

ST MARGARET'S SCHOOL (HAMPSTEAD) LTD

England & Wales · Charity number 312720

Details

Status Registered

Legal form Charitable company

Company number [00537118](#)

Registered 1965-03-16

Register [View on the Charity Commission register](#)

Contact

Address St. Margarets School
18 Kidderpore Gardens
London
NW3 7SR

Phone 02077945140

Email bursar@st-margarets.co.uk

Website st-margarets.co.uk

Activities

Objects: A COLLEGE OR SCHOOL.

Activities: The principal object of the charity, as authorised by its Memorandum and Articles of Association, is to carry on at 18 Kidderpore Gardens, Hampstead, London NW3, a school for the general education of girls.

Classification

- **How:** Makes Grants To Individuals, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Camden

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£3,304,637	£3,232,311	£7,761,425	40
2024-08-31	£3,243,905	£2,903,734	£7,660,536	41
2023-08-31	£2,931,128	£2,733,908	£7,229,231	40
2022-08-31	£2,726,795	£2,441,676	£7,042,562	38
2021-08-31	£2,796,577	£2,576,550	£6,890,632	42
2020-08-31	£2,738,776	£2,495,130	£6,484,061	40

Trustees

Name	Role	Appointed
Emily Brettle	Chair	2013-09-01
Adam Mark Lawrence		2025-11-25
Dawn Atkinson		2021-09-22
Dr ADRIAN WAYNE		
Dugald MacNeill		2014-11-19
Lydia McBride		2022-01-26
MICHAEL FELDMAN		2018-05-01
MICHELLE WAYNE		
Marie Clare Mendham		2018-05-01
Michelle Best		2026-01-27
Rev Alistair Tresidder		2023-03-14
Saima Onac		2026-01-27
Tina Marton		2020-06-17

ST MARGARET'S SCHOOL (HAMPSTEAD) LTD

England & Wales - Charity number 312720

Accounts

Registered number: 00537118
Charity number: 312720

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)
GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
40 Gracechurch Street
London
EC3V 0BT

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)

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ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2025

Governors	Mrs E Brettle, Chair Ms D Atkinson Mr M Feldman Mr E Grower Mr D MacNeill Mrs T Marton Rev A Tresidder Miss M C Mendham Mrs L McBride Mr F Patel Dr A Wayne Mrs M Wayne
Company registered number	00537118
Charity registered number	312720
Registered office	18 Kidderpore Gardens Hampstead London NW3 7SR
Principal	Mr M Webster
Bursar and Clerk to the Governors	Mrs S Beschizza
Website	www.st-margarets.co.uk
Independent Auditors	RPGCC Chartered Accountants and Registered Auditors 40 Gracechurch Street London Ec3V 0BT
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill West Malling Kent ME19 4JQ
Solicitors	Veale Wasborough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
Investment Advisors	Cannacord Genuity Wealth Management 88 Wood Street London EC2V 7QR

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS GOVERNORS AND ADVISERS
(CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2025

Insurance Brokers	Marsh Brokers Limited Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY
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ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Trustees Report

Registered number: 00537118

Charity number: 312720

Reference and Administrative Details of the School, its Governors and Advisers For the Year Ended 31st August 2025

Governors Mrs E Brettle, Chairman
Ms D Atkinson
Mr M Feldman
Mr E Grower (resigned June 2025)
Mr D MacNeill
Mrs T Marton
Rev A Tresidder
Miss M C Mendham
Mrs L McBride
Mr F Patel (resigned August 2025)
Dr A Wayne
Mrs M Wayne

Company registered number 00537118

Charity registered number 312720

Registered office 18 Kidderpore Gardens, Hampstead, London NW3 7SR

Acting Principal Mrs C Tao

Bursar Mrs S Beschizza

Clerk to the Governors Mrs S Beschizza

Website www.st-margarets.co.uk

Independent auditors RPGCC
40 Gracechurch Street,
London EC3V 0BT

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Mailing
Kent
ME19 4JQ

Solicitors Veale Wasborough Vizards
Orchard Court, Orchard Lane, Bristol BS1 5WS

Investment Advisors Canaccord Genuity Wealth Management
88 Wood Street
London EC2V 7QR

Insurance Brokers Marsh Brokers Limited
Capita House,
1-5 Perrymount Road, Haywards Heath,
West Sussex RH16 3SY

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Governors' Report For the Year Ended 31st August 2025

The Governors of St Margaret's School (Hampstead) Limited present their Annual Report together with the audited Financial Statements of the School for the 1st September 2024 to 31st August 2025. The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Governors confirm that the Annual Report and Financial Statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2019).

Since the School qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Aims, Objectives, Ethos and Achievements

Our aims

The principal aim of the School, as authorised by its Memorandum and Articles of Association, is to carry on at 18 Kidderpore Gardens, Hampstead, London NW3, a school for the general education of girls.

The School's provides, a secure, caring and challenging learning environment in which girls are encouraged to strive for excellence in all that they do, and prepare them for life beyond St Margaret's. Respect for others lies at the heart of the school community, within which the potential and talent of everyone can be recognised, nurtured and realised. At St Margaret's, education is seen as a partnership between pupils, parents and teachers.

Specifically, we:

- Encourage and enable each girl to develop a love of learning by providing a supportive environment in which success is measured based on personal progress;
- Enable each girl to meet intellectual, creative and physical challenges with confidence;
- Support the spiritual and moral development of each girl through maintaining high standards of personal responsibility and an awareness of their contribution to the wider world;
- Foster an active concern for the community and the environment through awareness and providing opportunities for individual contribution;
- Prepare each girl for the next stage of her education when she leaves St Margaret's through educational qualifications and information and guidance about future options from 16 years old;
- Ensure that education is seen as a partnership between pupils, parents and staff by promoting communication and collective responsibility for a girl's academic and broader education;
- Enable girls to develop personal characteristics through our PROSPER programme whereby the pupils are helped to develop and sustain Positivity, Relationships, Optimism, Strengths, Purpose, Endeavour and Resilience.

Our objectives

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commission's public benefit guidance.

Our key objectives for the year included:

- The continued achievement of excellent academic performance by each individual pupil, in a nurturing environment. As in previous years, our value-added progress for GCSE is high, demonstrating that the girls make better than predicted progress while at St Margaret's;
- The continued provision of an educational environment within which each individual pupil can thrive and develop intellectually, physically, socially and spiritually by maintaining high expectations amongst staff and pupils and making evident the culture of respect held important by the School;
- To endeavour to make an education at St Margaret's available to the greatest number of pupils to whom it would be of benefit by keeping school fees as reasonable as possible;
- To develop our programme of co-operation and joint working with local state primary and secondary schools;
- To play our part in the life of our local community through our community access and service

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

programmes.

The Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our pupils. Achieving a high standard of academic results is a constant aim whilst maintaining the breadth and depth of the education provided.

Our ethos: A caring School serving our local community and society

St Margaret'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 to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first-class education to girls.

In April 2022, the school underwent a dual compliance and educational quality inspection, which confirmed that the school meets all its obligations as regards the quality of provision and care for the girls of the school. The School was awarded an 'Excellent' grade for both the two Educational Quality inspection criteria.

Our achievements and performance

A total of 161 girls were on roll for the academic year 2024/5.

Academic

We provide a balanced curriculum which offers our girls experience in linguistic, mathematical, scientific, technological, human and social, physical and aesthetic and creative education, appropriate for their ages and aptitudes, and through which each girl may learn and make progress. We aim to equip every girl with the skills and knowledge which will prepare her for the responsibilities, challenges and opportunities of her future education post GCSE's and adult life.

Academic highlights – GCSE results and Sixth Form Transition

- The 2025 results include a total of 135 GCSEs and IGCSEs, and four Level 2 Further Maths Qualifications. The GCSE subjects examined were Maths, Art, Music and Drama with Edexcel Pearson and Combined Science, Psychology, History, Geography, French and Spanish with AQA. The IGCSE subjects examined were English Language, English Literature and Computer Science.

The class of 2025 included 15 pupils in Year 11, and four pupils from Years 9 and 10 sitting Language GCSEs (one Year 9 candidate for Spanish, two Year 9 and one Year 10 candidate for French).??

- 22% grade 9 across all subjects, (72% grade 9 in French and Spanish), 40% grades 9-8 across all subjects, (67% grade 9-8 in Music). 54% grades 9-7 across all subjects, (86% grades 9-7 in Geography and 57% grades 9-7 in Combined Science).
- Following this success, all pupils were able to secure their first choice Sixth Form. These spanned a range of independent and state schools, all selective in nature.
- Destination schools: UCS (two pupils), City of London, Camden School for Girls, Queens College, St Marylebone, Woodhouse, St Helen's, King Alfred (two pupils), London Park School, Highgate Wood School, Hampstead Fine Arts and Brampton College (two pupils).???
- The results demonstrate that the percentage of grades 9-8 is stable over time. Grade 9-7 has decreased by 11% this year, but grade 9 has increased by 2%. We can look more closely at the value-added progress

made by each pupil to understand that a decrease in grade 9-7 this year is aligned with the ability profile of the cohort. Value-added progress (performance in relation to ability and the raw GCSE predicted grade) highlights include: One pupil with three grades of progress across all subjects and four grades of progress in Science. Four pupils with a median of two grades of progress across all subjects. Two pupils scored three grades of progress in Geography. Two to three grades of progress in Spanish and French was the norm. Value-added median for Art is 2.5 grades and for Spanish is 1.5 grades of progress.?

- Finally, the Average Point Score highlights include: Three pupils achieved grade 9 to 8 exclusively, a fourth achieved 9 to 7 exclusively and another grade 9 to 6 exclusively. The highest average point score is

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

8.7 (in 2024, it was 8.6). Three pupils achieved an Average Point Score of 8 and above and six pupils scored an APS of 7 and above.

During the course of the year, we conducted a curriculum review and our findings have resulted in:

- Introduction of Triple Science at GCSE;
- A revised timetable to include a broader range of subjects and co-curricular opportunities;
- Appointment of a full time Head of SEND.

Co-Curricular

In line with the School's ethos, pupils enjoy a full and varied range of co-curricular activities including sport, music, drama and dance. In addition, a broad variety of after school clubs are offered, including Infant/Junior Enrichment Clubs daily, LAMDA, Tennis Orchestra, Ballet, Cheerleading, Jazz Dance, Debating, Sailing, Choir, Yoga, Mathematics Challenge, Calligraphy and the usual sports clubs.

A total of 41 different co-curricular clubs are offered throughout the year.

Pastoral

Excellent pastoral care is at the heart of the School. During the course of the year, we have moved to a Team approach to pastoral care with a Pastoral Lead in each section of the School, ensuring the specific needs of each age group are met.

Details of Bursary Awards

This year the value of means tested bursaries totalled £161,465 (2024 - £164,264) and represented 4% of our gross fees. They provided assistance to eight of our pupils of which six pupils benefitted from a full remission of fees. A hardship fund is also available to help pupils in receipt of bursaries meet the costs of school trips, examination entrance fees and similar expenses.

Links to the wider world

The girls have undertaken community work in the following ways:

- Multiple visits to the local Age Concern, serving afternoon tea and conversing with the residents;
- Visits with donations to a local branch of the St Mungo's charity;
- Musical performances for the elderly at Spring Grove and The Royal Free Hospital;
- Donations to the Camden Food Bank Aid;
- Visits with donations to the Mayhew Animal Home;
- Participated and organised several fundraising drives including Children in Need, Comic Relief, Jeans for Genes Day, WWF and Express Yourself;
- Held a VE tea party for Grandparents and local residents with entertainment from the choir.

The School also supports the local neighbourhood association, Redfrog, that use our premises for their annual AGM.

Future Plans

Following the retirement of the Principal in August 2025, the School has appointed Sharron Shackell as Head from September 2025.

Triple Science – Introduction for September 2025

From September 2025 we are transferring over from Combined Science (AQA Trilogy Specification) to Triple Science (AQA) for Year 10 pupils beginning their GCSE studies and Year 9 in preparation for GCSEs. This means that the pupils will increase their lesson allocation in Year 10 Science to meet the needs of the increased content and subject specialism, this will follow through to Year 11. The first session of Triple Science examinations will take place in Summer 2027. The pupils will achieve separate GCSEs in each of the three disciplines, this will support preparation for A Level study. GCSE Chemistry and Physics are supported by the opportunity to study Level 2 Further Maths Qualification with AQA, this is appropriate for the most able of our learners. For some of our pupils, we are still able to make a decision in Year 11 to sit Combined Science examinations (two GCSEs across all three disciplines), if there is concern that they are struggling with the specialism in each discipline. However, they will still continue with their learning across three sciences and regular communication with parents will support decision making in this regard.

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

The principal source of income is fees accounting for 97% of TBC the School's income. The Governors are continuing their strategy of deploying all net incoming resources to invest in the educational purposes and fabric of the Junior and Senior Schools.

Financial Review Our Finances

The financial statements show net incoming resources for the year on School activities of £100,889 (2024:£431,305)

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

Developments and Maintenance

The School has a planned programme of decoration/maintenance, to keep the School in excellent order with every classroom being decorated every 3 years and all common areas decorated annually.

Reserves and Financial Health

The Governors regularly review the finances, budgets and spend against budget together with a monthly cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums into new School refurbishment in recent years and have a continuing programme of refurbishment, development, and investment to maintain excellent teaching facilities for our pupils.

The closing value of our tangible assets, property, plant and equipment, was £6,056,663 (2024- £6,072,535)

The Governors consider that given the strength of the School balance sheet, the stable cash flow from full student rolls, the ongoing popularity of our School, and the available banking facility that can be called upon if need arises, that the finances are in good health.

The Governors recognise that the level of reserves fluctuates during periods of investment in the School estate and the arrangements at our Investment Advisers Cannacord Genuity Wealth Management are in place to provide an adequate 'safety net' should it be required.

The total funds as at 31 August 2025 were £7,761,425 (2024- £7,660,536)

Going Concern

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

Investment Policy and Performance Statement (written by the School's Investment Advisers)

The main portfolio was up 3.7% for year ending August 2024 albeit we have seen a strong start to 25/26 financial year.

The portfolio has seen continued progression notwithstanding a weaker US Dollar. We remain content with the direct and fund holdings within the Equity allocation. We have sought to take advantage of the UK Gilt market and subsequently, Fixed Income exposure has seen maturities extended to take advantage of persistent higher yields. The Alternatives have continued to deliver strong performance across the Structured Products, Gold and Pershing Square Holdings.

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Our view remains to invest into highly cash generative businesses. Although we have exposure to Technology/AI, we remain cautious due to inflated multiples, especially being attributed to non-profitable companies.

Structure, Governance and Management

Constitution

St Margaret's School (Hampstead) Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

Governance

The Governors, who are also the charity trustees, are responsible for the overall management and control of the School and hold six full Governor's meetings a year. The work of implementing most of their policies is carried out by members of the Board. The School Bursar is responsible for coordinating the work of the Governors and their Committees, preparation of papers and management accounts and the review of matters arising.

All trustees give of their time freely and no remuneration or expenses were paid in the year for their Governing duties.

Key management personnel

The Governors consider that they, together with the Head, the Bursar and the Senior Leadership Team comprise the Key Management Personnel (see note 11 to the accounts). The Governors give their time freely and the remuneration of the Principal and senior staff is set by the Finance Committee and is kept under annual review.

Other Relationships

The Head is a member of the Girls School Association which is an opportunity to share expertise, knowledge and experience across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector. The school belongs to the London Consortium group of schools for the running and administration of the 11+ examination.

Risk Management

The School maintains a risk register which is regularly reviewed and is presented to the Governors every term. Governors together with the Senior Leadership Team regularly consider both the major risks and other possible risks facing the School and the probability of the risks arising. The Governors identify and assess risks using the following methods:

- Formal agenda items for Governors meetings;
- Regular review of the School's Risk Register which is reviewed each term by the Board;
- Sub Committees overseeing key areas of the School activity including finance, education and safeguarding;
- Comprehensive planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal authorisation and approval levels for financial transactions and approval of contracts;
- Regular Safeguarding reviews and oversight;
- Maintaining appropriate insurance;
- Regular inspection by the Independent Schools Inspectorate.

Through the above risk management processes, the Governors are satisfied that the major risks are identified and as far as practicable adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

The main risks that the Governors have identified and the plans to manage those risks are:

Reputational

A risk to the reputation of the School brand such that there is a material impact on current and future pupil numbers and the ability of the School to attract high quality staff. In order to manage this risk, the School ensures that its policies for recruitment, safeguarding and Health and Safety put pupil safety and wellbeing at the heart of the School and that compliance with these policies is checked on an ongoing basis by the Senior Leadership Team and the Governors. The School also engages with pupils and parents to ensure that any Special Educational Needs (SEND) are identified and appropriate support put in place. There is a wide ranging and

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

ongoing training programme for staff and a culture of openness and trust between pupils and staff are also intended to protect against this risk.

Financial

The School must ensure that it remains financially viable. Financial stability is a key priority for the School. The School must generate sufficient cash flow to provide a safe, secure and engaging environment. This risk is managed by careful planning and cash flow management. The Finance Committee of the Board of Governors is made up of Governors with significant financial and business experience. The Finance Committee reviews the detailed finances of the School at least termly and liaises with the Bursar and the School's investment advisers to ensure the School's financial stability.

Digital

There is a risk that with an increasing reliance on digital technology in all areas of the School, insufficient investment in system integrity, system security and resilience, training or human error makes the School increasingly susceptible to a cyber attack. The School considers that such a risk might result in the School operations being severely impacted which in turn would jeopardise the School's ability to effectively educate pupils. The School manages this risk by continuing to update and invest in the School's information systems to ensure that they meet the School's needs and to provide enhanced resilience. The School also continues to educate staff, pupils and Governors on how to use digital technology safely and effectively.

Curricular

The School's success requires very able teachers with good facilities delivering the curriculum to able students. The School attracts excellent teachers by combining attractive salaries and an approach to enrolment that works with supportive parents whose children have an appetite for learning and a bursary scheme that recognises pupil achievement and aptitude.

Governor recruitment and training

The Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new Governors, the most important attribute is a commitment to the School, and an understanding of education as a holistic and rounded experience of personal growth. Governors are recruited by personal recommendation and are inducted into the workings of the School and the Board by the Chairman, Bursar and the Head.

New Governors are appointed by the existing Board of Governors. The current Governors come from a variety of backgrounds and undergo thorough induction before undertaking their duties.

Disclosure of information to auditors

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- So far as that Governor is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- That Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, RPGCC, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

Approved by order of the members of the board of Governors and signed on their behalf by:

Emily J. Brettle

Mrs E Brettle

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Chair of Governors

Date: 20TH MAY 2026

Statement of Governors' responsibilities For the Year Ended 31st August 2025

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP (FRS 102);
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Governors on 20TH MAY 2026
and signed on their behalf by:

Emily J. Breake

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

Opinion

We have audited the financial statements of St Margarets School (Hampstead) Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the governors' responsibilities statement, the Governors (who are also the directors of the charitable company 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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:

[Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.]

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

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

RPG Cash Charities LLP

RPGCC

Chartered Accountants and Registered Auditors
40 Gracechurch Street
London
Ec3V 0BT

Date: *20 May 2026*

RPGCC are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income and endowments from:						
Donations and legacies	4	5,184	-	-	5,184	5,225
Charitable activities	5	3,227,819	(19,315)	-	3,208,504	3,150,824
Other trading activities	6	24,424	-	-	24,424	34,723
Investments	7	66,525	-	-	66,525	53,133
Total income and endowments		3,323,952	(19,315)	-	3,304,637	3,243,905
Expenditure on:						
Raising funds	8	14,868	-	-	14,868	12,432
Charitable activities		3,217,443	-	-	3,217,443	2,891,302
Total expenditure		3,232,311	-	-	3,232,311	2,903,734
Net income/(expenditure) before net gains on investments						
		91,641	(19,315)	-	72,326	340,171
Net gains on investments		28,563	-	-	28,563	91,134
Net income/(expenditure)		120,204	(19,315)	-	100,889	431,305
Transfers between funds	20	7,258	19,315	(26,573)	-	-
Net movement in funds		127,462	-	(26,573)	100,889	431,305
Reconciliation of funds:						
Total funds brought forward		1,577,300	-	6,083,236	7,660,536	7,229,231
Net movement in funds		127,462	-	(26,573)	100,889	431,305
Total funds carried forward		1,704,762	-	6,056,663	7,761,425	7,660,536

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

The notes on pages 18 to 38 form part of these financial statements.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 00537118

**BALANCE SHEET
AS AT 31 AUGUST 2025**

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	6,056,663	6,072,535
Investments	15	1,424,960	1,508,117
		<u>7,481,623</u>	<u>7,580,652</u>
Current assets			
Debtors	16	78,332	46,306
Cash at bank and in hand		917,291	880,631
		<u>995,623</u>	<u>926,937</u>
Current liabilities			
Creditors: amounts falling due within one year	17	(510,880)	(618,726)
		<u>484,743</u>	<u>308,211</u>
Net current assets			
		<u>7,966,366</u>	<u>7,888,863</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	18	(176,000)	(196,500)
		<u>7,790,366</u>	<u>7,692,363</u>
Net assets excluding pension liability			
Defined benefit pension scheme liability	25	(28,941)	(31,827)
		<u>7,761,425</u>	<u>7,660,536</u>
Total net assets			
Charity funds			
Designated funds	20	6,056,663	6,083,236
Restricted funds	20	-	-
Unrestricted funds	20	1,704,762	1,577,300
		<u>7,761,425</u>	<u>7,660,536</u>
Total funds			

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2025

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Governors on ~~20~~ 20 MAY 2026
and signed on their behalf by:

Emily J. Breese

The notes on pages 18 to 38 form part of these financial statements.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	70,476	398,758
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	66,525	53,133
Proceeds from the sale of intangible assets	-	66,921
Purchase of tangible fixed assets	(82,474)	(58,252)
Proceeds from sale of investments	581,420	847,295
Purchase of investments	(147,607)	(974,444)
Transfers and other movements	(453,480)	-
	<hr/>	<hr/>
Net cash used in investing activities	(35,616)	(65,347)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	34,860	333,411
Cash and cash equivalents at the beginning of the year	880,631	547,220
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	915,491	880,631
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 18 to 38 form part of these financial statements

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1. General information

St. Margarets School (Hampstead) Limited is a private company limited by guarantee incorporated in England. The registered office is 18 Kidderpore Gardens, Hampstead, London, NW3 7SR. The principal aims of the charitable company are shown in the Governors Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St Margarets School (Hampstead) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

Having reviewed the resources and funding available to the school together with the expected ongoing demand for places and the school's projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the school's financial viability. Thus the Governors continue to adopt the going concern basis of accounting in preparing the accounts.

2.3 Income

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income arises in the United Kingdom from educational and allied activities and is accounted for in the year to which it relates. Tuition fees unpaid at the balance sheet date and relating to the period to that date are brought in as income with a provision created in respect of those for which recoverability is considered to be doubtful. Fees received in advance at the balance sheet date are included in creditors as deferred income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Investment income is recognised on a receivable basis.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.4 Expenditure

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

Expenditure on raising funds comprises costs incurred in managing the School's investment portfolio.

Expenditure on charitable activities is all expenditure incurred on the School's operations. In addition to direct costs, these include all support costs and costs relating to the governance of the School which it is considered appropriate to allocate in full to charitable activities.

All expenditure is inclusive of irrecoverable VAT until 31st December 2024. The organisation registered for VAT and commenced recognising expenditure net of VAT on 1st January 2025.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a School may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method from the date they are brought into use.

Depreciation is provided on the following basis:

Freehold property	-	2% on valuation
Motor vehicles	-	33% on cost
Office equipment	-	33% on cost

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

The Governors are of the opinion that the residual value of the Freehold property has been reached and are therefore currently not depreciating it any further.

2.7 Investments

The School's portfolio is managed professionally by Canaccord Genuity Wealth Management, in accordance with the objective of providing a balance of capital growth and income. Investments are stated at market value.

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.11 Financial instruments

The School 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.13 Retirement benefits

The School operates a defined contribution pension scheme provided by the 'APTIS' Aviva Pension Trust for Independent Schools and the pension charge represents the amounts payable by the School to the fund in respect of the year.

The School is also a member of a multi-employer plan, ISPS. Where it is not possible for the School to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan and the contributions are recognised in the period to which they relate. The ISPS is a funded scheme and the assets are held separately from those of the school in separate trustee administered funds. The trustee commissions an actuarial valuation of the scheme every three years using the prospective unit credit method. Where the actuarial valuation reveals a shortfall of assets compared to liabilities a provision for additional agreed contribution payments is also recognised in full.

2.14 Employee benefits

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

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

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined benefit liability

The present value of the Independent Schools' Pension Scheme ('ISPS') defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability.

Valuation of land and buildings

The carrying value of the land and buildings depends on the market values of similar property in the local area and will fluctuate according to market conditions.

Critical areas of judgment:

Pupil deposits:

A deposit is collected in respect of each pupil joining the school. This may be used to cover outstanding fees and expenses on the departure of the pupil, or retained in lieu of fees if the required notice of withdrawal is not given. As pupils are expected to remain at the school for several years and departing pupils are replaced by new students the Governors consider it is appropriate to treat all deposits as repayable after more than one year.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

4. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £
Donations	5,184	5,184

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Donations	5,225	5,225

5. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tuition fees and school activities	3,389,284	-	3,389,284
Bursaries, scholarships and discounts	(161,465)	(19,315)	(180,780)
	<u>3,227,819</u>	<u>(19,315)</u>	<u>3,208,504</u>

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Tuition fees and school activities	3,333,850	-	3,333,850
Bursaries, scholarships and discounts	(164,264)	(18,762)	(183,026)
	<u>3,169,586</u>	<u>(18,762)</u>	<u>3,150,824</u>

During the year the School received income in relation to Autumn 2025 fees. These have been included in deferred income. The same situation applied in 2024.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £
Other fees and hire income	24,424	24,424

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Other fees and hire income	34,723	34,723

7. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £
Dividends	55,099	55,099
Interest	11,426	11,426
	66,525	66,525

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Dividends	39,581	39,581
Interest	13,552	13,552
	53,133	53,133

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2025 £	Total funds 2025 £
Investment management costs	14,868	14,868

	<i>Designated funds 2024 £</i>	<i>Total funds 2024 £</i>
Investment management costs	12,432	12,432

9. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Tuition fees and school activities	2,326,855	890,588	3,217,443

	<i>Activities undertaken directly 2024 £</i>	<i>Support costs 2024 £</i>	<i>Total funds 2024 £</i>
Tuition fees and school activities	2,093,228	798,074	2,891,302

All expenditure on charitable activities in 2025 and 2024 was from unrestricted funds.

