect to rent and other charges paid under operating leases are shown in the notes to the accounts. Costs are recognised in the SOFA on a straight line basis over the lease term.

2. INCOME FROM INVESTMENTS

	<u>2024</u>	<u>2023</u>
Income from listed investments	190,727	163,126
Interest received on cash deposits	2,769	1,863
	<u>£ 193,496</u>	<u>£ 164,989</u>

All investment income is unrestricted.

3. EXPENDITURE ON RAISING FUNDS

	<u>2024</u>	<u>2023</u>
Investment management costs	716	642
Unrestricted funds	36,093	34,500
Endowment funds	<u>£ 36,809</u>	<u>£ 35,142</u>

SARUM ST MICHAEL EDUCATIONAL CHARITY
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FOR THE YEAR ENDED 31 DECEMBER 2024

4. ANALYSIS OF CHARITABLE EXPENDITURE

The charity undertook no direct charitable activities but awarded grants to a number of individuals and institutions in furtherance of its charitable activities. All grants approved are subject to the recipient fulfilling certain conditions. The amount payable in the year comprises:

<u>Object/activity per Trustees' report</u>	<u>Number of Grants</u>	<u>Grants to Institutions</u>		<u>Grants to Individuals</u>		<u>Support and governance costs</u>	<u>Total 2024</u>
		<u>Awarded</u>	<u>Refunded</u>	<u>Awarded</u>	<u>Refunded</u>		
a) Training for RE teaching (for 10 students)	2	-	-	25,000	-	1,352	26,352
b) RE research and development	-	-	-	-	-	-	-
c) Chapel and chaplaincy	1	3,000	-	-	-	676	3,676
d) Teaching resources	13	82,257	(107)	-	-	8,785	90,935
e) Financial assistance	33	-	-	48,154	(1,200)	22,299	69,253
	<u>49</u>	<u>£ 85,257</u>	<u>£ (107)</u>	<u>£ 73,154</u>	<u>£ (1,200)</u>	<u>£ 33,112</u>	<u>£ 190,216</u>

<u>Object/activity per Trustees' report</u>	<u>Number of Grants</u>	<u>Grants to Institutions</u>		<u>Grants to Individuals</u>		<u>Support and governance costs</u>	<u>Total 2023</u>
		<u>Awarded</u>	<u>Refunded</u>	<u>Awarded</u>	<u>Refunded</u>		
a) Training for RE teaching	3	-	-	25,000	(1,945)	1,457	24,512
b) RE research and development	-	-	-	-	-	-	-
c) Chapel and chaplaincy	2	8,000	-	-	-	971	8,971
d) Teaching resources	14	85,272	-	-	-	6,800	92,072
e) Financial assistance	43	-	-	66,728	(4,080)	20,888	83,536
	<u>62</u>	<u>£ 93,272</u>	<u>£ -</u>	<u>£ 91,728</u>	<u>£ (6,025)</u>	<u>£ 30,116</u>	<u>£ 209,091</u>

All expenditure on charitable activities was from unrestricted funds in 2023 and 2024.

The largest institutional grants made in 2024 were:

- d) Teaching resources
£68,000 to the Salisbury Diocesan Board of Education to support the employment of the Diocesan RE Adviser and SIAMS (Statutory Inspection of Anglican and Methodist Schools) manager and the development of the work of the School Effectiveness Advisers.

St Osmund's Middle School received £3,467 for the cost of a retreat for 181 Year 7 pupils to Salisbury Cathedral. Encounter Christianity received £2,400 as funding for 3 Special Needs Sensory Workshops. Young Carers Development Trust received £1,750 to support their Aspirations Conference.

- c) Chaplaincy

St Laurence School, Bradford on Avon, received £3,000 for their Chaplaincy programme.

The balance of institutional grants was made up of 9 grants totalling £6,533.

SARUM ST MICHAEL EDUCATIONAL CHARITY
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FOR THE YEAR ENDED 31 DECEMBER 2024

5. ALLOCATION OF GOVERNANCE AND OTHER SUPPORT COSTS

The breakdown of support costs and how these were allocated between governance (5%) and other support costs (95%) is shown in the table below.