Analysis of direct costs

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

9. Analysis of expenditure by activities (continued)

	Total funds 2025 £	<i>Total funds 2024 £</i>
Staff costs	1,877,445	1,743,814
Depreciation	95,223	23,238
Food & Catering	89,232	69,115
Sports, Music, Art	64,776	67,432
Premises & Equipment	200,179	189,629
	2,326,855	2,093,228

Analysis of support costs

	Total funds 2025 £	<i>Total funds 2024 £</i>
Staff costs	536,802	409,865
Premises & Equipment	267,338	223,140
Other Costs	48,903	140,389
Governance	37,545	-
Governance costs	-	24,680
	890,588	798,074

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025****10. Auditors' remuneration**

	2025	<i>2024</i>
	£	£
Fees payable to the School's auditor for the audit of the School's annual accounts	12,500	<i>12,000</i>

11. Staff costs

	2025	<i>2024</i>
	£	£
Wages and salaries	1,943,329	<i>1,740,055</i>
Social security costs	206,592	<i>185,864</i>
Contribution to defined contribution pension schemes	264,326	<i>227,760</i>
	2,414,247	<i>2,153,679</i>

The average number of persons employed by the School during the year was as follows:

	2025	<i>2024</i>
	No.	<i>No.</i>
Teachers	26	<i>27</i>
Office and domestics	19	<i>14</i>
	45	<i>41</i>

The average headcount expressed as full-time equivalents was:

	2025	<i>2024</i>
	No.	<i>No.</i>
Teachers	26	<i>24</i>
Office and domestics	14	<i>10</i>
	40	<i>34</i>

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025****11. Staff costs (continued)**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	<i>2024</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	3	-
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	1

The total remuneration paid during the year to the senior management team was £503,767 (2024: £294,256,) including termination payments.

During the year, termination payments amounting to £70,000 was paid to a former member of staff in line with accounting policy 2.14. No amount is payable in relation to this balance at the balance sheet date.

12. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2024 - £NIL), and no expenses were reimbursed (2024:nil).

13. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, no Governor expenses have been incurred (2024 - £NIL).

14. Tangible fixed assets

	Freehold property	Motor vehicles	Office equipment	Total
	£	£	£	£
Cost or valuation				
At 1 September 2024	6,157,127	67,688	916,076	7,140,891
Additions	-	-	82,474	82,474
At 31 August 2025	6,157,127	67,688	998,550	7,223,365
Depreciation				
At 1 September 2024	234,214	31,932	802,210	1,068,356
Charge for the year	-	22,544	75,802	98,346
At 31 August 2025	234,214	54,476	878,012	1,166,702

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

14. Tangible fixed assets (continued)

	Freehold property £	Motor vehicles £	Office equipment £	Total £
Net book value				
At 31 August 2025	<u>5,922,913</u>	<u>13,212</u>	<u>120,538</u>	<u>6,056,663</u>
<i>At 31 August 2024</i>	<u>5,922,913</u>	<u>35,756</u>	<u>113,866</u>	<u>6,072,535</u>

On 1 September 2019, the freehold land and buildings were revalued by the Trustees.

The carrying amount under the cost model for the assets which have been revalued would have been £1,881,116 (2024 - £1,881,116).

Depreciation is no longer provided on the freehold property as the Governors are of the opinion that the residual value has been reached.

15. Fixed asset investments

	Listed investments £	Cash £	Total £
Cost or valuation			
At 1 September 2024	1,477,020	31,097	1,508,117
Additions	721,865	(581,420)	140,445
On acquisition of subsidiaries	(602,008)	-	(602,008)
Disposals	(223,952)	147,607	(76,345)
On disposal of subsidiaries	-	29,739	29,739
Revaluations	32,586	-	32,586
Amounts written off	-	95,100	95,100
Transfers intra group	-	300,000	300,000
Transfers between classes	13,552	-	13,552
Foreign exchange movement	-	(16,226)	(16,226)
At 31 August 2025	<u>1,419,063</u>	<u>5,897</u>	<u>1,424,960</u>
Net book value			
At 31 August 2025	<u>1,419,063</u>	<u>5,897</u>	<u>1,424,960</u>
<i>At 31 August 2024</i>	<u>1,477,020</u>	<u>31,097</u>	<u>1,508,117</u>

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

Material investments

Those investments making up more than 5% of the total market value of the portfolio in the current or prior year were:

	2025 £	<i>2024</i> £
UK Government Gilts 0.625% June 2025	-	73,997
UK Government Gilts 2.75% September 2024	-	81,135
UK Government Gilts 3.75% March 2027	230,852	81,776
UK Government Gilts 4.125% January 2027	136,290	78,071
Fundsmith LLP Equity INC NAV	-	46,437
UK Government Gilts 4.375 % March 2028	224,585	-
UK Government Gilts 4.125% July 2029	230,053	-
	<u>821,780</u>	<u><i>361,416</i></u>

	UK 2025 £	Overseas 2025 £	Total funds 2025 £
Listed investments	823,123	1,203,844	2,026,967

	<i>UK 2024</i> £	<i>Overseas 2024</i> £	<i>Total funds 2024</i> £
Listed investments	982,057	526,060	1,508,117

16. Debtors

	2025 £	<i>2024</i> £
Due within one year		
Trade debtors	24,874	16,971
Other debtors	24,118	4,133
Prepayments and accrued income	29,340	25,202
	<u>78,332</u>	<u><i>46,306</i></u>

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Creditors: Amounts falling due within one year

	2025	<i>2024</i>
	£	£
Trade creditors	73,356	<i>19,855</i>
Other creditors	79,671	<i>42,076</i>
Accruals and deferred income	357,853	<i>556,795</i>
	510,880	<i>618,726</i>

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FOR THE YEAR ENDED 31 AUGUST 2025

Deferred income represents tuition fees received in advance as follows:

	2025 £	2024 £
Deferred income at 1 September 2024	115,296	-
Resources deferred during the year	-	541,046
Amounts released from previous periods	-	(425,750)
	<u>115,296</u>	<u>115,296</u>

18. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Other creditors	176,000	196,500
	<u>176,000</u>	<u>196,500</u>

19. Financial instruments

	2025 £	2024 £
Financial assets		
Financial assets measured at fair value through income and expenditure	917,291	1,508,117
	<u>917,291</u>	<u>1,508,117</u>

Financial assets measured at fair value through income and expenditure comprise the charity's investment portfolio.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

20. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds						
General Funds - all funds	1,577,300	3,323,952	(3,232,311)	6,954	28,563	1,704,458
Unallocated amounts	-	-	-	304	-	304
	<u>1,577,300</u>	<u>3,323,952</u>	<u>(3,232,311)</u>	<u>7,258</u>	<u>28,563</u>	<u>1,704,762</u>
Designated Funds						
Fixed Asset Reserve	1,881,116	-	-	-	-	1,881,116
Revaluation Reserve	4,202,120	-	-	(26,573)	-	4,175,547
	<u>6,083,236</u>	<u>-</u>	<u>-</u>	<u>(26,573)</u>	<u>-</u>	<u>6,056,663</u>
Restricted funds						
Salti Bursary	-	(19,315)	-	19,315	-	-
Total of funds	<u><u>7,660,536</u></u>	<u><u>3,304,637</u></u>	<u><u>(3,232,311)</u></u>	<u><u>-</u></u>	<u><u>28,563</u></u>	<u><u>7,761,425</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

20. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2024</i>
	£	£	£	£	£	£
Unrestricted funds						
General Funds - all funds	976,867	3,262,667	(2,903,734)	150,366	91,134	1,577,300
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Designated Funds						
Fixed Asset Reserve	1,881,116	-	-	-	-	1,881,116
Revaluation Reserve	4,202,120	-	-	-	-	4,202,120
Morton Scholarship Fund	156,892	-	-	(156,892)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,240,128	-	-	(156,892)	-	6,083,236
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds						
Salti Bursary	12,236	(18,762)	-	6,526	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	<u>7,229,231</u>	<u>3,243,905</u>	<u>(2,903,734)</u>	<u>-</u>	<u>91,134</u>	<u>7,660,536</u>

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

20. Statement of funds (continued)

Restricted funds

The Salti Bursary was established to provide a scholarship to a single student to ensure the highest probability of their success for their full education at the school.

Designated funds

The Morton scholarship fund was established to reflect the wishes of a donor that some of her donation be used to provide scholarships and bursaries to future pupils. With effect of 31 August 2024, the Governors have decided that this designation is no longer useful.

The Fixed Asset Reserve was established in accordance with Charity Commission guidance to separately identify the value of the fixed assets held by the school. Transfers represent net movements on fixed assets in the year.

The Revaluation Reserve represents the movements in fair value of the property held by the School. Transfers represent depreciation and revaluations movements on the valuation of land and property held by the school.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £
Tangible fixed assets	(304)	6,056,967	6,056,663
Fixed asset investments	2,026,967	-	2,026,967
Current assets	393,616	-	393,616
Creditors due within one year	(510,880)	-	(510,880)
Creditors due in more than one year	(176,000)	-	(176,000)
Provisions for liabilities and charges	(28,941)	-	(28,941)
Difference	304	(304)	-
Total	1,704,762	6,056,663	7,761,425

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Designated funds 2024 £</i>	<i>Endowment funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	(10,701)	6,083,236	6,072,535
Fixed asset investments	1,508,117	-	1,508,117
Current assets	926,937	-	926,937
Creditors due within one year	(618,726)	-	(618,726)
Creditors due in more than one year	(196,500)	-	(196,500)
Provisions for liabilities and charges	(31,827)	-	(31,827)
Total	<u>1,577,300</u>	<u>6,083,236</u>	<u>7,660,536</u>

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	100,889	431,305
Adjustments for:		
Depreciation charges	98,346	2,032
gains on investments	(32,026)	(91,134)
Dividends, interests and rents from investments	66,525	(53,133)
Increase in debtors	(32,026)	(11,972)
Increase/(decrease) in creditors	(128,346)	123,900
Increase/ (decrease) in provisions	(2,886)	(2,240)
Net cash provided by operating activities	<u>70,476</u>	<u>398,758</u>

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

23. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	315,284	880,631
Notice deposits (less than 3 months)	600,207	-
Total cash and cash equivalents	915,491	880,631

24. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	880,631	36,660	917,291
	880,631	36,660	917,291

25. Pension commitments

The School's employees belong to two principal pension schemes: one for academic and related staff and one for non-teaching staff. Academic and related staff are now in the Aviva Pension Trust for Independent Schools (APTIS), a defined contribution scheme. Non-teaching staff are in the Independent Schools' Pension Scheme (ISPS), which is managed by TPT Retirement Solutions.

Aviva Pension Trust for Independent Schools (APTIS)

The pension charge for the year includes contributions payable to APTIS of £218,517 (2024: £225,521) and at the year-end £Nil (2024 - £Nil) was accrued in respect of contributions to this scheme.

TPT Retirement Solutions - Independent Schools' Pension Scheme (the scheme)

The School participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. ISPS is a contracted-out of the State scheme. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

25. Pension commitments (continued)

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme from 1 September 2022 to 30 June 2032 in the sum of £2,687,000 pa (payable monthly and increasing by 3% on each 1st September). The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

During the year, the School was required to contribute deficit payments of £2,886 (2024: £2,240). Until 30 June 2032 the School is required to contribute £2,886 pa (payable monthly and increasing by 3% on each 1st September).

In accordance with FRS 102, the School must recognise a liability measured at the present value of the contributions payable that arise from the deficit recovery agreement. The value of the provision recognised 31 August 2025 is £28,941 (2024: £31,827)

26. Operating lease commitments

At 31 August 2025 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	2,976	-
Later than 1 year and not later than 5 years	5,456	-
	<u>8,432</u>	<u>-</u>

27. Members' liability

The school is a charitable company limited by guarantee. The members of the charitable company are the Governors names on page 1. Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

28. Related party transactions

Dr A Wayne, a governor, was paid the sum of £nil (2024: £586) for providing staff flu vaccinations. There was no balance outstanding at the end of the current or prior year.

Mrs M Wayne, a governor, was paid a sum of £720 (2024: £434) for invigilation services. There was no balance outstanding at the end of the current or prior year.

ST MARGARET'S SCHOOL (HAMPSTEAD) LTD

England & Wales - Charity number 312720

Accounts

Registered number: 00537118

Charity number: 312720

ST MARGARET'S SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
40 Gracechurch Street
London
EC3V 0BT

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Trustees Report

Registered number: 00537118

Charity number: 312720

Reference and Administrative Details of the School, its Governors and Advisers For the Year Ended 31st August 2024

Governors	Mrs E Brettle, <i>Chairman</i> Ms D Atkinson Mr M Feldman Mr E Grower (Resigned November 2024) Mr D MacNeill Mrs T Marton Rev A Tresidder Miss M C Mendham Mrs L McBride Mr F Patel Dr A Wayne Mrs M Wayne
Company registered number	00537118
Charity registered number	312720
Registered office	18 Kidderpore Gardens, Hampstead London NW3 7SR
Principal	Mr M Webster
Bursar	Mrs S Beschizza
Clerk to the Governors	Mrs S Beschizza
Website	www.st-margarets.co.uk
Independent auditors	RPGCC 40 Gracechurch Street, London EC3V 0BT
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill West Mailing Kent ME19 4JQ
Solicitors	Veale Wasborough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
Investment Advisors	Canaccord Genuity Wealth Management 88 Wood Street London EC2V 7QR
Insurance Brokers	Marsh Brokers Limited Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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Governors' Report

For the Year Ended 31st August 2024

The Governors of St Margaret's School (Hampstead) Limited present their Annual Report together with the audited Financial Statements of the School for the 1st September 2023 to 31st August 2024. The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Governors confirm that the Annual Report and Financial Statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2019).

Since the School qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Aims, Objectives and Activities

Our aims

The principal object of the company, as authorised by its Memorandum and Articles of Association, is to carry on at 18 Kidderpore Gardens, Hampstead, London NW3 7SR, a school for the general education of girls.

We aim, through our Junior and Senior Schools, to provide a secure, caring and challenging learning environment in which girls are encouraged to strive for excellence in all that they do. Respect for other lies at the heart of the school community, within which the potential and talent of everyone can be recognised, nurtured and realised. At St Margaret's, education is seen as a partnership between pupils, parents and teachers. Specifically, our aims are to:

- Encourage and enable each girl to develop a love of learning by providing a supportive environment in which success is measured based on personal progress;
- Enable each girl to meet intellectual, creative and physical challenges with confidence;
- Support the spiritual and moral development of each girl through maintaining high standards of personal responsibility and an awareness of their contribution to the wider world;
- Foster an active concern for the community and the environment through awareness and providing opportunities for individual contribution;
- Prepare each girl for the next stage of her education when she leaves St Margaret's through educational qualifications and information and guidance about future options from 16 years old;
- Ensure that education is seen as a partnership between pupils, parents and staff by promoting communication and collective responsibility for a girl's academic and personal education;
- Enable girls to develop personal characteristics through our PROSPER programme whereby the pupils are helped to develop and sustain Positivity, Relationships, Optimism, Strengths, Purpose, Endeavour and Resilience.

Our objectives

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

This objective is, however set in the context of the broader goals we set for the School and its pupils.

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's public benefit guidance.

Our key objectives for the year included:

- The continued achievement of excellent academic performance by each individual pupil as measured by GCSE results as compared with similarly loosely selective schools. As in previous years, our value-added progress for GCSE is high, demonstrating that the girls make better than predicted progress whilst at St Margaret's;
- The continued provision of an educational environment within which each individual pupil can thrive and develop intellectually, physically, socially and spiritually by maintaining high expectations amongst staff and pupils and making evident the spiritual values held important by the School;

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- To endeavour to make an education at St Margaret's available to the greatest number of pupils to whom it would be of benefit by keeping school fees as reasonable as possible, maintaining only limited selection of pupils, and using the school's bursary policy to promote the admission of a greater number of pupils with parents on lower incomes;
- To develop our programme of co-operation and joint working with local state primary and secondary schools;
- To play our part in the life of our local community through our community access and service programmes.

Achievements and Performance

Pupil numbers and fees

Our educational activities are carried out through our Senior School and our Junior School. The average number of pupils on roll during the academic year 2023/2024 was 167. This is almost at our capacity of 170, the maximum number which can be comfortably accommodated on school premises.

Our fees are set at a level required to ensure that the School's costs, a high proportion of which relate to teachers' salaries, are covered. Fees during the academic year 2023/2024 before the deduction of any means assisted bursaries were:

Years Reception to 2	£5,399 per term
Years 3 to 6	£5,943 per term
Year 7 to 11	£6,254 per term

Curriculum

We provide a balanced curriculum which offers our girls experience in linguistic, mathematical, scientific, technological, human and social, physical and aesthetic and creative education, appropriate for their ages and aptitudes, and through which each girl may learn and make progress. We aim to equip every girl with the skills and knowledge which will prepare her for the responsibilities, challenges and opportunities of her future education and adult life.

Our curriculum continues to be broadly based on the National Curriculum throughout the four Key Stages but we take advantage of our ability, as an independent School, to adapt it to suit the specific needs of our pupils and our smaller than average cohorts.

The term 'curriculum' refers to the activities implemented by the staff to promote learning and personal development. It includes the extra-curricular and timetabled activities that the School organises in order to enrich the experience of the girls. It also includes the 'hidden curriculum' which aims to help girls develop positive behaviour and attitudes.

Examples of enhancements to the curriculum this year include:

- Continued development of our PROSPER initiative, an acronym outlining a series of life skills developed through the curriculum and recognised through a programme of tracking, recognition of progress and celebration of individuals within the school community;
- Stronger links between the pastoral and academic, through class context sheets. These are used to record pupil progress in extracurricular and to highlight talents realised inside or outside school;
- Focused tracking of the GCSE pupils to develop their opportunities for independent study;
- Series of staff training workshops aimed at sharing samples of pupil work and effective marking;
- Development of the 16+ transition from GCSE to Sixth. One to one parent meetings and building connections with Sixth Form schools;
- Strengthening of the transition of new joiners to the school, with an academic transition for parents to complete – outlining the strengths and areas of support they have identified for their daughter;
- Parent surveys of the curriculum - academic, enrichment, trips, and PSHE;
- Increased number of sporting fixtures for netball and football - both upper Juniors and Senior teams.

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Co-curricular activities

Music

- In December 2023, we held a Carol Service at St. Luke's Church for the entire school, featuring our orchestra, choir, and handbell group. We also performed with the choir (Years 3 to 6) at Spring Grove, an elderly residence, and visited Magnolia Care Home, where our handbell group performed and spent time interacting with the residents. Our orchestra entertained the elderly at St. Luke's Church where we sang carols for them, baked cookies for them and had a chat before we left for the school.
- In March 2024, we organised a school music competition that featured performances from students ranging from Reception to Year 11. This gave the girls an opportunity to perform in front of the whole school, and the competition was judged by St. Margaret's teachers and Year 11 music students.
- In the classroom, we continue to use 'flat.io' music software for composition in KS3 and have introduced GarageBand for song compositions in Year 9. GCSE level use their Sibelius software for their compositions.
- We have continued to hold singing sessions every Wednesday morning for both Infants and Juniors, with an expanded Junior choir. The Senior Choir has grown in number, and we are now joined by some mothers of our students who participate in our Monday morning practices and performances. To inspire our students, we performed with both choirs as part of a large choir of 5,000 students at the O2 Arena.
- In May 2024, we held our Summer Concert at St. Luke's Church, which featured many memorable performances.
- Throughout the academic year, we also ran six smaller, informal Teatime Concerts for parents and families. These events have proven to be extremely popular and have provided an excellent platform for students to build their performance skills and grow in confidence.

Drama

This year, students from Years 5 to 11 were all, once again, taught Drama by our subject specialist teacher. The KS2 curriculum, for Years 5 & 6, introduces the students to a broad range of drama skills and activities designed to prepare them for the Senior School curriculum as well as building their confidence and inter-personal skills. Highlights for Year 5 included a development of work previously done around WW2 evacuees, examining the dramatization of the novel Goodnight Mr Tom. The main focus for work with Year 6, was the end of KS2 production of Into The Woods. The Year 8 SOL based upon Noughts & Crosses was developed further leading into a consideration of how stories can be adapted dramatically.

In September 2023 all the GCSE drama students attended a performance of The Empress by Tanika Gupta at the Lyric Theatre Hammersmith. Year 11 students returned to the Lyric to watch a production of Faith Healer by Brian Friel. We also continue to make use of the streaming service, Drama Online, which has proved useful to the teaching not only of GCSE classes, when examining aspects of design and directing, but also for groups at KS3. The KS4 curriculum changed, with Tanika's Gupta's adaption of A Doll's House, by Ibsen, replacing DNA as the studied text for the written exam.

The LAMDA classes introduced in February 2023, for students across the school, and taking place after school on Mondays and Tuesday lunchtime for Infants, have gone from strength to strength with many of the girls participating being entered for exams at an appropriate level and the majority passing with Distinction. Karen Kiely the principal of Achieve Arts who delivers this programme, has expressed herself to be absolutely thrilled to be working with St Margaret's girls.

Sport

The Physical Education (PE) curriculum is designed in alignment with the national curriculum, ensuring that all pupils: develop competence and confidence across a broad range of physical activities; engage in sustained periods of physical activity; participate in competitive sports and activities; adopt and maintain a healthy, active lifestyle.

Academic year 2023-2024, we have focused on providing a clear and structured progression from Reception through to Year 11. At the senior level, we have expanded our curriculum to include a greater variety of invasion games, enabling students to develop and apply advanced attacking and defensive strategies across multiple sports.

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The offering is extensive and diverse, ensuring that students experience a broad range of physical activities. The sports available include netball, football, gymnastics, fixed-seat rowing, dance, volleyball, badminton, non-contact rugby, fitness, handball, basketball, trampolining, swimming, rounders, cricket, athletics, tennis, table tennis and climbing.

The core focus of our curriculum is to cultivate a lifelong enjoyment of movement while simultaneously developing students' fundamental movement skills. We strive to provide opportunities for students to be competitive and excel as athletes, fostering both participation and high performance.

Facilities and Locations

Our curriculum is delivered across multiple locations to ensure students benefit from specialist facilities:

- St Luke's School – Indoor units for Reception-Year 4, including gymnastics, fitness, and dance.
- West Heath – Outdoor lessons for Years 1–11.
- Hendon Sports Centre – Used by Years 5–11 for various activities.
- Welsh Harp – Fixed-seat rowing for Years 9 and 10.
- Barnet Copthall – Swimming for junior students.
- Heath Extension – Striking and fielding games in the summer term for students from Year 5 upwards.
- USC Playing Fields – Year-round training facilities for our competitive senior footballers.

Competitive Sport and Extracurricular Activities

Students from Year 5 to Year 11 represent the school in fixtures against other local schools. Our main competitive sports include:

- Netball and Football (year-round)
- Cricket and Rounders (summer term)
- Cross Country – Our students delivered strong performances at the London Schools Cross Country event (2025).

Our sports clubs thrived, with an increase to two senior football and netball clubs, reflecting growing student enthusiasm and skill development. Parents have also noted a marked improvement in students' gameplay and confidence.

Beyond competitive sports, we offer a wide range of extracurricular clubs throughout the year, including football, netball, running, rounders, sailing, tennis, table tennis, ballet, yoga, jazz/modern dance, cheerleading and karate.

The PE Department has had an exceptional year, with an expanded curriculum, increased competitive success, and a flourishing extracurricular program. We are committed to fostering a lifelong love for physical activity, equipping students with the skills, confidence, and opportunities to excel. We are building a strong culture of sporting excellence, ensuring every student has the chance to develop, compete, and thrive.

Details of Bursary and Scholarship Awards

Bursaries

This year the value of means tested bursaries totalled £117,419 and represented 4% of our gross fees. They provided assistance to eight of our pupils of which six pupils benefitted from a full remission of fees. A hardship fund is also available to help pupils in receipt of bursaries meet the costs of school trips, examination entrance fees and similar expenses.

Review

The Governors are constantly reviewing our Bursary policy to ensure that as many children as possible can accept offers of places at our School through the availability of means tested fee assistance. Our policy is designed to widen access to our School. We anticipate this will help inform the development of our policy and help ensure the objective of wider access continues to be achieved.

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Community Service

The girls have undertaken community work in the following ways:

- Multiple visits to the local Age Concern, serving afternoon tea and conversing with the residents;
- Visits with donations to a local branch of the St Mungo's charity;
- Musical performances for the elderly at Spring Grove , Magnolia Care Home, and St Luke's Church;
- Visits with donations to an animal rescue shelter.

The School also supports the local neighbourhood association, Redfrog, that uses our premises for their annual AGM.

Environmental Initiatives

Building on the eco-schools international accreditation in academic year 2021-22, the eco work was integrated into the Y6 science curriculum and focused on recycling and reuse. This culminated in two activities:

An ongoing collection and recycling of used batteries by all classes in the school. Year 4 collected the most and the prize for this was some equipment to assist with Forest School. On PSHE day, the junior school classes brought in recyclable materials and re purposed them into a range of new and innovative objects.

In 2023-4 we began developing places to take part in the TfL's *Travel for Life* initiative to raise awareness of, and changing behaviours towards, sustainable modes of transport such as cycling, scooting and walking to school.

Pupils participated in Pedestrian Skills training, worked with local police to educate drivers on the dangers of speeding, litter picked in the local area and participated in nationwide schemes such as 'Walk to School Week', 'Clean Air Day' and 'Outdoor Classroom Day'.

Community Access

We see St Margaret's School as a part of a wider community.

We have appointed a new role at the School with a specific remit of engaging more regularly and productively with our local community. The School's Public Benefit Coordinator has contacted local schools and has produced plans for us to provide local pupils with opportunities in areas that their present schools are unable to fulfil.

Future Plans

The Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our pupils. Achieving a high standard of academic results is a constant aim whilst maintaining the breadth and depth of the education provided.

The Principal and Senior staff continue to review the curriculum to ensure that the educational qualifications remain appropriate for our pupils' development.

The principal source of income is fees accounting for 98.6 % of the School's income. The Governors are continuing their strategy of deploying all net incoming resources to invest in the educational purposes and fabric of our Junior and Senior Schools.

In addition to the very substantial benefits our School brings to our pupils, the local community and society through the education we offer, our bursary programme and our 'teaching links' programme create a social asset without cost to the Exchequer.

Financial Review

Our Finances

The financial statements show net incoming resources for the year on School activities of £3,150,824.

As a charity, the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. As an educational charity, we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims. As a charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes.

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(A company limited by guarantee)

The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies and 'teaching link's programme.

However, as an educational charity, we are unable to reclaim VAT input tax on our costs, as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

Developments and Maintenance

The School has a planned programme of decoration/ maintenance with every classroom being decorated every 3 years with all common areas decorated annually.

All electronic whiteboards have been replaced with LED Clevertouch Screens.

IT Strategy

The School's Management Information System has been replaced and are now using ISAMS. This incorporates the administration and finance systems; it is hosted on the cloud to mitigate the risk of hosting the database onsite and to enable ease of remote working. Administration and management have all moved to Teams and One Drive for all non-teaching related work.

Teaching Staff

Teachers continue to use the Google suite of applications to support their teaching with many using the skills they learnt during lockdown to enhance their in-person teaching. All teachers and support staff have been issued with new laptops to enable remote working when necessary.

Students

Year 3 to Year 11 pupils are given Google accounts when they join St Margaret's. They are taught in ICT lessons how to use them appropriately.

Hardware

All pupils from Y3 – Y11 are issued with a school Chromebook which they use in class, and for remote learning when necessary. The school is looking to move the senior students onto a Windows based device such as the Microsoft Surface to enable a wider range of applications to be used.

Reserves and Financial Health

The Governors regularly review the finances, budgets and spend against budget together with a monthly cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums into new School refurbishment in recent years and have a continuing programme of refurbishment, development, and investment to maintain excellent teaching facilities for our pupils.

The closing value of our tangible assets, property, plant and equipment, was £6,072,535.

The Governors consider that given the strength of the charity's balance sheet, the stable cash flow from full student rolls, the ongoing popularity of our School, and the available banking facility that can be called upon if need arises, that the finances are in good health.

The Governors recognise that the level of reserves fluctuates during periods of investment in the School estate and the arrangements at our Investment Advisers Cannacord Genuity Wealth Management are in place to provide an adequate 'safety net' should it be required.

The total funds as at 31 August 2024 were £7,660,536 of which £6,083,236 was designated and £1,577,300 were unrestricted.

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Going Concern

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

Investment Policy and Performance Statement (written by the School's Investment Advisers)

The portfolio has seen continued progression. We realigned the Equity allocation by investing in direct equities which should yield greater performance in the longer term. We have sought to take advantage of the UK Gilt market and subsequently, Fixed Income exposure is allocated to short, dated UK Gilts which should reduce volatility in an uncertain environment.

Our current view is to invest into highly cash generative businesses whilst currently holding a below market weighting to technology due to inflated multiples.

Our Ethos Strategy and Policies

St Margaret's is, by any manner of reckoning, a very small school, having not just small classes but only one class per year group from age 4 to age 16. This situation may have been arrived at by accident of history, but it is now embraced and celebrated by the Governors as a matter of positive policy. The close-knit community which our size engenders is integral to our academic and pastoral success and is one of the prime reasons why parents choose St Margaret's for their daughters in preference to the many larger schools available to them locally in both independent and maintained sectors.

The Governors are committed to broadening access to the School by every means at their disposal, whilst having regard to their duty to safeguard its long-term future.

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

Our ethos: A caring School serving our local community and society

St Margaret'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 to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class education to girls.

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 a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

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

In April 2022, the school underwent a dual compliance and educational quality inspection, which confirmed that the school meets all its obligations as regards the quality of provision and care for the girls of the school. The school was awarded an 'Excellent' grade for both the two Educational Quality inspection criteria.

Parents are given regular information about their children's social and academic progress through parent evenings and online progress grades, in addition to the traditional end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and through our newsletter.

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The school operates a mostly 'open door' policy and parents are given access to teachers' direct email addresses with a view to maintaining close communication opportunities.

Access Policy

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. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy together with our 'Teaching Links' programme contribute to a widening of access to the education we offer and the facilities we enjoy.

Teaching Links

Our School is a part of a wider community, and we are keen that our staff and pupils participate. Our Governors are committed to developing our 'Teaching Links' programme of cooperation and joint working with local state Junior and Secondary schools. Please see our "Community Access Section" above.

Bursary Policy

At St Margaret's we believe whole-heartedly in the value of a traditional academic education within a small scale, "family" environment. This is an expensive endeavour, and our fees must cover our costs as well as providing for the future maintenance, development, and stability of the school. We are well aware that, in consequence, an education at St Margaret's is beyond the means of some parents whose daughters would derive considerable benefit from what we have to offer. The Governors are committed to broadening access to the School by every means at their disposal, including by offering means-tested financial assistance, of up to 100% remission of fees, to parents of suitable applicants.

Where funds allow, the school will continue to give sympathetic consideration to cases where the parents of existing pupils experience a sudden, unforeseen change in circumstances which would result in their daughter otherwise having to be withdrawn from the school. For the sake of clarity, these awards are termed Hardship Grants.

The bursary awards range from 25% to 100 % remission of fees. In the year, we awarded eight bursaries at an average of £14,677 each.

The success of our bursary scheme is explained in our review of activities and achievements section of this report. Details of bursary awards are also set out in note 5 to the accounts.

Other Policies on Assistance

Financial Planning Policy

Timely financial planning is often the key for many parents who are hoping to send their children to St Margaret's School and a school fee plan is available to help those who wish to fund educational costs through regular contributions.

Family Discounts Policy

To underline the value we place on continuity for families, we offer discounts where parents have more than two daughters at the School.

Promoting High Academic Standards

High academic standards are promoted through consistently excellent teaching and learning, monitoring pupil assessment and progress, supporting the professional development of staff and colleagues, ensuring effective performance management of staff and providing opportunities for pupil and parental feedback (through surveys and face to face meetings).

- Pupils across all year groups complete a baseline assessment, Ability Profile. These are provided by the Centre for Evaluation and monitoring. When relevant, this is shared with parents to help to put in place plans to support pupils and establish intervention plans to help them to reach and/or exceed expectation.

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- Throughout the academic year, pupils are assessed in each subject area and this is the 'Performance Profile'. Value-added progress data is the difference between the ability and performance of a pupil.
- Involving pupils in all meetings with parents, particularly in Year 10 and 11, supporting them to have better ownership over their learning;
- Continued use and development of pupil assessment recording sheets (in the back of exercise books);
- Pupil feedback surveys on the curriculum and their experience of learning.

Staff Performance Management & Development

- The Teachers' Standards (as set out by the DfE) are in full use and have been extended to reflect an additional set of 12 St Margaret's standards which acknowledge contribution across the school which is substantial and sustained. These are now embedded as a part of every teacher's annual appraisal process and programme. This year we have developed use of the ISI standards as part of lesson observations;
- Induction programme for new joiners, including half termly and termly reviews of performance;
- Regular learning walks and lesson drop-ins, aligned to a focus (e.g. meeting the needs of all learners, assessment for learning). Book scrutiny aligned to lesson visits to support evidence of both formative and summative assessment.

Staff Development

- Carousel of workshops supporting the sharing of samples of work, introducing teaching and learning initiatives, assessing and reviewing pupil progress, Safeguarding training, departmental planning;
- Healthy budget for external PD opportunities - including the NPQ awards (Senior Leadership and Leading Literacy), DSL training both online and in person, first aid, webinars and online courses for ADHD and neurodivergence, accredited evening course in French language, exams officer training, head of department and deputy heads conference.

Structure, Governance and Management

Constitution

St. Margaret's School (Hampstead) Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

Governance

The Governors, who are also the charity trustees, are responsible for the overall management and control of St Margaret's School and hold six full Governors meetings a year. The work of implementing most of their policies is carried out by members of the Board. The St Margaret's School Bursar is responsible for coordinating the work of the Governors and their Committees, preparation of papers and management accounts and the review of matters arising.

All trustees give of their time freely and no remuneration or expenses were paid in the year for their Governing duties.

Key management personnel

The Governors consider that they, together with the Principal, the Bursar and the Senior Leadership Team comprise the Key Management Personnel (see note 11 to the accounts). The Governors give their time freely and the remuneration of the Principal and senior staff is set by the Salary Committee and is kept under annual review.

A number of criteria are used in setting pay:

- Nature of the role and responsibilities;
- Competitor salaries in the region;
- The sector average salary for comparable positions;
- Trends in pay.

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The Governors have given delegated authority to the Principal and Bursar to pay higher salaries for exceptional candidates and exceptional staff members where this is in the interest of the School.

Organisational Management

The Governors determine the general policy of the School. The day-to-day running of the School is delegated to the Principal, supported by Senior staff. The Principal undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day-to-day administration of both Junior and Senior School is undertaken within the policies and procedures approved by the Governors.

The Principal oversees the recruitment of all educational staff, under delegated authority. The Bursar oversees the recruitment of administrative and non-teaching support staff. The Principal and Bursar are invited to attend Governors' meetings.

Other Relationships

The Principal is a member of the Girls School Association which is an opportunity to share expertise, knowledge and experience across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector. The school belongs to the London Consortium group of schools for the running and administration of the 11+ examination.

Risk Management

The Governors are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Management of the School. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on a termly basis. Risk is managed under the headings of financial sustainability, school safety, student welfare, employment, school trips and events and community access.

The main risks that the Governors have identified and the plans to manage those risks are:

- **Reputation.** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and resolution of health and safety related issues;
- **Money.** Our ability to continue is reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, having a reputation for academic excellence and active cash-flow management;
- **Curriculum.** Academic excellence requires the most able teachers with good facilities delivering the curriculum to able students. We manage this risk by combining attractive salaries with additional allowances and an approach to enrolment that works with supportive parents whose children have an appetite for learning and a bursary scheme that recognises pupil achievement and aptitude.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Governor recruitment and training

The Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees, the most important attribute is a commitment to the School and an understanding of education as a holistic and rounded experience of personal growth. Governors are recruited by personal recommendation and are inducted into the workings of the School and the Board by the Chairman, Bursar, and the Principal. We also invite senior local business people to consider joining our Board.

Where possible the Governors consider that the skills and experience of the Board should comprise the following:

- A Governor with a legal background;
- Two Governors with a financial/accounting background;
- A Governor with education experience;
- A Governor with senior managerial or business experience;
- A Governor with experience of equal opportunities or disability needs;
- At least one female Governor and at least one male Governor.

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One Governor may have one or more of these skills.

New Governors are appointed by the existing Board of Governors. The current Governors come from a variety of backgrounds and include a solicitor, two accountants, a psychologist and a general practitioner. One Governor is a former pupil. The majority live within a five-mile radius of the school. All Governors listed on page 1 have served throughout the year except where indicated.

Disclosure of information to auditors

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- So far as that Governor is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- That Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, RPGCC, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

Approved by order of the members of the board of Governors and signed on their behalf by:

Mrs E Brettle



Chair of Governors
Date: 13th May 2025

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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Statement of Governors' responsibilities For the Year Ended 31st August 2024

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

Company law requires the Governors to prepare financial statements for each financial . Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP (FRS 102);
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Governors and signed on its behalf by:

Mrs E Brettle



Chair of Governors
Date: 13th May 2025

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:						
Donations and legacies	4	5,225	-	-	5,225	2,764
Charitable activities	5	3,169,586	(18,762)	-	3,150,824	2,861,006
Other trading activities	6	34,723	-	-	34,723	45,395
Investments	7	53,133	-	-	53,133	21,963
Total income and endowments		3,262,667	(18,762)	-	3,243,905	2,931,128
Expenditure on:						
Raising funds	8	12,432	-	-	12,432	11,575
Charitable activities	9	2,891,302	-	-	2,891,302	2,722,333
Total expenditure		2,903,734	-	-	2,903,734	2,733,908
Net income/(expenditure) before net gains/(losses) on investments		358,933	(18,762)	-	340,171	197,220
Net gains/(losses) on investments		91,134	-	-	91,134	(10,551)
Net income/(expenditure)		450,067	(18,762)	-	431,305	186,669
Transfers between funds	19	150,366	6,526	(156,892)	-	-
Net movement in funds		600,433	(12,236)	(156,892)	431,305	186,669
Reconciliation of funds:						
Total funds brought forward		976,867	12,236	6,240,128	7,229,231	7,042,562
Net movement in funds		600,433	(12,236)	(156,892)	431,305	186,669
Total funds carried forward		1,577,300	-	6,083,236	7,660,536	7,229,231

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

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

The notes on pages 8 to 28 form part of these financial statements.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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REGISTERED NUMBER: 00537118

**BALANCE SHEET
AS AT 31 AUGUST 2024**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	6,072,535	6,083,236
Investments	14	1,508,117	1,289,834
		<u>7,580,652</u>	<u>7,373,070</u>
Current assets			
Debtors	15	46,306	34,334
Cash at bank and in hand		880,631	547,220
		<u>926,937</u>	<u>581,554</u>
Creditors: amounts falling due within one year	16	(618,726)	(509,826)
Net current assets		<u>308,211</u>	<u>71,728</u>
Total assets less current liabilities		<u>7,888,863</u>	<u>7,444,798</u>
Creditors: amounts falling due after more than one year	17	(196,500)	(181,500)
Net assets excluding pension liability		<u>7,692,363</u>	<u>7,263,298</u>
Defined benefit pension scheme liability	24	(31,827)	(34,067)
Total net assets		<u>7,660,536</u>	<u>7,229,231</u>
Charity funds			
Designated funds	19	6,083,236	6,240,128
Restricted funds	19	-	12,236
Unrestricted funds	19	1,577,300	976,867
Total funds		<u>7,660,536</u>	<u>7,229,231</u>

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024**

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Governors on and signed on their behalf by:

Mrs E Brettle

The notes on pages 8 to 28 form part of these financial statements.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED**(A company limited by guarantee)****STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024**

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	398,758	458,316
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	53,133	21,963
Proceeds from the sale of intangible assets	66,921	-
Purchase of tangible fixed assets	(58,252)	(191,300)
Proceeds from sale of investments	847,295	192,696
Purchase of investments	(974,444)	(497,297)
Net cash used in investing activities	(65,347)	(473,938)
	<hr/>	<hr/>
Cash flows from financing activities		
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	333,411	(15,622)
Cash and cash equivalents at the beginning of the year	547,220	562,842
Cash and cash equivalents at the end of the year	<u>880,631</u>	<u>547,220</u>

The notes on pages 8 to 28 form part of these financial statements

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1. General information

St. Margaret's School (Hampstead) Limited is a private company limited by guarantee incorporated in England. The registered office is 18 Kidderpore Gardens, Hampstead, London, NW3 7SR. The principal aims of the charitable company are shown in the Governors Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St Margaret's School (Hampstead) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

Having reviewed the resources and funding available to the school together with the expected ongoing demand for places and the school's projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the school's financial viability. Thus the Governors continue to adopt the going concern basis of accounting in preparing the accounts.

2.3 Income

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income arises in the United Kingdom from educational and allied activities and is accounted for in the year to which it relates. Tuition fees unpaid at the balance sheet date and relating to the period to that date are brought in as income with a provision created in respect of those for which recoverability is considered to be doubtful. Fees received in advance at the balance sheet date are included in creditors as deferred income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Investment income is recognised on a receivable basis.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.4 Expenditure

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

Expenditure on raising funds comprises costs incurred in managing the School's investment portfolio.

Expenditure on charitable activities is all expenditure incurred on the School's operations. In addition to direct costs, these include all support costs and costs relating to the governance of the School which it is considered appropriate to allocate in full to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a School may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method from the date they are brought into use.

Depreciation is provided on the following basis:

Freehold property	- 2%	on valuation
Motor vehicles	- 33%	on cost
Office equipment	- 33%	on cost

The Governors are of the opinion that the residual value of the Freehold property has been reached and are therefore currently not depreciating it any further.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.7 Investments

The School's portfolio is managed professionally by Canaccord Genuity Wealth Management, in accordance with the objective of providing a balance of capital growth and income. Investments are stated at market value.

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.11 Financial instruments

The School 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.13 Retirement benefits

The School operates a defined contribution pension scheme provided by the 'APTIS' Aviva Pension Trust for Independent Schools and the pension charge represents the amounts payable by the School to the fund in respect of the year.

The School is also a member of a multi-employer plan, ISPS. Where it is not possible for the School to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan and the contributions are recognised in the period to which they relate. The ISPS is a funded scheme and the assets are held separately from those of the school in separate trustee administered funds. The trustee commissions an actuarial valuation of the scheme every three years using the prospective unit credit method. Where the actuarial valuation reveals a shortfall of assets compared to liabilities a provision for additional agreed contribution payments is also recognised in full.

2.14 Employee benefits

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

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

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined benefit liability

The present value of the Independent Schools' Pension Scheme ('ISPS') defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability.

Valuation of land and buildings

The carrying value of the land and buildings depends on the market values of similar property in the local area and will fluctuate according to market conditions.

Critical areas of judgment:

Pupil deposits:

A deposit is collected in respect of each pupil joining the school. This may be used to cover outstanding fees and expenses on the departure of the pupil, or retained in lieu of fees if the required notice of withdrawal is not given. As pupils are expected to remain at the school for several years and departing pupils are replaced by new students the Governors consider it is appropriate to treat all deposits as repayable after more than one year.

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FOR THE YEAR ENDED 31 AUGUST 2024**

4. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £
Donations	<u>5,225</u>	<u>5,225</u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Donations	<u>2,764</u>	<u>2,764</u>

5. Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tuition fees and school activities	3,333,850	-	3,333,850
Bursaries, scholarships and discounts	(164,264)	(18,762)	(183,026)
	<u>3,169,586</u>	<u>(18,762)</u>	<u>3,150,824</u>

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tuition fees and school activities	3,064,878	-	3,064,878
Bursaries, scholarships and discounts	(186,337)	(17,535)	(203,872)
	<u>2,878,541</u>	<u>(17,535)</u>	<u>2,861,006</u>

During the year the School received income in relation to Autumn 2024 fees. These have been included in deferred income. The same situation applied in 2023.

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6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £
Other fees and hire income	<u>34,723</u>	<u>34,723</u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Other fees and hire income	<u>45,395</u>	<u>45,395</u>

7. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Dividends	39,581	39,581
Interest	13,552	13,552
	<u>53,133</u>	<u>53,133</u>

	<i>Unrestricted funds 2023 £</i>	<i>Designated funds 2023 £</i>	<i>Total funds 2023 £</i>
Dividends	14,843	2,052	16,895
Interest	5,068	-	5,068
	<u>19,911</u>	<u>2,052</u>	<u>21,963</u>

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8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Total funds 2024 £
Investment management costs	<u>12,432</u>	<u>12,432</u>

	<i>Designated funds 2023 £</i>	<i>Designated funds 2023 £</i>	<i>Total funds 2023 £</i>
Investment management costs	<u>10,167</u>	<u>1,408</u>	<u>11,575</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Tuition fees and school activities	<u>2,093,228</u>	<u>798,074</u>	<u>2,891,302</u>

	<i>As restated Activities undertaken directly 2023 £</i>	<i>As restated Support costs 2023 £</i>	<i>As restated Total funds 2023 £</i>
Tuition fees and school activities	<u>1,976,929</u>	<u>745,404</u>	<u>2,722,333</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

9. Analysis of expenditure by activities (continued)

During the year, the Governors re-assessed the allocation of costs between direct costs and support costs to better reflect the practical nature of these costs. Figures are therefore marked as re-stated, however, the total expenses remain unchanged.

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

Analysis of direct costs

	Total funds 2024 £	<i>As restated Total funds 2023 £</i>
Staff costs	1,743,814	<i>1,463,564</i>
Depreciation	23,238	<i>144,288</i>
Food & Catering	69,115	<i>136,945</i>
Sports, Music, Art	67,432	<i>76,615</i>
Premises & Equipment	189,629	<i>155,517</i>
	<u>2,093,228</u>	<i><u>1,976,929</u></i>

Analysis of support costs

	Total funds 2024 £	<i>As restated Total funds 2023 £</i>
Staff costs	409,865	<i>406,437</i>
Premises & Equipment	223,140	<i>166,133</i>
Other Costs	140,389	<i>147,356</i>
Governance costs	24,680	<i>25,478</i>
	<u>798,074</u>	<i><u>745,404</u></i>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

10. Auditors' remuneration

	2024	2023
	£	£
Fees payable to the School's auditor for the audit of the School's annual accounts	<u>12,000</u>	<u>12,600</u>

11. Staff costs

	2024	2023
	£	£
Wages and salaries	1,740,055	1,522,426
Social security costs	185,864	168,608
Contribution to defined contribution pension schemes	227,760	178,967
	<u>2,153,679</u>	<u>1,870,001</u>

The average number of persons employed by the School during the year was as follows:

	2024	2023
	No.	No.
Teachers	27	26
Office and domestics	14	14
	<u>41</u>	<u>40</u>

The average headcount expressed as full-time equivalents was:

	2024	2023
	No.	No.
Teachers	24	21
Office and domestics	10	11
	<u>34</u>	<u>32</u>

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The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	<i>2023</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	-	2
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	-

The total remuneration paid during the year to the senior management team was £294,256 (2023: £490,067)

12. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2023 - £NIL), and no expenses were reimbursed (2023: expenses totalling £286 were reimbursed or paid directly to 2 Governors).

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13. Tangible fixed assets

	Freehold property £	Motor vehicles £	Office equipment £	Total £
Cost or valuation				
At 1 September 2023	6,179,556	67,688	902,315	7,149,559
Additions	-	-	58,252	58,252
Disposals	(22,429)	-	(44,492)	(66,921)
At 31 August 2024	<u>6,157,127</u>	<u>67,688</u>	<u>916,075</u>	<u>7,140,890</u>
Depreciation				
At 1 September 2023	211,785	9,392	845,146	1,066,323
Charge for the year	-	22,540	699	23,239
On disposals	22,429	-	(43,636)	(21,207)
At 31 August 2024	<u>234,214</u>	<u>31,932</u>	<u>802,209</u>	<u>1,068,355</u>
Net book value				
At 31 August 2024	<u><u>5,922,913</u></u>	<u><u>35,756</u></u>	<u><u>113,866</u></u>	<u><u>6,072,535</u></u>
At 31 August 2023	<u><u>5,967,771</u></u>	<u><u>58,296</u></u>	<u><u>57,169</u></u>	<u><u>6,083,236</u></u>

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On 1 September 2019, the freehold land and buildings were revalued by the Trustees.

The carrying amount under the cost model for the assets which have been revalued would have been £1,881,116 (2023 - £1,881,116).

Depreciation is no longer provided on the freehold property as the Governors are of the opinion that the residual value has been reached.

14. Fixed asset investments

	Listed investments £	Cash accounts £	Total £
Cost or valuation			
At 1 September 2023	1,260,499	29,339	1,289,838
Additions	972,682	1,758	974,440
Disposals	(847,295)	-	(847,295)
Revaluations	91,134	-	91,134
At 31 August 2024	<u>1,477,020</u>	<u>31,097</u>	<u>1,508,117</u>
Net book value			
At 31 August 2024	1,477,020	31,097	1,508,117
At 31 August 2023	<u>1,260,499</u>	<u>29,339</u>	<u>1,289,838</u>

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Material investments

Those investments making up more than 5% of the total market value of the portfolio in the current or prior year were:

	2024	2023
	£	£
UK Government Gilts 0.25% Jan 2025	-	74,972
UK Government Gilts 0.625% June 2025	73,997	70,738
UK Government Gilts 1% April 2024	-	73,361
Schroder Asian Total RTN INV CO PLC ORD GDP	-	47,000
UK Government Gilts 2.75% September 2024	81,135	-
UK Government Gilts 3.75% March 2027	81,776	-
UK Government Gilts 4.125% January 2027	78,071	-
Fundsmith LLP Equity INC NAV	46,437	41,776
	<u>361,416</u>	<u>307,847</u>

	UK	Overseas	Total
	2024	2024	funds
	£	£	2024
			£
Listed investments	<u>982,057</u>	<u>526,060</u>	<u>1,508,117</u>

	<i>UK</i>	<i>Overseas</i>	<i>Total</i>
	<i>2023</i>	<i>2023</i>	<i>funds</i>
	<i>£</i>	<i>£</i>	<i>2023</i>
			<i>£</i>
Listed investments	<u>718,993</u>	<u>570,901</u>	<u>1,289,894</u>

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15. Debtors

	2024	2023
	£	£
Due within one year		
Trade debtors	16,971	19,746
Other debtors	4,133	1,183
Prepayments and accrued income	25,202	13,405
	<u>46,306</u>	<u>34,334</u>

16. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	19,855	27,476
Other creditors	42,076	40,908
Accruals and deferred income	556,795	441,442
	<u>618,726</u>	<u>509,826</u>

Deferred income represents tuition fees received in advance as follows:

	2024	2023
	£	£
Deferred income at 1 September 2023	425,750	343,562
Resources deferred during the year	541,046	425,750
Amounts released from previous periods	(425,750)	(343,562)
	<u>541,046</u>	<u>425,750</u>

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17. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Other creditors	<u>196,500</u>	<u>181,500</u>

18. Financial instruments

	2024	2023
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>1,508,117</u>	<u>1,289,834</u>

Financial assets measured at fair value through income and expenditure comprise the charity's investment portfolio.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
General Funds - all funds	<u>976,867</u>	<u>3,262,667</u>	<u>(2,903,734)</u>	<u>150,366</u>	<u>91,134</u>	<u>1,577,300</u>
Designated Funds						
Fixed Asset Reserve	1,881,116	-	-	-	-	1,881,116
Revaluation Reserve	4,202,120	-	-	-	-	4,202,120
Morton Scholarship Fund	156,892	-	-	(156,892)	-	-
	<u>6,240,128</u>	<u>-</u>	<u>-</u>	<u>(156,892)</u>	<u>-</u>	<u>6,083,236</u>
Restricted funds						
Salti Bursary	<u>12,236</u>	<u>(18,762)</u>	<u>-</u>	<u>6,526</u>	<u>-</u>	<u>-</u>
Total of funds	<u><u>7,229,231</u></u>	<u><u>3,243,905</u></u>	<u><u>(2,903,734)</u></u>	<u><u>-</u></u>	<u><u>91,134</u></u>	<u><u>7,660,536</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2023 £</i>
Unrestricted funds						
General Funds - all funds	<u>819,694</u>	<u>2,946,611</u>	<u>(2,732,500)</u>	<u>(46,387)</u>	<u>(10,551)</u>	<u>976,867</u>
Designated Funds						
Fixed Asset Reserve	1,772,450	-	-	-	-	1,881,116
Revaluation Reserve	4,263,774	-	-	-	-	4,202,120
Morton Scholarship Fund	156,873	2,052	(1,408)	-	-	156,892
	<u>6,193,097</u>	<u>2,052</u>	<u>(1,408)</u>	<u>-</u>	<u>-</u>	<u>6,240,128</u>
Restricted funds						
Salti Bursary	<u>29,771</u>	<u>(17,535)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,236</u>
Total of funds						
	<u><u>7,042,562</u></u>	<u><u>2,931,128</u></u>	<u><u>(2,733,908)</u></u>	<u><u>(46,387)</u></u>	<u><u>(10,551)</u></u>	<u><u>7,229,231</u></u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

19. Statement of funds (continued)

Restricted funds

The Salti Bursary was established to provide a scholarship to a single student to ensure the highest probability of their success for their full education at the school.