	<u>Basis of allocation</u>	<u>Other support costs</u>	<u>Governance costs</u>	<u>Total 2024</u>	<u>Total 2023</u>
Staff costs	Staff time	18,841	992	19,833	19,099
Staff expenses	Staff time	95	5	100	634
Office premises costs	Staff time	5,557	292	5,849	3,028
Office administrative costs	Staff time	1,575	83	1,658	1,562
Legal and professional costs	Staff time	693	37	730	790
Depreciation	Staff time	-	-	-	-
		<u>£ 26,761</u>	<u>£ 1,409</u>	<u>£ 28,170</u>	<u>£ 25,113</u>

GOVERNANCE COSTS

		<u>2024</u>	<u>2023</u>
Accountants' remuneration	for accountancy services	2,085	2,064
	for independent examination	2,085	2,064
Cost of meetings		772	875
Support costs (5%)		1,409	1,256
		<u>£ 6,351</u>	<u>£ 6,259</u>

TOTAL SUPPORT COSTS

	<u>2024</u>	<u>2023</u>
Other support costs	26,761	23,857
Governance costs	6,351	6,259
	<u>£ 33,112</u>	<u>£ 30,116</u>

The total support cost attributable to charitable activities (grants payable) is apportioned pro rata by the number of grants awarded per category of grant as shown in note 4.

6. ANALYSIS OF STAFF COSTS

	<u>2024</u>	<u>2023</u>
Salaries	19,740	19,099
Social security costs	-	-
Pension costs	93	-
	<u>£ 19,833</u>	<u>£ 19,099</u>

The average number of employees during the year was 2 (2023 - 2).

No employees had emoluments above £60,000 in 2024 or 2023.

The charity contributes to a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year.

The day to day operations of the charity is delegated by the Trustees to the Clerk who is considered to be the key management person. The total cost of key management personnel during the year was £12,354

Trustees received no remuneration or benefits (2023 - nil). Trustee travel expenses of £22.32 were reimbursed in the year to one trustee. (2023 - nil).

SARUM ST MICHAEL EDUCATIONAL CHARITY
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FOR THE YEAR ENDED 31 DECEMBER 2024

7. TANGIBLE FIXED ASSETS

Cost	Computer Equipment	Office Furniture	Office Equipment	Total
At 1 January 2024	-	173	418	591
At 31 December 2024	-	173	418	591
Depreciation				
At 1 January 2024	-	173	418	591
At 31 December 2024	-	173	418	591
Net Book Value				
At 31 December 2024	£ -	£ -	£ -	£ -
At 1 January 2024	£ -	£ -	£ -	£ -

8. FIXED ASSET INVESTMENTS

Listed Investments	Endowment Funds		Unrestricted Funds	
	2024	2023	2024	2023
Market value at 1 January	6,042,893	5,793,402	125,678	157,284
Additions to investments at cost	1,393,096	969,894	65,628	70,667
Disposals at carrying value	(1,385,518)	(1,013,570)	(73,496)	(106,829)
Net gain/(loss) on revaluation	370,594	293,167	854	4,556
Market value at 31 December	£ 6,421,065	£ 6,042,893	£ 118,664	£ 125,678
Historical cost as at 31 December	£ 5,069,035	£ 4,914,077	£ 106,324	£ 106,062
Cash with Investment Managers				
	Endowment Funds		Unrestricted Funds	
	2024	2023	2024	2023
Held at 1 January	28,237	23,490	47,457	45,585
Investment income	-	-	198,540	170,481
Proceeds from sale of investments	1,421,690	1,014,649	73,727	108,922
Other investment receipts (redemption proceeds, equalisation etc)	1,284	637	250	92
Expended on investment purchases	(1,399,944)	(976,260)	(65,845)	(70,953)
Investment management charges	(35,787)	(34,279)	(713)	(670)
Transferred to general bank account	-	-	(195,000)	(206,000)
Held at 31 December	£ 15,480	£ 28,237	£ 58,416	£ 47,457
Viewed as current asset capital cash (transferred to general bank account within 6 months)	-	-	58,416	31,157
Viewed as fixed asset capital cash	£ 15,480	£ 28,237	£ -	£ 16,300
Total Fixed Asset Investments	£ 6,436,545	£ 6,071,130	£ 118,664	£ 141,978