Designated funds

The Morton scholarship fund was established to reflect the wishes of a donor that some of her donation be used to provide scholarships and bursaries to future pupils. With effect of 31 August 2024, the Governors have decided that this designation is no longer useful.

The Fixed Asset Reserve was established in accordance with Charity Commission guidance to separately identify the value of the fixed assets held by the school. Transfers represent net movements on fixed assets in the year.

The Revaluation Reserve represents the movements in fair value of the property held by the School. Transfers represent depreciation and revaluations movements on the valuation of land and property held by the school.

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £
Tangible fixed assets	(10,701)	6,083,236	6,072,535
Fixed asset investments	1,508,117	-	1,508,117
Current assets	926,937	-	926,937
Creditors due within one year	(618,726)	-	(618,726)
Creditors due in more than one year	(196,500)	-	(196,500)
Provisions for liabilities and charges	(31,827)	-	(31,827)
Total	1,577,300	6,083,236	7,660,536

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Designated funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Endowment funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	-	-	6,083,236	6,083,236
Fixed asset investments	1,132,942	-	156,892	1,289,834
Current assets	569,318	12,236	-	581,554
Creditors due within one year	(509,826)	-	-	(509,826)
Creditors due in more than one year	(181,500)	-	-	(181,500)
Provisions for liabilities and charges	(34,067)	-	-	(34,067)
Total	<u>976,867</u>	<u>12,236</u>	<u>6,240,128</u>	<u>7,229,231</u>

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	431,305	186,669
Adjustments for:		
Depreciation charges	2,032	144,288
Gains/(losses) on investments	(91,134)	10,551
Dividends, interests and rents from investments	(53,133)	(21,963)
Decrease/(increase) in debtors	(11,972)	6,536
Increase in creditors	123,900	136,425
Increase/ (decrease) in provisions	(2,240)	(4,190)
Net cash provided by operating activities	<u>398,758</u>	<u>458,316</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

22. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	880,631	547,220
Total cash and cash equivalents	880,631	547,220

23. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	547,220	333,411	880,631
	<u>547,220</u>	<u>333,411</u>	<u>880,631</u>

24. Pension commitments

The School's employees belong to two principal pension schemes: one for academic and related staff and one for non-teaching staff. Academic and related staff are now in the Aviva Pension Trust for Independent Schools (APTIS), a defined contribution scheme. Non-teaching staff are in the Independent Schools' Pension Scheme (ISPS), which is managed by TPT Retirement Solutions.

Aviva Pension Trust for Independent Schools (APTIS)

The pension charge for the year includes contributions payable to APTIS of £225,521 (2023: £174,777) and at the year-end £Nil (2023 - £Nil) was accrued in respect of contributions to this scheme.

TPT Retirement Solutions - Independent Schools' Pension Scheme (the scheme)

The School participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. ISPS is a contracted-out of the State scheme. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

24. Pension commitments (continued)

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme from 1 September 2022 to 30 June 2032 in the sum of £2,687,000 pa (payable monthly and increasing by 3% on each 1st September). The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

During the year, the School was required to contribute deficit payments of £2,240 (2023: £4,190). Until 30 June 2032 the School is required to contribute £2,240 pa (payable monthly and increasing by 3% on each 1st September).

In accordance with FRS 102, the School must recognise a liability measured at the present value of the contributions payable that arise from the deficit recovery agreement. The value of the provision recognised 31 August 2024 is £31,827 (2023: £34,067)

25. Members' liability

The school is a charitable company limited by guarantee. The members of the charitable company are the Governors names on page 1. Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

26. Related party transactions

Dr A Wayne, a governor, was paid the sum of £586 (2023: £440) for providing staff flu vaccinations. There was no balance outstanding at the end of the current or prior year.

Mrs M Wayne, a governor, was paid a sum of £434 (2023: £425) for invigilation services. There was no balance outstanding at the end of the current or prior year.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

Opinion

We have audited the financial statements of St Margarets School (Hampstead) Limited (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

In our evaluation of the Governors' conclusions, we considered the risks associated with the charity's business model, including the effects arising from macroeconomic uncertainties and analysed how those risks might affect the charity's financial resources or ability to continue operations over the period of twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charity will continue in operation.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

Other information

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

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

We have nothing to report in this regard.

Capability of the audit to detect irregularities including fraud

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, compliance with Companies Act 2006, the Charities Act 2011 and FRS102.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- review of minutes of board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Opinion 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 Governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report has been prepared in accordance with applicable legal requirements.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report.

We have nothing to report in respect of the following matters in relation to which 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 Governors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or
- the Governors 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 Governors' report and from the requirement to prepare a Strategic report.

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the charitable company 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 in the relevant paragraph above.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

ST MARGARETS SCHOOL (HAMPSTEAD) LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Johnson FCCA (senior statutory auditor)

for and on behalf of

RPG Crouch Chapman LLP (RPGCC)

Chartered Accountants and Registered Auditor

40 Gracechurch Street

London

EC3V 0BT

Date: 13th May 2025

ST MARGARET'S SCHOOL (HAMPSTEAD) LTD

England & Wales - Charity number 312720

Accounts

Registered number: 00537118
Charity number: 312720

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2023

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

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St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Reference and Administrative Details of the School, its Governors and Advisers
For the Year Ended 31 August 2023

Governors Mrs E Brettle, Chairman
Ms D Atkinson
Mr M Feldman
Mr E Grower
Mr D MacNeill
Mrs T Marton
Rev A Tresidder (appointed 14 March 2023)
Miss M C Mendham
Mrs L McBride
Mr F Patel
Dr A Wayne
Mrs M Wayne

Company registered number 00537118

Charity registered number 312720

Registered office 18 Kidderpore Gardens
Hampstead
London
NW3 7SR

Principal Mr M Webster

Bursar Mrs S Beschizza

Clerk to the Governors Mrs S Beschizza

Website www.st-margarets.co.uk

Independent auditors Kreston Reeves LLP
Chartered Accountants & Statutory Auditor
2nd Floor
168 Shoreditch High Street
London
E1 6RA

Bankers CAF Bank Limited
25 Kings Hill Avenue, Kings Hill
West Mailing
Kent
ME19 4JQ

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Reference and Administrative Details of the School, its Governors and Advisers (continued)
For the Year Ended 31 August 2023

Solicitors	Veale Wasborough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
Investment Advisors	Canaccord Genuity Wealth Management 88 Wood Street London EC2V 7QR
Insurance Brokers	Marsh Brokers Limited Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report
For the Year Ended 31 August 2023

The Governors of St Margaret's School (Hampstead) Limited present their Annual Report together with the audited Financial Statements of the School for the 1 September 2022 to 31 August 2023. The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Governors confirm that the Annual Report and Financial Statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the School qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

AIMS, OBJECTIVES AND ACTIVITIES

a. Our aims

The principal object of the company, as authorised by its Memorandum and Articles of Association, is to carry on at 18 Kidderpore Gardens, Hampstead, London NW3, a school for the general education of girls.

We aim, through our Junior and Senior Schools, to provide a secure, caring and challenging learning environment in which girls are encouraged to strive for excellence in all that they do. Respect for other lies at the heart of the school community, within which the potential and talent of everyone can be recognised, nurtured and realised. At St Margaret's, education is seen as a partnership between pupils, parents and teachers. Specifically, our aims are to:

- encourage and enable each girl to develop a love of learning by providing a supportive environment in which success is measured based on personal progress;
- enable each girl to meet intellectual, creative and physical challenges with confidence;
- support the spiritual and moral development of each girl through maintaining high standards of personal responsibility and an awareness of their contribution to the wider world;
- foster an active concern for the community and the environment through awareness and providing opportunities for individual contribution;
- prepare each girl for the next stage of her education when she leaves St Margaret's through educational qualifications and information and guidance about future options from 16 years old;
- ensure that education is seen as a partnership between pupils, parents and staff by promoting communication and collective responsibility for a girl's academic and personal education.
- Enable girls to develop personal characteristics through our PROSPER programme whereby the pupils are helped to develop and sustain Positivity, Relationships, Optimism, Strengths, Purpose, Endeavour and Resilience

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

AIMS, OBJECTIVES AND ACTIVITIES (continued)

b. Our objectives

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

This objective is, however set in the context of the broader goals we set for the School and its pupils.

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's public benefit guidance.

Our key objectives for the year included:

- the continued achievement of excellent academic performance by each individual pupil as measured by GCSE results as compared with similarly loosely selective schools. As in previous years, our value-added progress for GCSE is high, demonstrating that the girls make better than predicted progress whilst at St Margaret's.
- the continued provision of an educational environment within which each individual pupil can thrive and develop intellectually, physically, socially and spiritually by maintaining high expectations amongst staff and pupils and making evident the spiritual values held important by the School.
- to endeavour to make an education at St Margaret's available to the greatest number of pupils to whom it would be of benefit by keeping school fees as reasonable as possible, maintaining only limited selection of pupils, and using the school's bursary policy to promote the admission of a greater number of pupils with parents on lower incomes.
- to develop our programme of co-operation and joint working with local state primary and secondary schools.
- to play our part in the life of our local community through our community access and service programmes.

ACHIEVEMENTS AND PERFORMANCE

a. Pupil numbers and fees

Our educational activities are carried out through our Senior School and our Junior School. The average number of pupils on roll during the academic year 2022/2023 was 167. This is almost at our capacity of 170, the maximum number which can be comfortably accommodated on school premises.

Our fees are set at a level required to ensure that the School's costs, a high proportion of which relate to teachers' salaries, are covered. Fees during the academic year 2022/2023 before the deduction of any means assisted bursaries were:

Years R to 2	£5,046 per term
Years 3 – 6	£5,554 per term
Year 7 – 11	£5,845 per term

Curriculum

The curriculum remained the same as in previous years, albeit updated with syllabus changes. We are focusing on the skills developed within the individual subject areas. For example, the skill of evaluation to reach the highest grades at GCSE.

Academically it was a very successful year overall for our girls at GCSE level, with 72% of grades being awarded a 7 or above (the equivalent of an A grade).

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Co-curricular activities:

Music

We held a Carol service at St Luke's Church in December 2022 for the whole school with our orchestra, choir, handbells group, ukulele group and nearly all the girls taking part. We performed with choir (Y3-Y6) and handbells group (Y8) in Spring Grove – elderly residence and Pupils spent some time chatting to the residents.

In March 2023, we held a school music competition, which involved performances of girls from Reception to Year 11. Girls had an opportunity to sing or play in front of the whole school. St. Margaret's teachers and Y11 music students judged the competition.

In the classroom, we continue to use 'flat.io' music software for composition in KS3.

We have maintained singing in class and in the Junior choir. To engage and inspire our students, we performed at The Royal Albert Hall with Barnardo's choir who support and protect children and young people facing a wide range of issues, from drug misuse to disability, from sexual abuse to domestic violence.

Our Summer concert at St Luke's Church took place in May 2023 with many memorable performances.

We also ran our smaller informal Teatime concerts for parents and families of our students, which have proved to be extremely popular.

We made a contact with Emmanuel school in West Hampstead and agreed to perform at Jester Festival together with our Junior choir and planned 'creative writing' between our schools.

Drama

Students from Years 7 to 11 were all taught Drama by our subject specialist teacher. The curriculum for KS3 and KS4 was delivered in school using both the Tollgate & Royal Tollgate spaces.

Changes to the KS3 curriculum included: the development of Year 7 (SOL) based upon historical events at Flannan Isle and a full practical exploration of the text Mugged by Andrew Payne; Year 8 saw the re-introduction of the SOL based upon The Match Girls' strike, and the development of materials around the stage version of Noughts & Crosses, by Malorie Blackman; Year 9 were introduced to the traditions of Commedia Del Arte and masked drama, as well as being invited to explore the Phillip Ridley play, Sparkleshark.

In September 2022 all GCSE drama students attended a performance of Nought & Crosses at the Richmond Theatre. This provided them with the opportunity to experience live theatrical performance in preparation for Section B of their written exam paper, where they are required to write an evaluation of Live Theatre that they have seen. The school continues to make use of its subscription to a streaming service, Drama Online, which has proved useful to the teaching not only of GCSE classes, when examining aspects of design and directing, but also for groups at KS3.

The KS4 curriculum remains largely unchanged. Specification requirements returned to normal for 2023 candidates with GCSE exams externally examined in the normal way. Results were good overall, although the online assessment of Component 2, Text in Performance, was disappointing and impacted overall grades. One candidate achieved Grade 8, 1x Grade 7, and 2 x Grade 6.

From February, working in collaboration with Achieve Arts, we have introduced LAMDA classes for students across the school, with classes taking place for Juniors & Seniors after school on Mondays and Infants on Tuesday lunchtime.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Sport

The PE curriculum throughout various stages of the School covers the following areas: netball, gymnastics, dance, games, fitness, tennis, swimming, rounders, athletics, trampolining, volleyball, badminton and rowing. Incidental exposure to other sports, such as tag rugby, cross-country, orienteering, hockey, table tennis and others are explored or given to girls as taster sessions.

During the last two academic years we have added football to both the curriculum and to our school fixture list. Cricket matches have been added to the summer curriculum and the girls played their first competitive cricket fixtures. In addition we introduced mixed sporting events playing Cricket with St Anthony's Boys School. Currently netball and rounders remain our main competitive sports but we have recently had a number of football matches in both the Junior and the Senior School and have formally introduced Junior School fixtures to the calendar for the first time this year.

The broad curriculum makes use of a variety of facilities. Currently St Luke's School is used for indoor work such as gym, dance, fitness and indoor games for the lower Juniors and Infants. The whole School from Rec. upwards continues to use West Heath for both lessons and matches. Currently Y5&6 and the Senior School make use of Hendon Sports Centre and for swimming the Junior girls are taken to Barnet Copthall.

From Year 4 onwards children take part in competitive team games through the inter-house and inter-school fixture programme. Relative to size the School netball teams continue to achieve commendable success with a weekly fixture schedule. Additionally we offer a wide variety of sports clubs throughout the year. We have a tennis club, a running club, ballet, netball clubs, street dance, yoga, jazz dance, cheerleading and rounders, cricket and football clubs. We have continued to run a new karate club and yoga is offered to the girls in the Senior School during the day as part of an ongoing wellbeing programme. There is an early morning netball shooting clinic and a football club that both take place before school. Our cheerleading squad have historically performed at sporting events, this is now offered to Junior pupils.

At the end of the Spring Term, we have an annual Movement Display that includes every pupil from Reception-Y8. Junior School swimming takes place from Reception-Y6 in the Summer term and our Annual Sports Day takes place at Highgate School at the end of the Summer Term including all pupils Rec-Y10.

b. Details of bursary and scholarship awards

Bursaries

This year the value of means tested bursaries totaled £165,006 and represented 5.85% of our gross fees. They provided assistance to 11 of our pupils of which seven pupils benefitted from a full remission of fees. A hardship fund is also available to help pupils in receipt of bursaries meet the costs of school trips, examination entrance fees and similar expenses.

Review

The Governors are constantly reviewing our Bursary policy to ensure that as many children as possible can accept offers of places at our School through the availability of means tested fee assistance. Our policy is designed to widen access to our School. We anticipate this will help inform the development of our policy and help ensure the objective of wider access continues to be achieved.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

c. Community Service

The girls have undertaken community work in the following ways:

- Multiple visits to the local Age Concern, serving afternoon tea and conversing with the residents
- Visits with donations to a local branch of the St Mungo's charity
- Visits with donations to an animal rescue shelter

The School also supports the local neighbourhood association, Redfrog, that uses our premises for their annual AGM.

d. Environmental Initiatives

The School earned an international accreditation in academic year 2021-22 from the Eco Schools "Green Flag" recognising the pupil's work in making the School more environmentally friendly and raising eco-awareness in fellow pupils.

Eco-Schools is an international education programme that prompts young people to explore sustainability and climate change and take action.

Based on the work done in 2021-22, the eco work was integrated into the Y6 science curriculum and focused on recycling and reuse. This culminated in two activities:

An ongoing collection and recycling of used batteries by all classes in the school. Year 4 collected the most and Ms Jones asked that their prize should be some equipment to assist with Forest School.

The other activity centered on PSHE day where all the junior school classes brought in recyclable materials and repurposed them into a range of new and innovative objects.

e. Community Access

We see St Margaret's School as a part of a wider community.

We have appointed a new role at the School with a specific remit of engaging more regularly and productively with our local community. The School's Public Benefit Coordinator has contacted local schools and has produced plans for us to provide local pupils with opportunities in areas that their present schools are unable to fulfil.

f. Future Plans

The Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our pupils. Achieving a high standard of academic results is a constant aim whilst maintaining the breadth and depth of the education provided.

The Principal and Senior staff continue to review the curriculum to ensure that the educational qualifications remain appropriate for our pupils' development.

The principal source of income is fees accounting for 96.3 % of the School's income. The Governors are continuing their strategy of deploying all net incoming resources to invest in the educational purposes and fabric of our Junior and Senior Schools.

In addition to the very substantial benefits our School brings to our pupils, the local community and society through the education we offer, our bursary programme and our 'teaching links' programme create a social asset without cost to the Exchequer.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

Financial review

a. Our Finances

The financial statements show net incoming resources for the year on School activities of £2,948,663.

As a charity, the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. As an educational charity, we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims. As a charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies and 'teaching link's programme.

However, as an educational charity, we are unable to reclaim VAT input tax on our costs, as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

Developments and Maintenance

The School has a planned programme of decoration/ maintenance with every classroom being decorated every 3 years with all common areas decorated annually. All electronic whiteboards have been replaced with LED Clevertouch Screens.

IT Strategy

The School's Management Information System, which incorporates the administration and finance systems, has been moved to the cloud to mitigate the risk of hosting the database onsite and to enable ease of remote working.

Teaching Staff

Teachers continue to use the Google suite of applications to support their teaching with many using the skills they learnt during lockdown to enhance their in-person teaching. All teachers and support staff have been issued with new laptops to enable remote working when necessary.

Students

Y3 to Y11 pupils are given Google accounts when they join St Margaret's. They are taught in ICT lessons how to use them appropriately.

Hardware

All pupils from Y3 – Y11 are issued with a school Chromebook which they use in class, and at home when necessary.

Moving Forward

The School is in the process of refreshing the computer hardware in each classroom . An up-to-date windows PC along with new screens and wireless keyboards and mice are being rolled out over the next 2 years.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

b. Reserves and Financial Health

The Governors regularly review the finances, budgets and spend against budget together with a monthly cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums into new School refurbishment in recent years and have a continuing programme of refurbishment, development, and investment to maintain excellent teaching facilities for our pupils.

The closing value of our tangible assets, property, plant and equipment, was £6,083,236.

The Governors consider that given the strength of the charity's balance sheet, the stable cash flow from full student rolls, the ongoing popularity of our School, and the available banking facility that can be called upon if need arises, that the finances are in good health.

The Governors recognise that the level of reserves fluctuates during periods of investment in the School estate and the arrangements at our Investment Advisers Cannacord Genuity Wealth Management are in place to provide an adequate 'safety net' should it be required.

The total funds as at 31 August 2023 were £7,229,231, of which £12,236 was restricted and £6,240,128 was designated.

c. Going Concern

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

d. Investment Policy and Performance Statement (Written by the School's Investment Advisers)

After over a decade of 'goldilocks investing', with economies neither too hot, nor too cold, and accommodative central banks providing significant liquidity, investors have had to adjust to sharp upward moves in both inflation and interest rates. This has limited the investments returns over the past 12 months, but the move to an environment of higher inflation and interest rates should be seen as a return to a more normal operating conditions and the ultra-low interest rates of the past 14 years, an aberration. Volatile markets often result in significant value appearing outside a narrow list of shares. This is happening and we are looking to take advantage of this over the next year.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

OUR ETHOS STRATEGY AND POLICIES

St Margaret's is, by any manner of reckoning, a very small school, having not just small classes but only one class per year group from age 4 to age 16. This situation may have been arrived at by accident of history, but it is now embraced and celebrated by the Governors as a matter of positive policy. The close-knit community which our size engenders is integral to our academic and pastoral success and is one of the prime reasons why parents choose St Margaret's for their daughters in preference to the many larger schools available to them locally in both independent and maintained sectors.

The Governors are committed to broadening access to the School by every means at their disposal, whilst having regard to their duty to safeguard its long-term future.

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

Our ethos: a caring School serving our local community and society

St Margaret'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 to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class education to girls.

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 a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's financial status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

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

In April 2022, the school underwent a dual compliance and educational quality inspection, which confirmed that the school meets all its obligations as regards the quality of provision and care for the girls of the school.

The school was awarded an 'Excellent' grade for both the two Educational Quality inspection criteria.

Parents are given regular information about their children's social and academic progress through parent evenings and online progress grades, in addition to the traditional end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and through our newsletter. The school operates a mostly 'open door' policy and parents are given access to teachers' direct email addresses with a view to maintaining close communication opportunities.

Access Policy

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. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy together with our 'Teaching Links' programme contribute to a widening of access to the education we offer and the facilities we enjoy.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

OUR ETHOS STRATEGY AND POLICIES (continued)

Teaching Links

Our School is a part of a wider community, and we are keen that our staff and pupils participate. Our Governors are committed to developing our 'Teaching Links' programme of cooperation and joint working with local state Junior and Secondary schools. Please see our "Community Access Section" above.

Bursary policy

At St Margaret's we believe whole-heartedly in the value of a traditional academic education within a small scale, "family" environment. This is an expensive endeavour, and our fees must cover our costs as well as providing for the future maintenance, development, and stability of the school. We are well aware that, in consequence, an education at St Margaret's is beyond the means of some parents whose daughters would derive considerable benefit from what we have to offer. The Governors are committed to broadening access to the School by every means at their disposal, including by offering means-tested financial assistance, of up to 100% remission of fees, to parents of suitable applicants.

Where funds allow, the school will continue to give sympathetic consideration to cases where the parents of existing pupils experience a sudden, unforeseen change in circumstances which would result in their daughter otherwise having to be withdrawn from the school. For the sake of clarity, these awards are termed Hardship Grants.

The bursary awards range from 25% to 100 % remission of fees. In the year, we awarded 11 bursaries at an average of £15,000 each.

The success of our bursary scheme is explained in our review of activities and achievements section of this report. Details of bursary awards are also set out in note 5 to the accounts.

Other Policies on Assistance

Financial planning policy

Timely financial planning is often the key for many parents who are hoping to send their children to St Margaret's School and a school fee plan is available to help those who wish to fund educational costs through regular contributions.

Family discounts policy

To underline the value we place on continuity for families, we offer discounts where parents have more than two daughters at the School.

Promoting High Academic Standards

The Teachers' Standards (as set out by the DfE) are in full use and have been extended to reflect an additional set of 12 St Margaret's standards which acknowledge contribution across the school which is substantial and sustained. These are now embedded as a part of every teacher's annual appraisal process and programme.

We provide whole school in-house professional development approximately every two weeks. We have a range of contributors to these in-house workshops and meetings, with a focus on sharing good practice, samples of work, and keeping the progress of our pupils as a priority of the agenda.

We are continuing to develop better ways to understand the experience of our pupils within the learning environment, for example, by evaluating our 'systems' by focusing on their impact on pupil progress. This is brought together under a document known as Pathways (i.e. our systems are designed to be 'pathways' to pupil progress). We consider the needs of our pupils (beyond categories such as SEND or More Able) and how they might fit into various 'distinguished groupings' which may add value to the classroom (for example languages spoken) or require a variation in how they access the curriculum (e.g. non-fiction texts as a supplementary resource). Alongside the Distinguished Groups list we have a system to track our academic intervention for pupils in need of extra support in a specific area.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

OUR ETHOS STRATEGY AND POLICIES (continued)

We have appointed a Key Stage 1 / Early Years Coordinator to oversee teaching in these Year groups.

We have continued to develop our Kinetic Learning initiative which focuses on higher order skills (such as creativity, evaluation and decision making) being embedded into the academic curriculum to enable all pupils to benefit from stretch and challenge opportunities.

We are also developing better transparency with the reporting home of academic attainment, in particular recognising what is a reasonable expectation of progress and celebrating high level of progress (enhanced progress) that result from support by school and home and effort and engagement of the pupil.

The pupils are heavily involved in tracking their own progress, for example with the use of half-termly progress recording sheets in the back of exercise books. These focus on the skills present in individual subjects and identify areas for the pupils to focus on moving forward.

Structure, governance and management

a. Constitution

St. Margarets School (Hampstead) Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Governance

The Governors, who are also the charity trustees, are responsible for the overall management and control of St Margaret's School and hold six full Governor's meetings a year. The work of implementing most of their policies is carried out by members of the Board. The St Margaret's School Bursar is responsible for coordinating the work of the Governors and their Committees, preparation of papers and management accounts and the review of matters arising.

All trustees give of their time freely and no remuneration or expenses were paid in the year for their Governing duties.

c. Key management personnel

The Governors consider that they, together with the Principal, the Bursar and the Senior Leadership Team comprise the Key Management Personnel (see note 11 to the accounts). The Governors give their time freely and the remuneration of the Principal and senior staff is set by the Salary Committee and is kept under annual review. A number of criteria are used in setting pay:

- Nature of the role and responsibilities
- Competitor salaries in the region
- The sector average salary for comparable positions
- Trends in pay

The Governors have given delegated authority to the Principal and Bursar to pay higher salaries for exceptional candidates and exceptional staff members where this is in the interest of the School.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

Structure, governance and management (continued)

d. Organisational Management

The Governors determine the general policy of the School. The day-to-day running of the School is delegated to the Principal, supported by Senior staff. The Principal undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day-to-day administration of both Junior and Senior School is undertaken within the policies and procedures approved by the Governors.

The Principal oversees the recruitment of all educational staff, under delegated authority. The Bursar oversees the recruitment of administrative and non-teaching support staff. The Principal and Bursar are invited to attend Governors' meetings.

e. Other Relationships

The Principal is a member of the Girls School Association which is an opportunity to share expertise, knowledge and experience across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector.

The school belongs to the London Consortium group of schools for the running and administration of the 11+ examination.

f. Risk Management

The Governors are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Management of the School. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on a termly basis. Risk is managed under the headings of financial sustainability, school safety, student welfare, employment, school trips and events and community access.

The main risks that the Governors have identified and the plans to manage those risks are:

- **Reputation.** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and resolution of health and safety related issues;
- **Money.** Our ability to continue is reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, having a reputation for academic excellence and active cash-flow management;
- **Curriculum.** Academic excellence requires the most able teachers with good facilities delivering the curriculum to able students. We manage this risk by combining attractive salaries with additional allowances and an approach to enrolment that works with supportive parents whose children have an appetite for learning and a bursary scheme that recognises pupil achievement and aptitude.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2023

Structure, governance and management (continued)

g. Governor recruitment and training

The Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees, the important attribute is a commitment to the School and an understanding of education as a holistic and rounded experience of personal growth. Governors are recruited by personal recommendation and are inducted into the workings of the School and the Board by the Chairman, Bursar, and the Principal. We also invite senior local business people to consider joining our Board. Where possible the Governors consider that the skills and experience of the Board should comprise the following:

- A Governor with a legal background
- Two Governors with a financial/accounting background
- A Governor with education experience
- A Governor with senior managerial or business experience
- A Governor with experience of equal opportunities or disability needs
- At least one female Governor and at least one male Governor

One Governor may have one or more of these skills.

New Governors are appointed by the existing Board of Governors. The current Governors come from a variety of backgrounds and include two solicitors, two accountants, a psychologist and a general practitioner. One Governor is a former pupil. The majority live within a five-mile radius of the school. All Governors listed on page 1 have served throughout the year except where indicated.

Disclosure of information to auditors

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office..

Approved by order of the members of the board of Governors and signed on their behalf by:

Emily Brettle

Mrs E Brettle
Chair of Governors

Date: 13 March 2024

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Statement of Governors' responsibilities
For the Year Ended 31 August 2023

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

Company law requires the Governors to prepare financial statements for each financial . Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Governors and signed on its behalf by:

Emily Brettle

Mrs E Brettle

Date: 13 March 2024

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited

Opinion

We have audited the financial statements of St. Margarets School (Hampstead) Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Governors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are also the directors of the charitable company 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited (continued)

Auditors' responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charitable company and sector, and through discussion with the Governors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety legislation and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charities Statement of Recommended Practice and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in the accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including safeguarding, health and safety and employment law) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant regulatory authorities; and
- Review of significant and unusual transactions and evaluations of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited (continued)

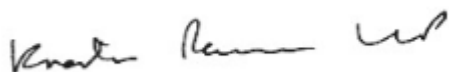
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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 of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governors.
- Conclude on the appropriateness of the Governors' 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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' 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 Auditors' Report. However, future events or conditions may cause the charitable company 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.

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 charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Tanner BSc (Econ) FCA
Kreston Reeves LLP
Chartered Accountants & Statutory Auditor
London

3 May 2024

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2023

	Note	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies	4	2,764	-	-	2,764	670
Charitable activities	5	2,878,541	-	(17,535)	2,861,006	2,670,279
Other trading activities	6	45,395	-	-	45,395	41,138
Investments	7	19,911	2,052	-	21,963	14,708
Total income and endowments		2,946,611	2,052	(17,535)	2,931,128	2,726,795
Expenditure on:						
Raising funds	8	10,167	1,408	-	11,575	12,787
Charitable activities		2,722,333	-	-	2,722,333	2,428,889
Total expenditure		2,732,500	1,408	-	2,733,908	2,441,676
Net income/ (expenditure) before net gains on investments		214,111	644	(17,535)	197,220	285,119
Net losses on investments		(10,551)	-	-	(10,551)	(133,189)
Net income / (expenditure)		203,560	644	(17,535)	186,669	151,930
Transfers between funds	18	(46,387)	46,387	-	-	-
Net movement in funds		157,173	47,031	(17,535)	186,669	151,930
Reconciliation of funds:						
Total funds brought forward		819,694	6,193,097	29,771	7,042,562	6,890,632
Net movement in funds		157,173	47,031	(17,535)	186,669	151,930
Total funds carried forward		976,867	6,240,128	12,236	7,229,231	7,042,562

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 42 form part of these financial statements.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)
Registered number: 00537118

Balance Sheet
As at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	6,083,236	6,036,224
Investments	14	1,289,834	995,784
		<u>7,373,070</u>	<u>7,032,008</u>
Current assets			
Debtors	15	34,334	40,870
Cash at bank and in hand		547,220	562,842
		<u>581,554</u>	<u>603,712</u>
Creditors: amounts falling due within one year	16	(509,826)	(399,401)
		<u>71,728</u>	<u>204,311</u>
Net current assets		<u>71,728</u>	<u>204,311</u>
Total assets less current liabilities		<u>7,444,798</u>	<u>7,236,319</u>
Creditors: amounts falling due after more than one year	17	(181,500)	(155,500)
Net assets excluding pension liability		<u>7,263,298</u>	<u>7,080,819</u>
Defined benefit pension scheme liability	23	(34,067)	(38,257)
Total net assets		<u><u>7,229,231</u></u>	<u><u>7,042,562</u></u>
Charity funds			
Restricted funds	18	12,236	29,771
Designated funds	18	6,240,128	6,193,097
Unrestricted funds	18	976,867	819,694
Total funds		<u><u>7,229,231</u></u>	<u><u>7,042,562</u></u>

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)
Registered number: 00537118

Balance Sheet (continued)
As at 31 August 2023

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:

Emily Brettle.....

Mrs E Brettle
Chair of Governors

Date: 13 March 2024

The notes on pages 24 to 42 form part of these financial statements.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	458,316	495,615
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	21,963	14,708
Purchase of tangible fixed assets	(191,300)	(49,665)
Proceeds from sale of investments	192,696	19,903
Purchase of investments	(497,297)	(20,616)
	<hr/>	<hr/>
Net cash used in investing activities	(473,938)	(35,670)
	<hr/>	<hr/>
Cash flows from financing activities		
Repayments of borrowing	-	(397,061)
	<hr/>	<hr/>
Net cash provided by/(used in) financing activities	-	(397,061)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(15,622)	62,884
Cash and cash equivalents at the beginning of the year	562,842	499,958
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	547,220	562,842
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 24 to 42 form part of these financial statements

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. General information

St. Margarets School (Hampstead) Limited is a private company limited by guarantee incorporated in England. The registered office is 18 Kidderpore Gardens, Hampstead, London, NW3 7SR. The principal aims of the charitable company are shown in the Governors Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St. Margarets School (Hampstead) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

Having reviewed the resources and funding available to the school together with the expected ongoing demand for places and the school's projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the school's financial viability. Thus the Governors continue to adopt the going concern basis of accounting in preparing the accounts.

2.3 Income

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income arises in the United Kingdom from educational and allied activities and is accounted for in the year to which it relates. Tuition fees unpaid at the balance sheet date and relating to the period to that date are brought in as income with a provision created in respect of those for which recoverability is considered to be doubtful. Fees received in advance at the balance sheet date are included in creditors as deferred income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Investment income is recognised on a receivable basis.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

2. Accounting policies (continued)

2.4 Expenditure

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

Expenditure on raising funds comprises costs incurred in managing the School's investment portfolio.

Expenditure on charitable activities is all expenditure incurred on the School's operations. In addition to direct costs, these include all support costs and costs relating to the governance of the School which it is considered appropriate to allocate in full to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal undertaken by the School with reference to the most recent valuation performed for loan security purposes and land and property sales in the local property market. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a School may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Statement of Financial Activities, with a separate revaluation reserve being shown in the Statement of funds note.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method from the date they are brought into use.

Depreciation is provided on the following bases:

Freehold property	- 2% on valuation
Motor vehicles	- 33 1/3% on cost
Office equipment	- 33 1/3% on cost

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Notes to the Financial Statements
For the Year Ended 31 August 2023

2. Accounting policies (continued)

2.7 Investments

The School's portfolio is managed professionally by Canaccord Genuity Wealth Management, in accordance with the objective of providing a balance of capital growth and income. Investments are stated at market value.

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The School 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

2. Accounting policies (continued)

2.13 Retirement benefits

The School operates a defined contribution pension scheme provided by the 'APTIS' Aviva Pension Trust for Independent Schools and the pension charge represents the amounts payable by the School to the fund in respect of the year.

The School is also a member of a multi-employer plan, ISPS. Where it is not possible for the School to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan and the contributions are recognised in the period to which they relate. The ISPS is a funded scheme and the assets are held separately from those of the school in separate trustee administered funds. The trustee commissions an actuarial valuation of the scheme every three years using the prospective unit credit method. Where the actuarial valuation reveals a shortfall of assets compared to liabilities a provision for additional agreed contribution payments is also recognised in full.

2.14 Employee benefits

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

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

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined benefit liability

The present value of the Independent Schools' Pension Scheme ('ISPS') defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability.

Valuation of land and buildings

The carrying value of the land and buildings depends on the market values of similar property in the local area and will fluctuate according to market conditions.

Critical areas of judgment:

Pupil deposits:

A deposit is collected in respect of each pupil joining the school. This may be used to cover outstanding fees and expenses on the departure of the pupil, or retained in lieu of fees if the required notice of withdrawal is not given. As pupils are expected to remain at the school for several years and departing pupils are replaced by new students the Governors consider it is appropriate to treat all deposits as repayable after more than one year.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	2,764	2,764	670

During the current and prior year, the School received unrestricted donations of deposits from ex-pupils.

5. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tuition fees and school activities	3,064,878	-	3,064,878
	-	-	-
Bursaries, scholarships and discounts	(186,337)	(17,535)	(203,872)
Net fee income	2,878,541	(17,535)	2,861,006

During the year the School received income in relation to Autumn 2023 fees. These have been included in deferred income (see note 16).

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tuition fees and school activities	2,845,790	-	2,845,790
Bursaries, scholarships and discounts	(175,634)	123	(175,511)
Net fee income	2,670,156	123	2,670,279

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

6. Trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other fees and hire income	45,395	45,395	41,138
	<u>45,395</u>	<u>45,395</u>	<u>41,138</u>

All income from other trading activities in 2023 and 2022 was unrestricted.

7. Investment income

	Unrestricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Income from listed investments	14,843	2,052	16,895
Interest receivable	5,068	-	5,068
	<u>19,911</u>	<u>2,052</u>	<u>21,963</u>

	Unrestricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Income from local listed investments	11,375	2,125	13,500
Interest receivable	1,208	-	1,208
	<u>12,583</u>	<u>2,125</u>	<u>14,708</u>

8. Investment management costs

	Unrestricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Investment management fees	10,167	1,408	11,575
	<u>10,167</u>	<u>1,408</u>	<u>11,575</u>

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

8. Investment management costs (continued)

	Unrestricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Investment management fees	10,774	2,013	12,787

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Tuition fees and school activities	2,317,783	404,550	2,722,333

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Tuition fees and school activities	2,119,036	309,853	2,428,889

All expenditure on charitable activities in 2023 and 2022 was from unrestricted funds.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	1,804,418	1,677,922
Depreciation	144,288	153,179
Food and catering	136,945	117,309
Sport, music and art	76,615	71,632
Other direct expenditure	155,517	98,994
	<u>2,317,783</u>	<u>2,119,036</u>

Analysis of support costs

	Tuition fees and school activities 2023 £	Total funds 2023 £	Total funds 2022 £
Wages and salaries	65,583	65,583	53,134
Premises and equipment	166,133	166,133	123,233
Other costs	147,356	147,356	114,601
Governance costs	25,478	25,478	18,885
	<u>404,550</u>	<u>404,550</u>	<u>309,853</u>

10. Auditors' remuneration

	2023 £	2022 £
Fees payable to the School's auditor for the audit of the School's annual accounts	<u>12,600</u>	<u>11,556</u>

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

11. Staff costs

	2023	2022
	£	£
Wages and salaries	1,522,426	1,396,521
Social security costs	168,608	157,276
Pension scheme costs	178,967	177,259
	<u>1,870,001</u>	<u>1,731,056</u>

The average number of persons employed by the School during the year was as follows:

	2023	2022
	No.	No.
Teachers	26	24
Office and domestics	14	14
	<u>40</u>	<u>38</u>

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	20.8	20.6
Office and domestics	11.2	12.1
	<u>32.0</u>	<u>32.7</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
	No.	No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	1

The total remuneration paid during the year to the five members of the senior management team, which includes the Principal, Deputy Head, the Director of Studies, Director of IT and the Bursar, was £490,067 (2022: £458,545).

12. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2022 - £NIL).

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

12. Governors' remuneration and expenses (continued)

During the year ended 31 August 2023, expenses totalling £286 were reimbursed or paid directly to 2 Governors (2022 - £Nil). The expenses were in relation to parking permits, that had been paid directly by the Governors.

13. Tangible fixed assets

	Freehold property £	Motor vehicles £	Office equipment £	Total £
Cost or valuation				
At 1 September 2022	6,179,556	-	778,703	6,958,259
Additions	-	67,688	123,612	191,300
At 31 August 2023	<u>6,179,556</u>	<u>67,688</u>	<u>902,315</u>	<u>7,149,559</u>
Depreciation				
At 1 September 2022	158,643	-	763,392	922,035
Charge for the year	53,142	9,392	81,754	144,288
At 31 August 2023	<u>211,785</u>	<u>9,392</u>	<u>845,146</u>	<u>1,066,323</u>
Net book value				
At 31 August 2023	<u><u>5,967,771</u></u>	<u><u>58,296</u></u>	<u><u>57,169</u></u>	<u><u>6,083,236</u></u>
At 31 August 2022	<u><u>6,020,913</u></u>	<u><u>-</u></u>	<u><u>15,311</u></u>	<u><u>6,036,224</u></u>

On 1 September 2019, the freehold land and buildings were revalued by the Trustees.

The carrying amount under the cost model for the assets which have been revalued would have been £1,881,116 (2022 - £1,919,839).

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Notes to the Financial Statements
For the Year Ended 31 August 2023

14. Fixed asset investments

	Listed investments £	Cash held for investment £	Total £
Valuation			
At 1 September 2022	932,474	63,310	995,784
Additions	497,297	-	497,297
Disposals	(192,696)	-	(192,696)
Revaluations	(10,551)	-	(10,551)
Transfers between classes	33,975	(33,975)	-
	<u>1,260,499</u>	<u>29,335</u>	<u>1,289,834</u>
At 31 August 2023	<u>1,260,499</u>	<u>29,335</u>	<u>1,289,834</u>
Net book value			
At 31 August 2023	<u>1,260,499</u>	<u>29,335</u>	<u>1,289,834</u>
At 31 August 2022	<u>932,474</u>	<u>63,310</u>	<u>995,784</u>

Material investments

Those investments making up more than 5% of the total market value of the portfolio in the current or prior year were:

	2023 £	2022 £
UK Government Gilts 0.25% Jan 2025	74,972	-
UK Government Gilts 0.625% June 2025	70,738	-
UK Government Gilts 1% April 2024	73,361	-
Schroder Asian Total RTN INV CO PLC ORD GDP	47,000	50,173
Fundsmith LLP Equity INC NAV	41,776	59,028
	<u>307,847</u>	<u>109,201</u>

Investments at market value comprise:

	UK 2023 £	Overseas 2023 £	Total funds 2023 £
Listed investments	<u>718,933</u>	<u>570,901</u>	<u>1,289,834</u>

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For the Year Ended 31 August 2023

	UK 2022 £	Overseas 2022 £	Total funds 2022 £
Listed investments	272,594	659,880	932,474

15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	19,746	17,900
Other debtors	1,183	5,239
Prepayments and accrued income	13,405	17,731
	<u>34,334</u>	<u>40,870</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	27,476	2,771
Other creditors	40,908	37,752
Accruals and deferred income	441,442	358,878
	<u>509,826</u>	<u>399,401</u>

Deferred income represents tuition fees received in advance as follows:

	2023 £
Deferred income at 1 September 2022	343,562
Resources deferred during the year	425,750
Amounts released from previous periods	(343,562)
Deferred income at 31 August 2023	<u>425,750</u>

17. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other creditors	181,500	155,500

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

18. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Fund	819,694	2,946,611	(2,732,500)	(46,387)	(10,551)	976,867
Restricted funds						
Salti Bursary	29,771	(17,535)	-	-	-	12,236
Designated funds						
Morton Scholarship Fund	156,873	2,052	(1,408)	(625)	-	156,892
Fixed Asset Reserve	1,772,450	-	-	108,666	-	1,881,116
Revaluation Reserve	4,263,774	-	-	(61,654)	-	4,202,120
	<u>6,193,097</u>	<u>2,052</u>	<u>(1,408)</u>	<u>46,387</u>	<u>-</u>	<u>6,240,128</u>
Total of funds	<u><u>7,042,562</u></u>	<u><u>2,931,128</u></u>	<u><u>(2,733,908)</u></u>	<u><u>-</u></u>	<u><u>(10,551)</u></u>	<u><u>7,229,231</u></u>

Restricted funds

The Salti Bursary was established to provide a scholarship to a single student to ensure the highest probability of their success for their full education at the school.

Designated funds

The Morton scholarship fund was established to reflect the wishes of a donor that some of her donation be used to provide scholarships and bursaries to future pupils. The school board has agreed that any increase of the fund over the value of £156,892 will be transferred to the unrestricted funds to assist the cost of the Morton bursaries.

The Fixed Asset Reserve was established in accordance with Charity Commission guidance to separately identify the value of the fixed assets held by the school. Transfers represent net movements on fixed assets in the year.

The Revaluation Reserve represents the movements in fair value of the property held by the School. Transfers represent depreciation and revaluations movements on the valuation of land and property held by the school.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Fund	564,484	2,724,547	(2,439,663)	103,515	(133,189)	819,694
Restricted funds						
Salti Bursary	29,648	123	-	-	-	29,771
Designated funds						
Morton Scholarship Fund	156,761	2,125	(2,013)	-	-	156,873
Fixed Asset Reserve	1,875,965	-	-	(103,515)	-	1,772,450
Revaluation Reserve	4,263,774	-	-	-	-	4,263,774
	<u>6,296,500</u>	<u>2,125</u>	<u>(2,013)</u>	<u>(103,515)</u>	<u>-</u>	<u>6,193,097</u>
Total of funds	<u><u>6,890,632</u></u>	<u><u>2,726,795</u></u>	<u><u>(2,441,676)</u></u>	<u><u>-</u></u>	<u><u>(133,189)</u></u>	<u><u>7,042,562</u></u>

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	6,083,236	-	6,083,236
Fixed asset investments	1,132,942	156,892	-	1,289,834
Current assets	569,318	-	12,236	581,554
Creditors due within one year	(509,826)	-	-	(509,826)
Creditors due in more than one year	(181,500)	-	-	(181,500)
Provisions for liabilities and charges	(34,067)	-	-	(34,067)
Total	<u>976,867</u>	<u>6,240,128</u>	<u>12,236</u>	<u>7,229,231</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	6,036,224	-	6,036,224
Fixed asset investments	838,911	156,873	-	995,784
Current assets	573,941	-	29,771	603,712
Creditors due within one year	(399,401)	-	-	(399,401)
Creditors due in more than one year	(155,500)	-	-	(155,500)
Provisions for liabilities and charges	(38,257)	-	-	(38,257)
Total	<u>819,694</u>	<u>6,193,097</u>	<u>29,771</u>	<u>7,042,562</u>

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	186,669	151,930
Adjustments for:		
Depreciation charges	144,288	153,180
Gains on investments	10,551	133,189
Dividends, interests and rents from investments	(21,963)	(14,708)
Decrease/(increase) in debtors	6,536	(5,758)
Increase in creditors	136,425	59,327
Increase/(decrease) in provisions	(4,190)	18,455
Net cash provided by operating activities	458,316	495,615

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	547,220	562,842
Total cash and cash equivalents	547,220	562,842

22. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	562,842	(15,622)	547,220
	562,842	(15,622)	547,220

23. Pension commitments

The School's employees belong to two principal pension schemes: one for academic and related staff and one for non-teaching staff. Academic and related staff are now in the Aviva Pension Trust for Independent Schools (APTIS), a defined contribution scheme. Non-teaching staff are in the Independent Schools' Pension Scheme (ISPS), which is managed by TPT Retirement Solutions.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2023

23. Pension commitments (continued)

Aviva Pension Trust for Independent Schools (APTIS)

The pension charge for the year includes contributions payable to APTIS of £174,777 (2022: £162,223) and at the year-end £Nil (2022 - £Nil) was accrued in respect of contributions to this scheme.

TPT Retirement Solutions - Independent Schools' Pension Scheme (the scheme)

The School participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. ISPS is a contracted-out of the State scheme. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The last full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme from 1 September 2022 to 30 June 2032 in the sum of £2,687,000 pa (payable monthly and increasing by 3% on each 1st September). The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

During the year, the School was required to contribute deficit payments of £4,190 (2022: £2,424). Until 30 June 2032 the School is required to contribute £4,190 pa (payable monthly and increasing by 3% on each 1st September).

In accordance with FRS 102, the School must recognise a liability measured at the present value of the contributions payable that arise from the deficit recovery agreement. The value of the provision recognised at 31 August 2022 is £34,067 (2022: £38,257).

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Notes to the Financial Statements
For the Year Ended 31 August 2023

24. Operating lease commitments

At 31 August 2023 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	-	7,673
Later than 1 year and not later than 5 years	-	14,068
	<u>-</u>	<u>14,068</u>
	<u>-</u>	<u>21,741</u>

Lease payments recognised as an expense in the year were £5,340 (2022: £7,673)

25. Members' liability

The school is a charitable company limited by guarantee. The members of the charitable company are the Governors names on page 1. Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

26. Related party transactions

Dr A Wayne, a governor, was paid the sum of £440 (2022: £360) for providing staff flu vaccinations. There was no balance outstanding at the end of the current or prior year.

Mrs M Wayne, a governor, was paid a sum of £425 (2022: £354) for invigilation services. There was no balance outstanding at the end of the current or prior year.

ST MARGARET'S SCHOOL (HAMPSTEAD) LTD

England & Wales - Charity number 312720

Accounts

Registered number: 00537118
Charity number: 312720

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2022

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

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St. Margarets School (Hampstead) Limited
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Reference and Administrative Details of the School, its Governors and Advisers
For the Year Ended 31 August 2022

Governors Mrs E Brettle, Chairman
Ms D Atkinson (appointed 22 September 2021)
Mr M Feldman
Mr E Grower
Mr G Leung (resigned 1 November 2021)
Mr D MacNeill
Mrs T Marton
Miss M C Mendham
Mrs L McBride (appointed 25 January 2022)
Mr F Patel
Dr A Wayne
Mrs M Wayne

Company registered number 00537118

Charity registered number 312720

Registered office 18 Kidderpore Gardens
Hampstead
London
NW3 7SR

Principal Mr M Webster

Bursar Mrs S Beschizza

Clerk to the Governors Mrs S Beschizza

Website www.st-margarets.co.uk

Independent auditors Kreston Reeves LLP
Chartered Accountants
2nd Floor
168 Shoreditch High Street
London
E1 6RA

Bankers CAF Bank Limited
25 Kings Hill Avenue, Kings Hill
West Mailing
Kent
ME19 4JQ

St. Margarets School (Hampstead) Limited
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Reference and Administrative Details of the School, its Governors and Advisers (continued)
For the Year Ended 31 August 2022

Solicitors	Veale Wasborough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
Investment Advisors	Canaccord Genuity Wealth Management 88 Wood Street London EC2V 7QR
Insurance Brokers	Marsh Brokers Limited Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY

St. Margarets School (Hampstead) Limited
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Governors' Report
For the Year Ended 31 August 2022

The Governors of St Margaret's School (Hampstead) present their Annual Report together with the audited Financial Statements of the School for the year 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Governors confirm that the Annual Report and Financial Statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the School qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

AIMS, OBJECTIVES AND ACTIVITIES

a. Our aims

The principal object of the company, as authorised by its Memorandum and Articles of Association, is to carry on at 18 Kidderpore Gardens, Hampstead, London NW3, a school for the general education of girls.