9. DEBTORS AND PREPAYMENTS

	2024	2023
Other debtors	-	-
Prepayments	1,279	1,435
	£ 1,279	£ 1,435

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
Trade creditors	-	-
Accruals and deferred income	13,473	13,043
Taxation and social security	601	573
	£ 14,074	£ 13,616

SARUM ST MICHAEL EDUCATIONAL CHARITY
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11. ENDOWMENT FUNDS

	Balance at 31.12.23	Incoming Resources	Resources expended	Gains/(losses) arising in year	Transfers	Balance at 31.12.24
Main Fund	£ 6,054,731	£ -	£ (36,093)	£ 406,278	£ -	£ 6,424,916

	Balance at 31.12.22	Incoming Resources	Resources expended	Gains/(losses) arising in year	Transfers	Balance at 31.12.23
Main Fund	£ 5,795,416	£ -	£ (34,500)	£ 293,815	£ -	£ 6,054,731

The Main Fund was established in 1980 from the assets of the College of Sarum St Michael, which was the Church of England's Teacher Training College in The Close, Salisbury.

12. UNRESTRICTED FUNDS

	Balance at 31.12.23	Incoming Resources	Resources expended	Gains/(losses) arising in year	Transfers	Balance at 31.12.24
Designated Fund for grants payable in:						
2024	70,685	-	-	-	(70,685)	-
2025	68,000	-	-	-	-	68,000
2026	-	-	-	-	68,000	68,000
	138,685	-	-	-	(2,685)	136,000
General Reserve	41,854	193,496	(190,932)	1,085	2,685	48,188
	£ 180,539	£ 193,496	£ (190,932)	£ 1,085	£ -	£ 184,188

	Balance at 31.12.22	Incoming Resources	Resources expended	Gains/(losses) arising in year	Transfers	Balance at 31.12.23
Designated Fund for grants payable in:						
2023	79,220	-	-	-	(79,220)	-
2024	1,785	-	-	-	68,900	70,685
2025	-	-	-	-	68,000	68,000
	81,005	-	-	-	57,680	138,685
General Reserve	137,630	164,989	(209,733)	6,648	(57,680)	41,854
	£ 218,635	£ 164,989	£ (209,733)	£ 6,648	£ -	£ 180,539

The designated funds represent accumulated income set aside for grants approved for payment by 31 December 2026. Transfers are made to/(from) the General Reserve to ensure that sufficient funds are designated for grants payable.

13. OPERATING LEASES - Land and Buildings

At 31 December 2024 the Charity had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024	2023
Not later than 1 year	2,290	5,193
Later than 1 year and not later than 5 years	-	1,992
Later than 5 years	-	-
	£ 2,290	£ 7,185

Lease costs expensed in the year were £5,223.

SARUM ST MICHAEL EDUCATIONAL CHARITY
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14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

At 31 December 2024

Fund balances are represented by:

	Endowment <u>Funds</u>	Unrestricted <u>Funds</u>	<u>Total</u>
Tangible fixed assets	-	-	-
Fixed asset investments	6,436,545	118,664	6,555,209
Current asset investments	-	58,416	58,416
Debtors	-	1,279	1,279
Cash at bank and in hand	(2,486)	10,760	8,274
Creditors: amounts falling due within one year	(9,143)	(4,931)	(14,074)
Total net assets	<u>£ 6,424,916</u>	<u>£ 184,188</u>	<u>£ 6,609,104</u>

At 31 December 2023

Fund balances are represented by:

	Endowment <u>Funds</u>	Unrestricted <u>Funds</u>	<u>Total</u>
Tangible fixed assets	-	-	-
Fixed asset investments	6,071,130	141,978	6,213,108
Current asset investments	-	31,157	31,157
Debtors	-	1,435	1,435
Cash at bank and in hand	(7,563)	10,749	3,186
Creditors: amounts falling due within one year	(8,836)	(4,780)	(13,616)
Total net assets	<u>£ 6,054,731</u>	<u>£ 180,539</u>	<u>£ 6,235,270</u>

15. RELATED PARTY TRANSACTIONS

There were no related party transactions in 2024 or 2023.