We aim, through our Junior and Senior Schools, to provide a secure, caring and challenging learning environment in which girls are encouraged to strive for excellence in all that they do. Respect for other lies at the heart of the school community, within which the potential and talent of everyone can be recognised, nurtured and realised. At St Margaret's, education is seen as a partnership between pupils, parents and teachers. Specifically, our aims are to:

- encourage and enable each girl to develop a love of learning by providing a supportive environment in which success is measured based on personal progress;
- enable each girl to meet intellectual, creative and physical challenges with confidence;
- support the spiritual and moral development of each girl through maintaining high standards of personal responsibility and an awareness of their contribution to the wider world;
- foster an active concern for the community and the environment through awareness and providing opportunities for individual contribution;
- prepare each girl for the next stage of her education when she leaves St Margaret's through educational qualifications and information and guidance about future options from 16 years old;
- ensure that education is seen as a partnership between pupils, parents and staff by promoting communication and collective responsibility for a girl's academic and personal education.
- Enable girls to develop personal characteristics through our PROSPER programme whereby the pupils are helped to develop and sustain Positivity, Relationships, Optimism, Strengths, Purpose, Endeavour and Resilience

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Governors' Report (continued)
For the Year Ended 31 August 2022

AIMS, OBJECTIVES AND ACTIVITIES (continued)

b. Our objectives

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

This objective is, however set in the context of the broader goals we set for the School and its pupils.

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's public benefit guidance.

Our key objectives for the year included:

- the continued achievement of excellent academic performance by each individual pupil as measured by GCSE results as compared with similarly loosely selective schools. As in previous years, our value-added progress for GCSE is high, demonstrating that the girls make better than predicted progress whilst at St Margaret's.
- the continued provision of an educational environment within which each individual pupil can thrive and develop intellectually, physically, socially and spiritually by maintaining high expectations amongst staff and pupils and making evident the spiritual values held important by the School.
- to endeavour to make an education at St Margaret's available to the greatest number of pupils to whom it would be of benefit by keeping school fees as reasonable as possible, maintaining only limited selection of pupils, and using the school's bursary policy to promote the admission of a greater number of pupils with parents on lower incomes.
- to develop our programme of co-operation and joint working with local state primary and secondary schools.
- to play our part in the life of our local community through our community access and service programmes.

ACHIEVEMENTS AND PERFORMANCE

a. Pupil numbers and fees

Our educational activities are carried out through our Senior School and our Junior School. The average number of pupils on roll during the academic year 2021/2022 was 167. This is almost at our capacity of 170, the maximum number which can be comfortably accommodated on school premises.

Our fees are set at a level required to ensure that the School's costs, a high proportion of which relate to teachers' salaries, are covered. Fees during the academic year 2021/2022 before the deduction of any means assisted bursaries were:

Years R to 2 £4,716 per term
Years 3 – 6 £5,340 per term
Year 7 – 11 £5,463 per term

Curriculum

The curriculum remained the same as in previous years, albeit updated with syllabus changes. We offer Computer Science at GCSE. We are focusing on the skills developed within the individual subject areas. For example, the skill of evaluation to reach the highest grades at GCSE.

Academically it was a very successful year overall for our girls at GCSE level, with 51% of grades being awarded an 8 or above (the equivalent of an A* grade). The School was awarded an 'Excellent' grade for both the two Educational Quality inspection criteria.

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Governors' Report (continued)
For the Year Ended 31 August 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Co-curricular activities:

Music

We held a Carol service at St Luke's Church in December 2021 for the whole school with our orchestra, choir, handbells group, ukulele group and nearly all of the girls taking part. The Carol Service was recorded and broadcasted online for our parents and families unable to attend in person. We had some fantastic responses from families from around the globe enjoying the performance.

In March 2022, we held a school music competition for the first time in our new Royal Tollgate space, which involved performances from girls from Reception to Year 10. Girls had an opportunity to sing or play in front of the whole school. St. Margaret's teachers and Y11 music students were judged for the competition.

In the classroom, we developed our use of many of the online features first embraced during the pandemic, such as 'flat.io' music software, which we used for composition in KS3. Music homework is set online now, and Google Classrooms have become a part of our everyday teaching.

We have maintained singing in class and in the Junior choir. To engage and inspire our students, we joined a live rehearsal and concert as part of the Young Voices Choir at the O2 Arena, in May 2022.

Our Summer concert at St Luke's Church took place in May 2022 with many memorable performances such as a pupil playing a harp solo, the orchestra playing 'In the Hall of the Mountain King by Edward Grieg', 'Viva La Vida' by Coldplay, choir pieces and a whole school singing performance with a few solos and rapping section.

We also ran our smaller informal Teatime concerts for parents and families of our students, which have proved to be very popular..

Drama

Students from Years 7 to 11 were all taught Drama by our subject specialist teacher. For the first time in two years, the whole curriculum for KS3 and KS4 was delivered in school and practically, using both the Tollgate & Royal Tollgate spaces.

Changes to the KS3 curriculum included: the development of Year 7 SOL based upon historical events at Flannan Isle (previously introduced remotely during lockdown) and a full practical exploration of the text *Mugged* by Andrew Payne; Year 8 saw the re-introduction of the SOL based upon The Match Girls' strike, and the development of materials around the stage version of *Noughts & Crosses*, by Malorie Blackman; Year 9 were introduced to the traditions of Commedia Del Arte and masked drama, as well as being invited to explore the Phillip Ridley play, *Sparkleshark*.

As we also recovered from the restrictions imposed by Covid on theatre trips, in December 2021 all GCSE, drama students attended a performance of *The Curious Incident of The Dog In the Night Time*, at the Troubadour Theatre in Wembley. This provided them with the opportunity to experience live theatrical performance in preparation for Section B of their written exam paper, where they are required to write an evaluation of Live Theatre that they have seen. The school has retained its subscription to a streaming service, Drama Online, and this access has proved useful to the teaching not only of GCSE classes, when examining aspects of design and directing, but also for groups at KS3.

The KS4 curriculum remains largely unchanged, whilst modifications to the exam specification, such as only one text extract being required for Component 2, remained in place for the 2022 entry. Year 11 candidates sat a written paper for the first time in three years, (a further modification being the pre-release of the text extract from DNA to be used in the exam). Specification requirements will return to normal for 2023 candidates. GCSE exams were externally examined, rather than Teacher Assessed, for the first time in three years. Results were good, with two candidates achieving the top Grade 9, 1x Grade 8, 1 x Grade 7, 2 x Grade 6 and 1 x Grade 5.

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Governors' Report (continued)
For the Year Ended 31 August 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Sport

The PE curriculum throughout various stages of the School has traditionally covered the following areas: - netball, gymnastics, dance, games, fitness, tennis, swimming, rounders, athletics, trampolining, volleyball, badminton and rowing. Incidental exposure to other sports, such as tag rugby, cross-country, orienteering, hockey, table tennis and others are explored or given to girls as taster sessions.

We have added football to both the curriculum and to our school fixture list. Cricket matches have been added to the summer curriculum and the girls played their first competitive cricket fixtures. Currently netball and rounders remain our main competitive sports but we have recently had a number of football matches in the Senior School and have introduced Junior School fixtures to the calendar for the first time this year.

The broad curriculum makes use of a variety of facilities. Currently St Luke's School is used for indoor work such as gym, dance, fitness and indoor games for the lower Juniors and Infants. The whole School from Y1 upwards continues to use West Heath for both lessons and matches. Currently Y5&6 and the Senior School make use of Hendon Sports Centre and for swimming the Junior girls are taken to Barnet Copthall.

From Year 4 onwards children take part in competitive team games through the inter-house and inter-school fixture programme. Relative to size the School netball teams continue to achieve commendable success with a weekly fixture schedule. Additionally we offer a wide variety of sports clubs throughout the year. We have a tennis club, a running club, ballet, netball clubs, street dance, yoga, jazz dance, cheerleading and rounders clubs. There has been the addition of a new karate club and yoga is offered to the girls in the Senior School during the day as part of an ongoing wellbeing programme. There is an early morning netball shooting clinic and a football club that both take place before school. Our cheerleading squad have historically performed at sporting events.

At the end of the Spring Term, we have an annual Movement Display that includes every pupil from Reception Y9. Junior School swimming takes place from Reception-Y6 in the Summer term and our Annual Sports Day is facilitated at Highgate School at the end of the Summer Term.

b. Details of bursary and scholarship awards

Bursaries

This year the value of means tested bursaries totaled £144,914 and represented 5.7% of our gross fees. They provided assistance to 10 of our pupils of which eight pupils benefitted from a full remission of fees. A hardship fund is also available to help pupils in receipt of bursaries meet the costs of school trips, examination entrance fees and similar expenses.

Review

The Governors are constantly reviewing our Bursary policy to ensure that as many children as possible can accept offers of places at our School through the availability of means tested fee assistance. Our policy is designed to widen access to our School. We anticipate this will help inform the development of our policy and help ensure the objective of wider access continues to be achieved.

c. Community Service

The girls have undertaken community work in the following ways:

- Multiple visits to the local Age Concern, serving afternoon tea and conversing with the residents
- Visits with donations to a local branch of the St Mungo's charity
- Visits with donations to an animal rescue shelter

The School also supports the local neighbourhood association, Redfrog, that uses our premises for their annual AGM.

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Governors' Report (continued)
For the Year Ended 31 August 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

d. Environmental Initiatives

The School earned an international accreditation this academic year from the Eco Schools “Green Flag” recognising the pupil’s work in making the School more environmentally friendly and raising eco-awareness in fellow pupils.

Eco-Schools is an international education programme that prompts young people to explore sustainability and climate change and take action.

Girls in years 5, 6 & 7 collaborated with the Science Department to conduct an environmental review, assessing how eco-friendly the School is. They reviewed everything from the School’s recycling practices, to energy usage, to how environmental themes are covered in classrooms. Building on their findings, the girls and the Science Department planned a year of activities to improve their green credentials.

The group connected their work to three Eco-Schools topics: Waste, Biodiversity & School Grounds Activities centered on planning for the following activities this year:

- A school-wide recycling competition
- A houseplant in every classroom for each form group to look after
- A living wall on the roof terrace in spring 2023
- Taking part in the “Big Battery Hunt” to keep batteries out of domestic rubbish and landfill.

e. Community Access

We see St Margaret’s School as a part of a wider community.

We have appointed a new role at the School with a specific remit of engaging more regularly and productively with our local community. The School’s Public Benefit Coordinator has contacted local schools and has produced plans for us to provide local pupils with opportunities in areas that their present schools are unable to fulfil.

f. Future Plans

The Governors intend to continue their current strategies of maintaining the School’s position in a competitive market by investing to provide high quality education for our pupils. Achieving a high standard of academic results is a constant aim whilst maintaining the breadth and depth of the education provided.

The Principal and Senior staff continue to review the curriculum to ensure that the educational qualifications remain appropriate for our pupils’ development.

The principal source of income is fees accounting for 96.3% of the School’s income. The Governors are continuing their strategy of deploying all net incoming resources to invest in the educational purposes and fabric of our Junior and Senior Schools.

In addition to the very substantial benefits our School brings to our pupils, the local community and society through the education we offer, our bursary programme and our ‘teaching links’ programme create a social asset without cost to the Exchequer.

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Governors' Report (continued)
For the Year Ended 31 August 2022

Financial review

a. Our Finances

The financial statements show income from School activities of £2,670,279, after bursaries and discounts, and total income for the year of £2,726,795. Net income for the year was £151,930.

As a charity, the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. As an educational charity, we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims. As a charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies and 'teaching links' programme.

However, as an educational charity, we are unable to reclaim VAT input tax on our costs, as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

Developments and Maintenance

The School has a planned program of decoration/ maintenance with every classroom being decorated every 3 years with all common areas decorated annually. All electronic whiteboards have been replaced with LED Clevertouch Screens.

IT Strategy

The school Management Information System, which incorporates the administration and finance systems, has been moved to the cloud to mitigate the risk of hosting the database onsite and to enable ease of remote working.

Teaching Staff

Teachers continue to use the Google suite of applications to support their teaching with many using the skills they learnt during lockdown to enhance their in-person teaching. All teachers and support staff have been issued with new laptops to enable remote working when necessary.

Students

Y3 to Y11 pupils are given Google accounts when they join St Margaret's. They are taught in ICT lessons how to use them appropriately.

Hardware

All pupils from Y3 – Y11 are issued with a school Chromebook which they use in in class, and for remote learning when necessary.

Moving Forward

The School is in the process of refreshing the computer hardware in each classroom. An up-to-date windows PC along with new screens and wireless keyboards and mice are being rolled out over the next 2 years.

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Governors' Report (continued)
For the Year Ended 31 August 2022

b. Reserves and Financial Health

The Governors regularly review the finances, budgets and spend against budget together with a monthly cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums into new School refurbishment in recent years and have a continuing programme of refurbishment, development, and investment to maintain excellent teaching facilities for our pupils.

The total funds were £7,042,562 of which £29,771 were held in restricted funds, £156,873 were held in the designated Morton scholarship fund and £6,036,224 were held as tangible fixed assets. This does not leave any free reserves.

The Governors consider that given the strength of the charity's balance sheet, the stable cash flow from full student rolls, the ongoing popularity of our School, and the available banking facility that can be called upon if need arises, that the finances are in good health.

The Governors recognise that the level of reserves fluctuates during periods of investment in the School estate and the arrangements at our Investment Advisers Cannacord Genuity Wealth Management are in place to provide an adequate 'safety net' should it be required.

c. Going Concern

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

d. Investment Policy and Performance Statement (Written by the School's Investment Advisers)

This has been another challenging period for the portfolio with an investment backdrop of significant adjustments to combat rising inflation through aggressive western central bank tightening, exacerbated by the war in Ukraine, supply chain issues and a dramatic slowdown in Asia, particularly in China as the pursuit of a zero covid policy weighs on the economy. The rise in interest rate expectations had the most significant impact on the portfolio as an underweight to the energy sector and overweight to quality equities put pressure of company valuations; this was felt most significantly in Q1 2022. These falls were exacerbated by the holdings in investment trusts, which moved from premia to discounts.

Over the 12-month period, the portfolio's value fell by 12.03%. Whilst clearly this is disappointing, the longer-term performance since 1st January 2019 shows the portfolio has returned 16.98% against CPI of 14.55% over the same period. We expect the current period of volatility to continue until we see interest rates plateau and companies can assess the impact of these on their businesses and the economy. At peak rates, the appeal of fixed interest as an asset class will be more appealing in the medium-term outlook and we expect our overweight to quality equities to again come into focus and for these companies to fair relatively better over the market cycle.

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Governors' Report (continued)
For the Year Ended 31 August 2022

OUR ETHOS STRATEGY AND POLICIES

St Margaret's is, by any manner of reckoning, a very small school, having not just small classes but only one class per year group from age 4 to age 16. This situation may have been arrived at by accident of history, but it is now embraced and celebrated by the Governors as a matter of positive policy. The close-knit community which our size engenders is integral to our academic and pastoral success and is one of the prime reasons why parents choose St Margaret's for their daughters in preference to the many larger schools available to them locally in both independent and maintained sectors.

The Governors are committed to broadening access to the School by every means at their disposal, whilst having regard to their duty to safeguard its long-term future.

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

Our ethos: a caring School serving our local community and society

St Margaret'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 to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class education to girls.

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 a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

In April 2022, the school underwent a dual compliance and educational quality inspection, which confirmed that the school meets all its obligations as regards the quality of provision and care for the girls of the school.

The school was awarded an 'Excellent' grade for both the two Educational Quality inspection criteria.

In the Spring of 2022, we introduced a new 'PROSPER' focus, the acronym standing for a series of focused areas, related to wellbeing, designed to complement, and underpin the traditional curriculum.

Parents are given regular information about their children's social and academic progress through parent evenings and online progress grades, in addition to the traditional end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and through our newsletter. The school operates a mostly 'open door' policy and parents are given access to teachers' direct email addresses with a view to maintaining close communication opportunities.

Access Policy

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. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy together with our 'Teaching Links' programme contribute to a widening of access to the education we offer and the facilities we enjoy.

Teaching Links

Our School is a part of a wider community, and we are keen that our staff and pupils participate. Our Governors are committed to developing our 'Teaching Links' programme of cooperation and joint working with local state

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Governors' Report (continued)
For the Year Ended 31 August 2022

OUR ETHOS STRATEGY AND POLICIES (continued)

Junior and Secondary schools. Please see our "Community Access Section" above.

Bursary policy

At St Margaret's we believe whole-heartedly in the value of a traditional academic education within a small scale, "family" environment. This is an expensive endeavour, and our fees must cover our costs as well as providing for the future maintenance, development, and stability of the school. We are well aware that, in consequence, an education at St Margaret's is beyond the means of some parents whose daughters would derive considerable benefit from what we have to offer. The Governors are committed to broadening access to the School by every means at their disposal, including by offering means-tested financial assistance, of up to 100% remission of fees, to parents of suitable applicants.

Where funds allow, the school will continue to give sympathetic consideration to cases where the parents of existing pupils experience a sudden, unforeseen change in circumstances which would result in their daughter otherwise having to be withdrawn from the school. For the sake of clarity, these awards are termed Hardship Grants.

The bursary awards range from 50% to 100% remission of fees. In the year ,we awarded 10 bursaries at an average of £14,491 each.

The success of our bursary scheme is explained in our review of activities and achievements section of this report. Details of bursary awards are also set out in note 10 to the accounts.

Other Policies on Assistance

Financial planning policy

Timely financial planning is often the key for many parents who are hoping to send their children to St Margaret's School and a school fee plan is available to help those who wish to fund educational costs through regular contributions. During the pandemic, the School offered parents an interest free repayment plan over the duration of the summer term to assist financial planning during the lockdown. This termly instalment scheme has since continued to date.

Family discounts policy

To underline the value we place on continuity for families, we offer discounts where parents have more than two daughters at the School.

Promoting High Academic Standards

The Teachers' Standards (as set out by the DfE) are in full use and have been extended to reflect an additional set of 12 St Margaret's standards which acknowledge contribution across the school which is substantial and sustained. These are now embedded as a part of every teacher's annual appraisal process and programme.

We provide whole school in-house professional development approximately every two weeks. We have a carousel of contributors to these in-house workshops and meetings, with a focus on sharing good practice, samples of work, and keeping the progress of our pupils as a priority of the agenda.

We are continuing to develop better ways to understand the experience of our pupils within the learning environment, for example, by evaluating our 'systems' by focusing on their impact on pupil progress. This is brought together under a document known as Pathways (i.e. our systems are designed to be 'pathways' to pupil progress). We consider the needs of our pupils (beyond categories such as SEND or More Able) and how they might fit into various 'distinguished groupings' which may add value to the classroom (for example languages spoken) or require a variation in how they access the curriculum (e.g. non-fiction texts as a supplementary resource). Alongside the Distinguished Groups list we have a system to track our academic intervention for pupils in need of extra support in a specific area.

We have appointed a Key Stage 1 / Early Years Coordinator to oversee teaching in these Year groups.

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Governors' Report (continued)
For the Year Ended 31 August 2022

OUR ETHOS STRATEGY AND POLICIES (continued)

We have continued to develop our Kinetic Learning initiative which focuses on higher order skills (such as creativity, evaluation and decision making) being embedded into the academic curriculum to enable all pupils to benefit from stretch and challenge opportunities.

We are also developing better transparency with the reporting home of academic attainment, in particular recognising what is a reasonable expectation of progress and celebrating high level of progress (enhanced progress) that result from support by school and home and effort and engagement of the pupil.

The pupils are heavily involved in tracking their own progress, for example with the use of half-termly progress recording sheets in the back of exercise books. These focus on the skills present in individual subjects and identify areas for the pupils to focus on moving forward.

The external inset budget has been focused on opportunities to extend our staff professionally as well as offering new developments within the school. For example, teachers developing improved middle managements to take on roles such as English Lead in the Junior School.

Structure, governance and management

a. Constitution

St. Margarets School (Hampstead) Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Governance

The Governors, who are also the charity trustees, are responsible for the overall management and control of St Margaret's School and hold six full Governor's meetings a year. The work of implementing most of their policies is carried out by members of the Board. The St Margaret's School Bursar is responsible for coordinating the work of the Governors and their Committees, preparation of papers and management accounts and the review of matters arising.

All trustees give of their time freely and no remuneration or expenses were paid in the year for their Governing duties.

c. Key management personnel

The Governors consider that they, together with the Principal, the Bursar and the Senior Leadership Team comprise the Key Management Personnel (see note 19 to the accounts). The Governors give their time freely and the remuneration of the Principal and senior staff is set by the Salary Committee and is kept under annual review. A number of criteria are used in setting pay:

- Nature of the role and responsibilities
- Competitor salaries in the region
- The sector average salary for comparable positions
- Trends in pay

The Governors have given delegated authority to the Principal and Bursar to pay higher salaries for exceptional candidates and exceptional staff members where this is in the interest of the School.

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Governors' Report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

d. Organisational Management

The Governors determine the general policy of the School. The day-to-day running of the School is delegated to the Principal, supported by Senior staff. The Principal undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day-to-day administration of both Junior and Senior School is undertaken within the policies and procedures approved by the Governors.

The Principal oversees the recruitment of all educational staff, under delegated authority. The Bursar oversees the recruitment of administrative and non-teaching support staff. The Principal and Bursar are invited to attend Governors' meetings.

e. Other Relationships

The Principal is a member of the Girls School Association which is an opportunity to share expertise, knowledge and experience across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector.

The school belongs to the London Consortium group of schools for the running and administration of the 11+ examination.

f. Risk Management

The Governors are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Management of the School. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on a termly basis. Risk is managed under the headings of financial sustainability, school safety, student welfare, employment, school trips and events and community access.

The main risks that the Governors have identified and the plans to manage those risks are:

- **Reputation.** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and resolution of health and safety related issues;
- **Money.** Our ability to continue is reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, having a reputation for academic excellence and active cash-flow management;
- **Curriculum.** Academic excellence requires the most able teachers with good facilities delivering the curriculum to able students. We manage this risk by combining attractive salaries with additional allowances and an approach to enrolment that works with supportive parents whose children have an appetite for learning and a bursary scheme that recognises pupil achievement and aptitude.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Governors' Report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

g. Governor recruitment and training

The Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees, the important attribute is a commitment to the School and an understanding of education as a holistic and rounded experience of personal growth. Governors are recruited by personal recommendation and are inducted into the workings of the School and the Board by the Chairman, Bursar, and the Principal. We also invite senior local business people to consider joining our Board. Where possible the Governors consider that the skills and experience of the Board should comprise the following:

- A Governor with a legal background
- Two Governors with a financial/accounting background
- A Governor with education experience
- A Governor with senior managerial or business experience
- A Governor with experience of equal opportunities or disability needs
- At least one female Governor and at least one male Governor

One Governor may have one or more of these skills.

New Governors are appointed by the existing Board of Governors. The current Governors come from a variety of backgrounds and include two solicitors, two accountants, a psychologist and a general practitioner. One Governor is a former pupil. The majority live within a five-mile radius of the school. All Governors listed on page 1 have served throughout the year except where indicated.

Disclosure of information to auditors

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

Approved by order of the members of the board of Governors and signed on their behalf by:

Emily Brettle

Mrs E Brettle
Chair of Governors

Date: *14th March 2023*

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Statement of Governors' responsibilities
For the Year Ended 31 August 2022

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited

Opinion

We have audited the financial statements of St. Margarets School (Hampstead) Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Governors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are also the directors of the charitable company 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited (continued)

Auditors' responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charitable company and sector, and through discussion with the Governors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety legislation and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charities Statement of Recommended Practice and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in the accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including safeguarding, health and safety and employment law) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant regulatory authorities; and
- Review of significant and unusual transactions and evaluations of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

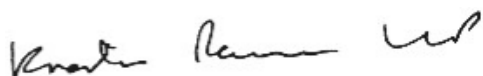
Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited (continued)

- 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 of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governors.
- Conclude on the appropriateness of the Governors' 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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' 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 Auditors' Report. However, future events or conditions may cause the charitable company 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.

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 charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

London

Date: 24 March 2023

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2022

	Note	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and legacies	4	670	-	-	670	13,995
Charitable activities	5	2,670,156	-	123	2,670,279	2,516,580
Other trading activities	6	41,138	-	-	41,138	30,672
Investments	7	12,583	2,125	-	14,708	12,929
Total income and endowments		2,724,547	2,125	123	2,726,795	2,574,176
Expenditure on:						
Raising funds	8	10,774	2,013	-	12,787	12,363
Charitable activities		2,428,889	-	-	2,428,889	2,341,786
Total expenditure		2,439,663	2,013	-	2,441,676	2,354,149
Net income/ (expenditure) before net gains on investments						
		284,884	112	123	285,119	220,027
Net (losses)/gains on investments		(133,189)	-	-	(133,189)	186,544
Net income / (expenditure)		151,695	112	123	151,930	406,571
Transfers between funds	18	103,515	(103,515)	-	-	-
Net movement in funds		255,210	(103,403)	123	151,930	406,571
Reconciliation of funds:						
Total funds brought forward		564,484	6,296,500	29,648	6,890,632	6,484,061
Net movement in funds		255,210	(103,403)	123	151,930	406,571
Total funds carried forward		819,694	6,193,097	29,771	7,042,562	6,890,632

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 42 form part of these financial statements.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)
Registered number: 00537118

Balance Sheet
As at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	6,036,224	6,139,739
Investments	14	995,784	1,128,260
		<u>7,032,008</u>	<u>7,267,999</u>
Current assets			
Debtors	15	40,870	35,112
Cash at bank and in hand		562,842	499,958
		<u>603,712</u>	<u>535,070</u>
Creditors: amounts falling due within one year	16	(399,401)	(377,143)
Net current assets		<u>204,311</u>	<u>157,927</u>
Total assets less current liabilities		<u>7,236,319</u>	<u>7,425,926</u>
Creditors: amounts falling due after more than one year	17	(155,500)	(515,492)
Net assets excluding pension liability		<u>7,080,819</u>	<u>6,910,434</u>
Defined benefit pension scheme liability	23	(38,257)	(19,802)
Total net assets		<u><u>7,042,562</u></u>	<u><u>6,890,632</u></u>
Charity funds			
Restricted funds	18	29,771	29,648
Designated funds	18	6,193,097	6,296,500
Unrestricted funds	18	819,694	564,484
Total funds		<u><u>7,042,562</u></u>	<u><u>6,890,632</u></u>

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)
Registered number: 00537118

Balance Sheet (continued)
As at 31 August 2022

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:

Emily Brettle

Mrs E Brettle
Chair of Governors

Date: *14th March 2023*

The notes on pages 24 to 42 form part of these financial statements.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net cash used in operating activities	495,615	227,793
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	14,708	12,929
Purchase of tangible fixed assets	(49,665)	(71,731)
Proceeds from sale of investments	19,903	23,052
Purchase of investments	(20,616)	(23,052)
	<hr/>	<hr/>
Net cash used in investing activities	(35,670)	(58,802)
	<hr/>	<hr/>
Cash flows from financing activities		
Repayments of borrowing	(397,061)	(432,099)
	<hr/>	<hr/>
Net cash used in financing activities	(397,061)	(432,099)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	62,884	(263,108)
Cash and cash equivalents at the beginning of the year	499,958	763,066
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	562,842	499,958
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 24 to 42 form part of these financial statements

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. General information

St. Margarets School (Hampstead) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 18 Kidderpore Gardens, Hampstead, London, NW3 7SR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St. Margarets School (Hampstead) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

Having reviewed the resources and funding available to the school together with the expected ongoing demand for places and the school's projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the school's financial viability. Thus the Governors continue to adopt the going concern basis of accounting in preparing the accounts. These considerations take into account the impact of Covid-19 and the Governors have concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income arises in the United Kingdom from educational and allied activities and is accounted for in the year to which it relates. Tuition fees unpaid at the balance sheet date and relating to the period to that date are brought in as income with a provision created in respect of those for which recoverability is considered to be doubtful. Fees received in advance at the balance sheet date are included in creditors as deferred income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Investment income is recognised on a receivable basis.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

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

Expenditure on raising funds comprises costs incurred in managing the School's investment portfolio.

Expenditure on charitable activities is all expenditure incurred on the School's operations. In addition to direct costs, these include all support costs and costs relating to the governance of the School which it is considered appropriate to allocate in full to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal undertaken by the School with reference to the most recent valuation performed for loan security purposes. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a School may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Statement of Financial Activities, with a separate revaluation reserve being shown in the Statement of funds note.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method from the date they are brought into use.

Depreciation is provided on the following bases:

Freehold property	- 2% on valuation
Office equipment	- 33 1/3% on cost

2.7 Investments

The School's portfolio is managed professionally by Canaccord Genuity Wealth Management, in accordance with the objective of providing a balance of capital growth and income. Investments are stated at market value.

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The School 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2.13 Retirement benefits

The School operates a defined contribution pension scheme provided by the 'APTIS' Aviva Pension Trust for Independent Schools and the pension charge represents the amounts payable by the School to the fund in respect of the year.

The School is also a member of a multi-employer plan, ISPS. Where it is not possible for the School to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan and the contributions are recognised in the period to which they relate. The ISPS is a funded scheme and the assets are held separately from those of the school in separate trustee administered funds. The trustee commissions an actuarial valuation of the scheme every three years using the prospective unit credit method. Where the actuarial valuation reveals a shortfall of assets compared to liabilities a provision for additional agreed contribution payments is also recognised in full.

2.14 Employee benefits

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

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

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Independent Schools' Pension Scheme ('ISPS') defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability.

The carrying value of the land and buildings depends on the market values of similar property in the local area and will fluctuate according to market conditions.

Critical areas of judgment:

Pupil deposits:

A deposit is collected in respect of each pupil joining the school. This may be used to cover outstanding fees and expenses on the departure of the pupil, or retained in lieu of fees if the required notice of withdrawal is not given. As pupils are expected to remain at the school for several years and departing pupils are replaced by new students the Governors consider it is appropriate to treat all deposits as repayable after more than one year.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	670	670	5,968
Grants	-	-	8,027
	<u>670</u>	<u>670</u>	<u>13,995</u>

During the current and prior year, the School received unrestricted donations of deposits from ex-pupils. In the prior year, the School also received unrestricted government grants in the form of furlough pay for staff members furloughed during the COVID-19 epidemic.

5. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tuition fees and school activities	2,845,790	-	2,845,790
	-	-	-
Bursaries, scholarships and discounts	(175,634)	123	(175,511)
Net fee income	<u>2,670,156</u>	<u>123</u>	<u>2,670,279</u>

During the year the School received income in relation to Autumn 2022 fees. These have been included in deferred income (see note 17).

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tuition fees and school activities	2,738,981	-	2,738,981
Bursaries, scholarships and discounts	(207,143)	(15,258)	(222,401)
Net fee income	<u>2,531,838</u>	<u>(15,258)</u>	<u>2,516,580</u>

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

6. Trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other fees and hire income	41,138	41,138	30,672
	<u>41,138</u>	<u>41,138</u>	<u>30,672</u>

All income from other trading activities in 2022 and 2021 was unrestricted.

7. Investment income

	Unrestricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Income from listed investments	11,375	2,125	13,500
Interest receivable	1,208	-	1,208
	<u>12,583</u>	<u>2,125</u>	<u>14,708</u>

	Unrestricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Income from local listed investments	9,832	1,587	11,419
Interest receivable	1,510	-	1,510
	<u>11,342</u>	<u>1,587</u>	<u>12,929</u>

8. Investment management costs

	Unrestricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Investment management fees	10,774	2,013	12,787
	<u>10,774</u>	<u>2,013</u>	<u>12,787</u>

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

8. Investment management costs (continued)

	Unrestricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Investment management fees	10,645	1,718	12,363

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Tuition fees and school activities	2,119,036	309,853	2,428,889

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Tuition fees and school activities	2,004,172	337,614	2,341,786

All expenditure on charitable activities in 2022 and 2021 was from unrestricted funds.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	1,677,922	1,586,356
Depreciation	153,179	164,296
Food and catering	117,309	97,608
Sport, music and art	71,632	53,751
Other direct expenditure	98,994	102,161
	<u>2,119,036</u>	<u>2,004,172</u>

Analysis of support costs

	Tuition fees and school activities 2022 £	Total funds 2022 £	Total funds 2021 £
Wages and salaries	53,134	53,134	72,507
Premises and equipment	123,233	123,233	102,185
Other costs	114,601	114,601	140,793
Governance costs	18,885	18,885	22,129
	<u>309,853</u>	<u>309,853</u>	<u>337,614</u>

10. Auditors' remuneration

	2022 £	2021 £
Fees payable to the School's auditor for the audit of the School's annual accounts	11,346	10,240
	<u>11,346</u>	<u>10,240</u>

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

11. Staff costs

	2022	2021
	£	£
Wages and salaries	1,396,521	1,364,987
Social security costs	157,276	131,653
Pension scheme costs	177,259	162,223
	<u>1,731,056</u>	<u>1,658,863</u>

The average number of persons employed by the School during the year was as follows:

	2022	2021
	No.	No.
Teachers	24	28
Office and domestics	14	14
	<u>38</u>	<u>42</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	1

The total remuneration paid during the year to the five members of the senior management team, which includes the Principal, Deputy Head, the Director of Studies, Director of IT and the Bursar, was £458,545 (2021: £446,781).

12. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Governor expenses have been incurred (2021 - £NIL).

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

13. Tangible fixed assets

	Freehold property £	Office equipment £	Total £
Cost or valuation			
At 1 September 2021	6,179,556	729,038	6,908,594
Additions	-	49,665	49,665
At 31 August 2022	<u>6,179,556</u>	<u>778,703</u>	<u>6,958,259</u>
Depreciation			
At 1 September 2021	105,500	663,355	768,855
Charge for the year	53,143	100,037	153,180
At 31 August 2022	<u>158,643</u>	<u>763,392</u>	<u>922,035</u>
Net book value			
At 31 August 2022	<u><u>6,020,913</u></u>	<u><u>15,311</u></u>	<u><u>6,036,224</u></u>
At 31 August 2021	<u><u>6,074,056</u></u>	<u><u>65,683</u></u>	<u><u>6,139,739</u></u>

On 1 September 2019, the freehold land and buildings were revalued by the Trustees.

The carrying amount under the cost model for the assets which have been revalued would have been £1,919,839 (2021 - £1,937,638).

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

14. Fixed asset investments

	Listed investments £	Cash held for investment £	Total £
Cost or valuation			
At 1 September 2021	1,095,096	33,164	1,128,260
Revaluations	(132,476)	-	(132,476)
Transfers between classes	(30,146)	30,146	-
	<u>932,474</u>	<u>63,310</u>	<u>995,784</u>
At 31 August 2022	<u>932,474</u>	<u>63,310</u>	<u>995,784</u>
Net book value			
At 31 August 2022	<u>932,474</u>	<u>63,310</u>	<u>995,784</u>
At 31 August 2021	<u>1,095,096</u>	<u>33,164</u>	<u>1,128,260</u>

Material investments

Those investments making up more than 5% of the total market value of the portfolio in the current or prior year were:

	2022 £	2021 £
Schroder Asian Total RTN INV CO PLC ORD GDP	50,173	58,750
Smithson Investment Trust PLC Ord GBP0.01	38,430	58,020
Fundsmith LLP Equity INC NAV	59,028	65,729
Scottish Mortgage Inv Trust ORD GBP0.05	24,168	61,583
	<u>171,799</u>	<u>244,082</u>

Investments at market value comprise:

	UK 2022 £	Overseas 2022 £	Total funds 2022 £
Listed investments	<u>272,594</u>	<u>659,880</u>	<u>932,474</u>

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2022

15. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	17,900	22,581
Other debtors	5,239	2,061
Prepayments and accrued income	17,731	10,470
	<u>40,870</u>	<u>35,112</u>

16. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank loans	-	43,569
Trade creditors	2,771	10,416
Other taxation and social security	-	36,443
Other creditors	37,752	369
Accruals and deferred income	358,878	286,346
	<u>399,401</u>	<u>377,143</u>

Deferred income represents tuition fees received in advance as follows:

	2022
	£
Deferred income at 1 September 2021	272,484
Resources deferred during the year	343,562
Amounts released from previous periods	(272,484)
	<u>343,562</u>

17. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	-	353,492
Other creditors	155,500	162,000
	<u>155,500</u>	<u>515,492</u>

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

18. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Fund	564,484	2,724,547	(2,439,663)	103,515	(133,189)	819,694
Restricted funds						
Salti Bursary	29,648	123	-	-	-	29,771
Designated funds						
Morton Scholarship Fund	156,761	2,125	(2,013)	-	-	156,873
Fixed Asset Reserve	1,875,965	-	-	(103,515)	-	1,772,450
Revaluation Reserve	4,263,774	-	-	-	-	4,263,774
	<u>6,296,500</u>	<u>2,125</u>	<u>(2,013)</u>	<u>(103,515)</u>	<u>-</u>	<u>6,193,097</u>
Total of funds	<u>6,890,632</u>	<u>2,726,795</u>	<u>(2,441,676)</u>	<u>-</u>	<u>(133,189)</u>	<u>7,042,562</u>

Restricted funds

The Salti Bursary was established to provide a scholarship to a single student to ensure the highest probability of their success for their full education at the school.

Designated funds

The Morton scholarship fund was established to reflect the wishes of a donor that some of her donation be used to provide scholarships and bursaries to future pupils. The school board has agreed that any increase of the fund over the value of £156,892 will be transferred to the unrestricted funds to assist the cost of the Morton bursaries.

The Fixed Asset Reserve was established in accordance with Charity Commission guidance to separately identify the value of the fixed assets held by the school. Transfers represent net movements on fixed assets in the year.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Fund	49,959	2,723,012	(2,487,596)	92,565	186,544	564,484
Restricted funds						
Salti Bursary	44,906	-	(15,258)	-	-	29,648
Designated funds						
Morton Scholarship Fund	156,892	1,587	(1,718)	-	-	156,761
Fixed Asset Reserve	1,968,530	-	-	(92,565)	-	1,875,965
Revaluation Reserve	4,263,774	-	-	-	-	4,263,774
	<u>6,389,196</u>	<u>1,587</u>	<u>(1,718)</u>	<u>(92,565)</u>	<u>-</u>	<u>6,296,500</u>
Total of funds	<u><u>6,484,061</u></u>	<u><u>2,724,599</u></u>	<u><u>(2,504,572)</u></u>	<u><u>-</u></u>	<u><u>186,544</u></u>	<u><u>6,890,632</u></u>

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	6,036,224	-	6,036,224
Fixed asset investments	838,911	156,873	-	995,784
Current assets	573,941	-	29,771	603,712
Creditors due within one year	(399,401)	-	-	(399,401)
Creditors due in more than one year	(155,500)	-	-	(155,500)
Provisions for liabilities and charges	(38,257)	-	-	(38,257)
Total	<u>819,694</u>	<u>6,193,097</u>	<u>29,771</u>	<u>7,042,562</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	6,139,739	-	6,139,739
Fixed asset investments	971,499	156,761	-	1,128,260
Current assets	505,422	-	29,648	535,070
Creditors due within one year	(377,143)	-	-	(377,143)
Creditors due in more than one year	(515,492)	-	-	(515,492)
Provisions for liabilities and charges	(19,802)	-	-	(19,802)
Total	<u>564,484</u>	<u>6,296,500</u>	<u>29,648</u>	<u>6,890,632</u>

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	151,930	406,571
Adjustments for:		
Depreciation charges	153,180	164,296
Gains/(losses) on investments	133,189	(185,600)
Dividends, interests and rents from investments	(14,708)	(12,929)
Increase in debtors	(5,758)	(20,646)
Increase/(decrease) in creditors	59,327	(121,546)
Increase/(decrease) in provisions	18,455	(2,353)
Net cash provided by operating activities	495,615	227,793

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	562,842	499,958
Total cash and cash equivalents	562,842	499,958

22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	499,958	62,884	562,842
Debt due within 1 year	(43,569)	43,569	-
Debt due after 1 year	(353,492)	353,492	-
	102,897	459,945	562,842

23. Pension commitments

The School's employees belong to two principal pension schemes: one for academic and related staff and one for non-teaching staff. Academic and related staff are now in the Aviva Pension Trust for Independent Schools (APTIS), a defined contribution scheme. Non-teaching staff are in the Independent Schools' Pension Scheme (ISPS), which is managed by TPT Retirement Solutions.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2022

23. Pension commitments (continued)

Aviva Pension Trust for Independent Schools (APTIS)

The pension charge for the year includes contributions payable to APTIS of £162,223 (2021: £162,223) and at the year-end £nil (2021 - £nil) was accrued in respect of contributions to this scheme.

TPT Retirement Solutions - Independent Schools' Pension Scheme (the scheme)

The School participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. ISPS is a contracted-out of the State scheme. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme from 1 September 2022 to 30 June 2032 in the sum of £2,687,000 pa (payable monthly and increasing by 3% on each 1st September). The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

During the year, the School was required to contribute deficit payments of £2,424 (2021 - £2,353). From 1 September 2022 to 30 June 2032 the School is required to contribute £4,190 pa (payable monthly and increasing by 3% on each 1st September).

In accordance with FRS 102, the School must recognise a liability measured at the present value of the contributions payable that arise from the deficit recovery agreement. The value of the provision recognised at 31 August 2022 is £38,257 (2021 - £22,492).

24. Operating lease commitments

At 31 August 2022 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	7,673	7,673
Later than 1 year and not later than 5 years	14,068	21,742
	<hr/> 21,741 <hr/>	<hr/> 29,415 <hr/>

Lease payments recognised as an expense in the year were £7,673 (2021: £7,673)

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

25. Members' liability

The school is a charitable company limited by guarantee. The members of the charitable company are the Governors names on page 1. Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

26. Related party transactions

Dr A Wayne, a governor, was paid the sum of £360 (2021 - £NIL) for providing staff flu vaccinations. There was no balance outstanding at the end of the current or prior year.

Mrs M Wayne, a governor, was paid a sum of £354 (2021 - £NIL) for invigilation services. There was no balance outstanding at the end of the current or prior year.

ST MARGARET'S SCHOOL (HAMPSTEAD) LTD

England & Wales - Charity number 312720

Accounts

Registered number: 00537118
Charity number: 312720

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

For the Year Ended 31 August 2021

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

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St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Reference and Administrative Details of the School, its Trustees and Advisers
For the Year Ended 31 August 2021

Trustees	Mrs E Brettle, Chair Mr M Feldman Miss C Gay (resigned 23 September 2020) Mr E Grower Mr G Leung (resigned 1 November 2021) Mr D MacNeill Mrs T Marton Miss M Mendham Mr F Patel Dr A Wayne Mrs M Wayne Mrs D P Atkinson (appointed 22 September 2021)
Company registered number	00537118
Charity registered number	312720
Registered office	18 Kidderpore Gardens Hampstead London NW3 7SR
Principal	Mr M Webster
Bursar	Mrs S Beschizza
Clerk to the Governors	Mrs S Beschizza
Website	www.st-margarets.co.uk
Independent auditors	Kreston Reeves LLP Chartered Accountants Statutory Auditor 2nd Floor 168 Shoreditch High Street London E1 6RA
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill West Mailing Kent ME19 4JQ

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Reference and Administrative Details of the School, its Trustees and Advisers (continued)
For the Year Ended 31 August 2021

Solicitors	Veale Wasborough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
Investment Advisors	Canaccord Genuity Wealth Management 41 Lothbury London EC2R 7AE
Insurance Brokers	Marsh Brokers Limited Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 August 2021

The Governors of St Margaret's School (Hampstead) present their annual report and audited accounts for the year ended 31 August 2021 and confirm they comply with the requirements of the governing document, the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRS 102).

Since the School qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

AIMS, OBJECTIVES AND ACTIVITIES

a. Our aims

The principal object of the company, as authorised by its Memorandum and Articles of Association, is to carry on at 18 Kidderpore Gardens, Hampstead, London NW3, a school for the general education of girls.

We aim, through our Junior and Senior Schools, to provide a secure, caring and challenging learning environment in which girls are encouraged to strive for excellence in all that they do. Respect for others lies at the heart of the school community, within which the potential and talent of each individual can be recognised, nurtured and realised. At St Margaret's, education is seen as a partnership between pupils, parents and teachers. Specifically, our aims are to:

- encourage and enable each girl to develop a love of learning by providing a supportive environment in which success is measured based on personal progress;
- enable each girl to meet intellectual, creative and physical challenges with confidence;
- support the spiritual and moral development of each girl through maintaining high standards of personal responsibility and an awareness of their contribution to the wider world;
- foster an active concern for the community and the environment through awareness and providing opportunities for individual contribution;
- prepare each girl for the next stage of her education when she leaves St Margaret's through educational credentials and/or foundations and information and guidance about future options from 16 years old;
- ensure that education is seen as a partnership between pupils, parents and staff by promoting communication and collective responsibility for a girl's academic and personal education.

b. Our objectives

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

This objective is, however, set in the context of the broader goals we set for the School and its pupils.

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's public benefit guidance.

Our key objectives for the year included:

- the continued achievement of excellent academic performance by each individual pupil as measured by GCSE results as compared with similarly loosely-selective schools. As in previous years, our Value Added scores for GCSE were high, demonstrating that the girls make better than predicted progress whilst at St Margaret's. Though the grades were internally determined, the progress was evident in the standard of the girls' work;
- the continued provision of an educational environment within which each individual pupil can thrive and develop intellectually, physically, socially and spiritually by maintaining high expectations amongst staff and pupils and making evident the spiritual values held important by the School;
- to endeavour to make an education at St Margaret's available to the greatest number of pupils to whom it would be of benefit by keeping school fees reasonable, maintaining only limited selection of pupils, and using the

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2021

AIMS, OBJECTIVES AND ACTIVITIES (continued)

school's bursary policy to promote the admission of a greater number of pupils with parents on lower incomes;

- to develop our programme of co-operation and joint working with local state junior and secondary schools;
- to play our part in the life of our local community through our community access and service programmes.

ACHIEVEMENTS AND PERFORMANCE

a. Pupil numbers and fees

Our educational activities are carried out through our Senior School and our Junior School. The average number of pupils on roll during the academic year 2020/2021 was 170. This is, effectively, the maximum number which can be comfortably accommodated on school premises, and there is now a waiting list for places.

Our fees are set at the level required to ensure that the School's costs, a high proportion of which relate to teachers' salaries, are covered. Fees during the academic year 2020/2021 before the deduction of any means assisted bursaries were:

Years R to 2	£4,491 per term
Years 3 – 6	£5,086 per term
Year 7 – 11	£5,203 per term

Curriculum

The curriculum remained the same as in previous years, albeit updated with syllabus changes.

Academically it was a successful year overall for our girls at GCSE level, with approximately 90% of grades being awarded a 7 or above (the equivalent of an A grade or above).

Co-curricular activities:

Music

We held a Carol service in December 2020 with the orchestra, choirs, handbells, and ukulele groups, and nearly all of the girls from St. Margaret's were in some way involved in performing music. However, everything had to be prerecorded and broadcast remotely as due to social distancing requirements we were not allowed to convene in large groups. We utilised the same approach for presenting our Summer Concert in June 2021.

We continued with the Apollo music project where professional musicians come and play for Y5 and 6 girls and introduce them to the beauty of classical music and different orchestral instruments. The musicians work closely with the children in interactive workshops including a wide range of live music and active participation. By giving children the chance to experience high-quality performances in the classroom and concert hall we aim to wake up their interest in classical music, build their knowledge, and their self-confidence in this area. We divided the workshops into two separate sessions, so that St. Luke's school, which we sponsor in this project, can enjoy their sessions in their own school, to keep with the government's advice of distancing.

In June 2021, the Year 6 pupils performed and recorded 'Annie Junior the Musical' as a film released to parents.

We were very lucky with all of our peripatetic teachers who were very flexible and taught a mixture of online and face to face lessons. With their help we kept the Tea-time concerts running online, if not possible in person.

Our small school orchestra has just performed for the Harvest assembly and is busy rehearsing for the Carol service. The Junior Choir started meeting again in September and plans to attend Young Voices again in January 2022, restrictions permitting.

St. Margarets School (Hampstead) Limited
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Trustees' Report (continued)
For the Year Ended 31 August 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Drama

All Senior students, in Years 7 to 11, continued to be taught Drama by our experienced subject specialist teacher, including online, during a period of lockdown enforced by the Coronavirus pandemic. Whilst this was clearly a more limited experience than being in the classroom, working with others, it did at least ensure continuity of learning in the subject for all students, and on the whole, the girls coped well with the challenges of remote teaching and learning, showing considerable imagination and a creative resourcefulness, in their response to the tasks which were set for them.

At GCSE level, all students studying in Year 11 achieved Grade 7 and above, with 60% attaining Grade 8. Teacher assessment of the candidates was based upon their completion of both the practical components in the specification over the course of the year, together with their mock exam scores. This provided a broad and secure base for the assessment, with only the external written paper, cancelled nationally, missing.

The requirement to assess Live Theatre production, for the mock exam, was achieved through the students watching the Royal National Theatre production of, One Man Two Guvnors, via the on-line streaming service in which the school has invested, to compensate for the lack of actual live theatre productions available to watch during the year. This resource has also been useful for teaching other year groups, especially in the absence of opportunities for theatre trips. Year 9, for example, were shown the RNT production of Antigone as part of their introduction to the conventions and traditions of Greek Theatre.

The restrictions imposed by the pandemic on external visitors, as well as trips to see a variety of theatrical productions, has made for a frustrating year in many respects. However, despite the limitations on opportunities and experiences that we would normally aim to make available, interest and enthusiasm for Drama across the Senior school remains high.

Sport

The PE curriculum throughout various stages of the School has traditionally covered the following areas: - netball, gymnastics, dance, games, fitness, tennis, swimming, rounders, athletics, trampolining, volley ball, badminton, rowing, tag rugby, cross country, orienteering, football.

The broad curriculum makes use of a variety of facilities. Currently St Luke's School is used for indoor work such as gym, dance, fitness and indoor games for the lower Juniors and Infants. The whole school from Y1 upwards continues to use West Heath for both lessons and matches. Currently Y5&6 and the Senior School makes use of Hendon Sports Centre and for swimming the Junior girls are taken to Barnet Copthall.

From Year 4 onwards children take part in competitive team games through the inter-house and inter-school fixture programme. Relative to size, historically the School netball teams have achieved commendable success in recent years playing approximately one fixture a week during the Autumn and Spring Terms (Currently only one fixture has been able to take place against St Anthony's - which was won by us). In the Summer Term rounders fixtures are played and the season culminates in a parent vs pupils fixture. Both Junior and Senior girls enter local cross country events and some have joined the Highgate Harriers athletic club. Seniors also play competitive netball, rounders and some football and badminton matches against local schools, and against the staff.

Additionally, we offer a wide variety of sports clubs throughout the year. We have two tennis clubs, a Junior and Senior running club, ballet, netball clubs, street dance, yoga, jazz dance, cheerleading and rounders clubs. There is an early morning netball shooting clinic and a football club that both take place before school. Although due to lockdown this did not take place there is an annual Junior School Swimming Gala and we had a whole school Sports Day at the end of the Summer Term. At the end of the Spring Term we have a Movement Display that includes every pupil from Reception-Y8 (y9 optional). We hope to reinstate this in March 2022.

During lockdown the PE curriculum was delivered remotely to all the girls R-Y11. They were set a variety of tasks through a 5 pronged fitness programme and they were asked to complete a daily fitness diary. The activities ranged from specified games skills, some fun challenges, fitness activities, or their own initiated work and a variety of outdoor physical activity.

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Trustees' Report (continued)
For the Year Ended 31 August 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

During 2020-2021 we were able to continue offering rowing lessons to y9 and y10 in the Autumn term at the Brent Reservoir and have a sailing club during the summer term where the option is offered first to the older students i.e. Y10 down to Y7.

We currently have the benefit of an ex Arsenal football player who has joined the staff as an apprentice. He is assisting the department full time and has started a number of additional football clubs for girls of all ages.

b. Details of bursary and scholarship awards

Bursaries

This year the value of means tested bursaries totalled £143,824 and represented 5.61% of our gross fees. They provided assistance to 11 of our pupils of which 8 pupils benefitted from a full remission of fees. A hardship fund is also available to help pupils in receipt of bursaries meet the costs of school trips, examination entrance fees and similar expenses.

Review

The Governors regularly review our Bursary policy to ensure that as many children as possible can accept offers of places at our School through the availability of means tested fee assistance. Our policy is designed to widen access to our School. We anticipate this will help inform the development of our policy and help ensure the objective of wider access continues to be achieved.

c. Community service

The girls have undertaken community work in the following ways:

- Visits with donations to a local Age Concern charity
- Visits with donations to a local branch of the St Mungo's charity
- Visits with donations to an animal rescue shelter

In addition during lockdown, the Catering Department provided free hot lunches for elderly parishioners of St Luke's Church.

d. Environmental Initiatives

The School has received Gold accreditation from TFL for numerous School Travel Plan initiatives to reduce "our carbon footprint". Initiatives have included encouraging walking to school, assemblies and "Green" initiatives. All of these initiatives are working towards the goal of reducing car journeys.

The School also runs a recycling programme for its paper and waste.

e. Community access

We see St Margaret's School as a part of a wider community and where we can assist the community without detriment to advancing the education of our pupils we are delighted so to do.

St. Margarets School (Hampstead) Limited
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Trustees' Report (continued)
For the Year Ended 31 August 2021

Financial review

a. Our finances

The financial statements show net incoming resources for the year on School activities of £406,571 (2020: £252,513).

The principal source of income is fees accounting for 98% of the School's income. The Governors are continuing their strategy of deploying net incoming resources to invest in the educational purposes and fabric of our Junior and Senior Schools.

As a charity the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims. As a Charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies and 'teaching link' programme.

In addition to the very substantial benefits our School brings to our pupils, the local community and society through the education we offer, our bursary programme and our 'teaching links' programme create a social asset without cost to the Exchequer.

Developments and Maintenance

The School has a planned programme of decoration/ maintenance with every classroom being decorated every 3 years with all common areas decorated annually. All electronic whiteboards have now been replaced with LED Clevertouch Screens.

IT Strategy

Students

Y4 - Y11 already had school Google accounts but new pupils needed to be trained on the use of Google Classroom and Google Meet. This was relatively straight forward and was aided by the use of help videos and step by step guides.

Rec - Y3 were allocated new school Google accounts and their parents were sent their log in details along with documentation and support videos on how to access the set work and live sessions. While this initially involved a lot of time supporting and guiding parents, once they were confident little more intervention was required.

Hardware

Students who required a computer to work on at home were able to borrow one of the school Chromebooks. This enabled all students to access the set work and live sessions on their own dedicated computer. This was one of the major factors that enabled teachers to successfully engage with all pupils.

St. Margarets School (Hampstead) Limited
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Trustees' Report (continued)
For the Year Ended 31 August 2021

b. Reserves policy

The Governors regularly review the finances, budgets and spend against budget together with a monthly cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums into new School refurbishment in recent years and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils.

Total funds at the balance sheet date were £6,890,632 (2020: £6,484,061). Of these £29,648 (2020: £44,906) were held as restricted funds and £6,296,500 (2020: £6,389,196) as designated funds. Designated funds include £6,139,739 (2020: £6,232,304) of property, plant and equipment held as tangible fixed assets. As shown in note 20 to the accounts, this leaves free reserves of £564,484 (2020: £49,959). Target reserves are 3-6 months of expenditure (excluding depreciation) and current levels are below this range. This illustrates the extent of the investment in our School, as is common practice by independent schools which have to finance their own capital investment plans.

The Governors recognise that the level of reserves fluctuates during periods of investment in the School estate and the arrangements at our Investment Company Cannacord Genuity Wealth Management are in place to provide an adequate 'safety net' should it be required.

c. Financial health and going concern

The Governors consider that given the strength of the charity's balance sheet, the stable cash flow from full student rolls, the ongoing popularity of our School, and the available banking facility that can be called upon if need arises, that the finances are in good health.

The Governors recognise that the level of reserves fluctuates during periods of investment in the School estate and the arrangements at our Investment Advisers Cannacord Genuity Wealth Management are in place to provide an adequate 'safety net' should it be required.

d. Investment policy and performance

The School's investment portfolio has continued to make a strong recovery from the lows of March 2020. As clarity grew that the impact of the pandemic was going to be relatively short term, governments provided support to those most affected and global central banks continued to pump liquidity into the financial system. The last was most important as it ensured asset prices were firmly underpinned and did not react to short term economic data. Over the 12 months to 31st August 2021, the value of the School's investments rose 19.8% which compares favourably with the benchmark which was up 15.6%. The performance was particularly strong in the alternatives and equities. Within equities it is worth to highlight the strength in global equities and thematic holdings with the latter benefitting from exposure to healthcare, technology and ESG investments. Although the value of the portfolio has continued to rise since the end of August it is unreasonable to expect the performance to be as strong over the next 12 months as the central banks are likely to withdraw their support for the bond market resulting in a tightening of liquidity.

St. Margarets School (Hampstead) Limited
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Trustees' Report (continued)
For the Year Ended 31 August 2021

OUR ETHOS STRATEGY AND POLICIES

St Margaret's is, by any manner of reckoning, a very small school, having not just small classes but only one class per year group from age 4 to age 16. This situation may have been arrived at by accident of history, but it is now embraced and celebrated by the Governors as a matter of positive policy. The close-knit community which our size engenders is integral to our academic and pastoral success and is one of the prime reasons why parents choose St Margaret's for their daughters.

The Governors are committed to broadening access to the School by every means at their disposal, whilst having regard to their duty to safeguard its long-term future.

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

Our ethos: a caring School serving our local community and society

St Margaret'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 to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class education to girls.

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 a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

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

In early 2018 the school underwent a compliance inspection which confirmed that the school meets all its obligations as regards the quality of provision and care for the girls of the school.

We had to adapt many of our practices so that we were able to provide appropriate pastoral support during the lockdown period.

Parents are given regular information about their children's social and academic progress through parent evenings and online progress grades, in addition to the traditional end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and through our newsletter. The school operates a mostly 'open door' policy and parents are given access to teachers' direct email addresses with a view to maintaining close communication opportunities.

Access Policy

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. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy together with our 'Teaching Links' programme contribute to a widening of access to the education we offer and the facilities we enjoy.

St. Margarets School (Hampstead) Limited
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Trustees' Report (continued)
For the Year Ended 31 August 2021

OUR ETHOS STRATEGY AND POLICIES (continued)

Teaching Links

Our School is a part of a wider community and we are keen that our staff and pupils participate. Our Governors are committed to developing our 'Teaching Links' programme of cooperation and joint working with local state Junior and Secondary schools. Please see our "community section" above.

Bursary policy

At St Margaret's we believe whole heartedly in the value of a traditional academic education within a small scale, "family" environment. This is an expensive endeavour, and our fees must cover our costs as well as providing for the future maintenance, development and stability of the school. We are well aware that, in consequence, an education at St Margaret's is beyond the means of some parents whose daughters would derive considerable benefit from what we have to offer. The Governors are committed to broadening access to the School by every means at their disposal, including by offering means-tested financial assistance of up to 100% remission of fees, to parents of suitable applicants.

The school will continue to give sympathetic consideration to cases where the parents of existing pupils experience a sudden, unforeseen change in circumstances which would result in their daughter otherwise having to be withdrawn from the school. For the sake of clarity, these awards are termed Hardship Grants.

The bursary awards range from 50 % to 100 % remission of fees. In the year we awarded 11 bursaries at an average of £12,909 each.

The success of our bursary scheme is explained in our review of activities and achievements section of this report. Details of bursary awards are also set out in note 5 to the accounts.

Other policies on assistance

Financial planning policy

Timely financial planning is often the key for many parents who are hoping to send their children to St Margaret's School and a school fee plan is available to help those who wish to fund educational costs through regular contributions. During the pandemic the School offered parents our interest free repayment plan over the duration of the summer term to assist financial planning during the lockdown.

Family discounts policy

To underline the value we place on continuity for families, we offer discounts where parents have more than two daughters at the School.

Promoting high academic standards

The Teachers' Standards (as set out by the DfE) are in full use and have been extended to reflect an additional set of 12 STM standards which acknowledge contribution across the school which is substantial and sustained.

We provide whole school in-house professional development approximately every two weeks.

We have appointed a Key Stage 1 / Early Years Coordinator to oversee teaching in these Year groups.

We have continued to develop our Kinetic Learning initiative which focuses on higher order skills (such as creativity, evaluation and decision making) being embedded into the academic curriculum to enable all pupils to benefit from stretch and challenge opportunities.

The external inset budget has been focused on opportunities to extend our staff professionally as well as offering new developments within the school.

St. Margarets School (Hampstead) Limited
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Trustees' Report (continued)
For the Year Ended 31 August 2021

Information on fundraising practices

The School recognises the contribution made by its supporters, with voluntary donations being a valuable part of the School's incoming resources. All fundraising activity is carried out by our Parent Teachers Association (PTA) which is led by an elected committee of parents and operates independently from the school. This group raises money for the School through events and activities which are voluntary and advertised in a non-intrusive manner.

The School does not utilise the services of any external commercial fundraiser's. Given that the majority of donations are from parents of current pupils, either direct or through our PTA, and only limited fundraising activity takes place, the School does not consider it necessary at this time to subscribe to a fundraising regulator. The School has not received any complaints in the year in respect of our fundraising practices.

Structure, governance and management

a. Constitution

St. Margarets School (Hampstead) Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 19 August 1954, as amended by special resolution registered at Companies House on 17 December 2018.

b. Governor recruitment and training

The Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees, the important attribute is a commitment to the School and an understanding of education as a holistic and rounded experience of personal growth. Governors are recruited by personal recommendation and are inducted into the workings of the School and the Board by the Chairman, Bursar and the Principal. We also invite senior local business people to consider joining our Board. Where possible the Governors consider that the skills and experience of the Board should comprise the following:

- A Governor with a legal background
- Two Governors with a financial/accounting background
- A Governor with education experience
- A Governor with senior managerial or business experience
- A Governor with experience of equal opportunities or disability needs
- At least one female Governor and at least one male Governor

One Governor may have one or more of these skills.

St. Margarets School (Hampstead) Limited
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Trustees' Report (continued)
For the Year Ended 31 August 2021

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Governors, who are also the charity trustees, are responsible for the overall management and control of St Margaret's School and meet six times a year. School policies are approved by the Board. The St Margaret's School Bursar is responsible for coordinating the work of the Governors and their Committees, preparation of papers and management accounts and the review of matters arising.

All trustees give of their time freely and no remuneration or expenses were paid in the year for their Governing duties.

The Governors determine the general policy of the School. The day to day running of the School is delegated to the Principal, supported by Senior staff. The Principal undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day to day administration of both Junior and Senior School is undertaken within the policies and procedures approved by the Governors.

The Principal oversees the recruitment of all educational staff, whilst under delegated authority the Bursar oversees the recruitment of administrative and non-teaching support staff. The Principal and Bursar are invited to attend Governors' meetings.

The Governors are the charity trustees of St Margaret's School (Hampstead). New Governors are appointed by the existing Board of Governors. The current Governors come from a variety of backgrounds and include two solicitors, two accountants, a psychotherapist and a general practitioner. One Governor is a former pupil. The majority live within a five-mile radius of the school. All Governors have served throughout the year except where indicated.

d. Pay policy for key management personnel

The Governors consider that they, together with the Principal, the Bursar and the Senior Leadership Team comprise the Key Management Personnel (see note 19 to the accounts). The Governors give their time freely and the remuneration of the Principal and senior staff is set by the Salary Committee and is kept under review. A number of criteria are used in setting pay:

- nature of the role and responsibilities
- competitor salaries in the region
- the sector average salary for comparable positions
- trends in pay

The Governors have given delegated authority to the Principal & Bursar to pay higher salaries for exceptional candidates where this is in the interest of the School.

e. Other relationships

The Principal is a member of the GSA which is an opportunity to share expertise, knowledge and experience across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector.

The school belongs to the London Consortium group of schools for the running and administration of the 11+ examination.

St. Margarets School (Hampstead) Limited
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Trustees' Report (continued)
For the Year Ended 31 August 2021

Structure, governance and management (continued)

f. Risk management

The Governors are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Management of the School. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on a termly basis. Risk is managed under the headings of financial sustainability, school safety, student welfare, employment, school trips and events and community access.

The main risks that the Governors have identified and the plans to manage those risks are:

- **Reputation.** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and resolution of health and safety related issues;
- **Money.** Our ability to continue is reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, having a reputation for academic excellence and active cash-flow management;
- **Curriculum.** Academic excellence requires the most able teachers with good facilities delivering the curriculum to able students. We manage this risk by combining attractive salaries with additional allowances and an approach to enrolment that works with supportive parents whose children have an appetite for learning and a bursary scheme that recognises pupil achievement and aptitude.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Plans for future periods

The Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our pupils in a nurturing environment. Achieving a high standard of academic results is a constant aim whilst maintaining the breadth and depth of the education provided.

The Principal and Senior staff continue to review the curriculum to ensure that the educational qualifications remain appropriate for our pupils' development.

Our future plans are financed primarily from fee income and from our reserves. The Governors need to maintain an equitable balance ensuring our current pupils benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for the next generation of pupils in the same way as our current pupils benefit today from the investment made in the past.

The Governors view our Bursary awards as important in widening access to the education our School provides. The Governors regularly review our Bursary Awards policies to ensure that the most deserving children can accept offers of places at our School through the availability of means-tested fee assistance.

Maintaining and, where necessary, developing the fabric and facilities of the School are central to our strategy. The School's programme of routine building maintenance will continue.

Our links with other schools have been severely curtailed by Covid-19 restrictions.

St. Margarets School (Hampstead) Limited
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Trustees' Report (continued)
For the Year Ended 31 August 2021

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Mrs E Brettle
(Chair of Trustees)

Date:

St. Margarets School (Hampstead) Limited
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Statement of Trustees' responsibilities
For the Year Ended 31 August 2021

The Trustees (who are also the directors of the School 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

St. Margarets School (Hampstead) Limited
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Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited

Opinion

We have audited the financial statements of St. Margarets School (Hampstead) Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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. Margarets School (Hampstead) Limited
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Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

St. Margarets School (Hampstead) Limited
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Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited (continued)

Auditors' responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charitable company and sector, and through discussion with the Governors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety legislation and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charities Statement of Recommended Practice and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including safeguarding, health and safety and employment law) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement 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

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Independent Auditors' Report to the Members of St. Margarets School (Hampstead) Limited (continued)

are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's 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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' 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 Auditors' Report. However, future events or conditions may cause the charitable company 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.

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 charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP
Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
London

Date:

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2021

	Note	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:						
Donations and legacies	4	13,995	-	-	13,995	56,028
Charitable activities	5	2,667,003	-	-	2,667,003	2,648,963
Other trading activities	6	30,672	-	-	30,672	15,778
Investments	7	11,342	1,587	-	12,929	18,007
Total income and endowments		2,723,012	1,587	-	2,724,599	2,738,776
Expenditure on:						
Raising funds	8	10,645	1,718	-	12,363	11,387
Charitable activities	9	2,476,951	-	15,258	2,492,209	2,483,743
Total expenditure		2,487,596	1,718	15,258	2,504,572	2,495,130
Net income/ (expenditure) before net gains on investments						
		235,416	(131)	(15,258)	220,027	243,646
Net gains on investments		186,544	-	-	186,544	8,867
Net income / (expenditure)		421,960	(131)	(15,258)	406,571	252,513
Transfers between funds	19	92,565	(92,565)	-	-	(4,000)
Net movement in funds before other recognised gains		514,525	(92,696)	(15,258)	406,571	248,513
Other recognised gains:						
Gains on revaluation of fixed assets		-	-	-	-	4,263,774
Net movement in funds		514,525	(92,696)	(15,258)	406,571	4,512,287

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account) (continued)
For the Year Ended 31 August 2021

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Reconciliation of funds:					
Total funds brought forward	49,959	6,389,196	44,906	6,484,061	1,971,774
Net movement in funds	514,525	(92,696)	(15,258)	406,571	4,512,287
Total funds carried forward	<u>564,484</u>	<u>6,296,500</u>	<u>29,648</u>	<u>6,890,632</u>	<u>6,484,061</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 47 form part of these financial statements.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)
Registered number: 00537118

Balance Sheet
As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	6,139,739	6,232,304
Investments	14	1,128,260	942,660
		<u>7,267,999</u>	<u>7,174,964</u>
Current assets			
Debtors	15	35,112	14,466
Cash at bank and in hand		499,958	763,066
		<u>535,070</u>	<u>777,532</u>
Creditors: amounts falling due within one year	16	(377,143)	(482,127)
		<u>157,927</u>	<u>295,405</u>
Total assets less current liabilities		<u>7,425,926</u>	<u>7,470,369</u>
Creditors: amounts falling due after more than one year	17	(515,492)	(964,153)
Net assets excluding pension liability		<u>6,910,434</u>	<u>6,506,216</u>
Defined benefit pension scheme liability	24	(19,802)	(22,155)
Total net assets		<u><u>6,890,632</u></u>	<u><u>6,484,061</u></u>
Charity funds			
Restricted funds	19	29,648	44,906
Designated funds	19	6,296,500	6,389,196
Unrestricted funds	19	564,484	49,959
Total funds		<u><u>6,890,632</u></u>	<u><u>6,484,061</u></u>

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)
Registered number: 00537118

Balance Sheet (continued)
As at 31 August 2021

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Mrs E Brettle
(Chair of Trustees)

Date:

The notes on pages 25 to 47 form part of these financial statements.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net cash used in operating activities	227,793	452,825
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	12,929	18,007
Purchase of tangible fixed assets	(71,731)	(784,177)
Proceeds from sale of investments	23,052	7,345
Purchase of investments	(23,052)	(6,791)
	<hr/>	<hr/>
Net cash used in investing activities	(58,802)	(765,616)
	<hr/>	<hr/>
Cash flows from financing activities		
Repayments of borrowing	(432,099)	(19,159)
	<hr/>	<hr/>
Net cash used in financing activities	(432,099)	(19,159)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(263,108)	(331,950)
Cash and cash equivalents at the beginning of the year	763,066	1,095,016
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	499,958	763,066
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 25 to 47 form part of these financial statements

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

1. General information

Charity information

St. Margarets School (Hampstead) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 18 Kidderpore Gardens, Hampstead, London, NW3 7SR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St. Margarets School (Hampstead) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Company status

The School is a company limited by guarantee. The members of the company are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

2.3 Going concern

Having reviewed the resources and funding available to the school together with the expected ongoing demand for places and the school's projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the school's financial viability. Thus the Governors continue to adopt the going concern basis of accounting in preparing the accounts.

These considerations take into account the impact of Covid-19 and the Governors have concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

2. Accounting policies (continued)

2.4 Income

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income arises in the United Kingdom from educational and allied activities and is accounted for in the year to which it relates. Tuition fees unpaid at the balance sheet date and relating to the period to that date are brought in as income with a provision created in respect of those for which recoverability is considered to be doubtful. Fees received in advance at the balance sheet date are included in creditors as deferred income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Investment income is recognised on a receivable basis.

Government grants are recognised in the period in which it is receivable and the related expenditure is incurred.

2.5 Expenditure

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

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the School. Governance costs are those incurred in connection with public accountability of the School and its compliance with constitutional and statutory requirements.

Costs of raising funds are costs incurred in managing the School's investment portfolio.

Charitable activities are costs incurred on the School's operations. These include all support costs and costs relating to the governance of the School which it is considered appropriate to allocate in full to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the Bank.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal undertaken by the School with reference to the most recent valuation performed for loan security purposes.

Gains and losses on revaluation are recognised in the Statement of Financial Activities, with a separate revaluation reserve being shown in the Statement of funds note.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method from the date they are brought into use.

Depreciation is provided on the following bases:

Freehold property	- 2% on valuation
Office equipment	- 33 1/3% on cost

2.8 Investments

The School's portfolio is managed professionally by Canaccord Genuity Wealth Management, in accordance with the objective of providing a balance of capital growth and income. Investments are stated at market value.

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account. Transaction costs are expensed as incurred.

The charity does not acquire or use put options, derivatives or other complex financial instruments.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

2. Accounting policies (continued)

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Creditors

Trade and other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.13 Financial instruments

The School 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

2. Accounting policies (continued)

2.14 Retirement benefits

Retirement benefits to employees of the school were provided by the 'APTIS' Aviva Pension Trust for Independent Schools. This is a defined contribution scheme. Contributions are recognised in the period to which they relate.

The ISPS is a funded scheme and the assets are held separately from those of the school in separate trustee administered funds. The trustee commissions an actuarial valuation of the scheme every three years using the prospective unit credit method. The ISPS is a multi-employer scheme and there is insufficient information available to use defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Where the actuarial valuation reveals a shortfall of assets compared to liabilities a provision for additional agreed contribution payments is also recognised in full.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.16 Pupil deposits

A deposit is collected in respect of each pupil joining the school. This may be used to cover outstanding fees and expenses on the departure of the pupil, or retained in lieu of fees if the required notice of withdrawal is not given. As pupils are expected to remain at the school for several years and departing pupils are replaced by new students the Governors consider it is appropriate to treat all deposits as repayable after more than one year.

2.17 Employee benefits

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

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

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Independent Schools' Pension Scheme ('ISPS') defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 30 September 2017 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The carrying value of the land and buildings depends on the market values of similar property in the local area and will fluctuate according to market conditions.

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	5,968	-	5,968
Grants	8,027	-	8,027
Total 2021	13,995	-	13,995

During the year, the School received unrestricted donations of deposits from ex-pupils.

The School also received government grants in the form of furlough pay for staff members furloughed during the COVID-19 epidemic.

In the prior year, the School received unrestricted donations of deposits from ex-pupils, donation from FOSM for works on the playground and government grants in the form of furlough pay.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

4. Income from donations and legacies (continued)

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	9,013	4,000	13,013
Grants	43,015	-	43,015
	<u>52,028</u>	<u>4,000</u>	<u>56,028</u>

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tuition fees and school activities	<u>2,667,003</u>	<u>2,667,003</u>	<u>2,648,963</u>

During the year the School received income in relation to Autumn 2021 fees. These have been included in deferred income (see note 16).

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

6. Trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other fees and hire income	30,672	30,672	15,778

All income from other trading activities in 2021 and 2020 was unrestricted.

7. Investment income

	Unrestricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Income from listed investments	9,832	1,587	11,419
Interest receivable	1,510	-	1,510
Total 2021	11,342	1,587	12,929

	Unrestricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £
Income from local listed investments	13,416	2,712	16,128
Interest receivable	1,879	-	1,879
	15,295	2,712	18,007

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

8. Investment management costs

	Unrestricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Investment management fees	10,645	1,718	12,363

	Unrestricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £
Investment management fees	9,475	1,912	11,387

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tuition fees and school activities	2,476,951	15,258	2,492,209

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tuition fees and school activities	2,468,485	15,258	2,483,743

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Tuition fees and school activities	2,154,595	337,614	2,492,209

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

10. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Tuition fees and school activities	2,158,189	325,554	2,483,743

Analysis of direct costs

	Tuition fees and school activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	1,586,356	1,586,356	1,566,761
Depreciation	164,296	164,296	145,289
Bursaries and Scholarships	150,423	150,423	150,172
Food and catering	97,608	97,608	101,288
Sport, music and art	53,751	53,751	54,027
Other direct expenditure	102,161	102,161	140,652
Total 2021	2,154,595	2,154,595	2,158,189

Analysis of support costs

	Tuition fees and school activities 2021 £	Total funds 2021 £	Total funds 2020 £
Wages and salaries	72,507	72,507	77,091
Premises and equipment	102,185	102,185	99,067
Other costs	140,793	140,793	130,753
Governance costs	22,129	22,129	18,643
Total 2021	337,614	337,614	325,554

Governance costs relate to legal and professional fees of £11,889 (2020 - £7,842) and audit fees of £10,240 (2020 - £10,801).

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

11. Staff costs

	2021	2020
	£	£
Wages and salaries	1,364,987	1,333,604
Social security costs	131,653	129,830
Pension scheme costs	162,223	180,418
	<u>1,658,863</u>	<u>1,643,852</u>

The average number of persons employed by the School during the year was as follows:

	2021	2020
	No.	No.
Teachers	28	26
Office and domestics	14	14
	<u>42</u>	<u>40</u>

The average headcount expressed as full-time equivalents was 33 (2020: 32).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	1

The total remuneration paid during the year to the five members of the senior management team, which includes the Principal, Deputy Head, the Director of Studies, Director of IT and the Bursar, was £446,781 (2020: £374,882 for four members of the senior management team).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

13. Tangible fixed assets

	Freehold property £	Office equipment £	Total £
Cost or valuation			
At 1 September 2020	6,178,068	658,795	6,836,863
Additions	1,488	70,243	71,731
At 31 August 2021	<u>6,179,556</u>	<u>729,038</u>	<u>6,908,594</u>
Depreciation			
At 1 September 2020	52,288	552,271	604,559
Charge for the year	53,212	111,084	164,296
At 31 August 2021	<u>105,500</u>	<u>663,355</u>	<u>768,855</u>
Net book value			
At 31 August 2021	<u>6,074,056</u>	<u>65,683</u>	<u>6,139,739</u>
At 31 August 2020	<u>6,125,780</u>	<u>106,524</u>	<u>6,232,304</u>

On 1 September 2019, the freehold land and buildings were revalued by the Trustees.

Had these assets been measured at historic cost, the carrying value of the freehold property would have been £1,937,638 (2020: £1,936,150).

Freehold land and buildings (18 Kidderpore Gardens) have been pledged as security for a bank loan liability of the charity.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

14. Fixed asset investments

	Listed investments £	Cash held for investment £	Total £
Cost or valuation			
At 1 September 2020	886,444	56,216	942,660
Revaluations	185,600	-	185,600
Transfers between classes	23,052	(23,052)	-
	<u>1,095,096</u>	<u>33,164</u>	<u>1,128,260</u>
At 31 August 2021			
Net book value			
At 31 August 2021	<u>1,095,096</u>	<u>33,164</u>	<u>1,128,260</u>
At 31 August 2020	<u>886,444</u>	<u>56,216</u>	<u>942,660</u>

Material investments

Those investments making up more than 5% of the total market value of the portfolio were:

	2021 £
Schroder Asian Total RTN INV CO PLC ORD GBP	58,750
Smithson Investment Trust PLC Ord GBP0.01	58,020
Fundsmith LLP Equity INC NAV	65,729
Scottish Mortgage Inv Trust ORD GBP0.05	61,583
	<u>244,082</u>

Investments at market value comprise:

	UK 2021 £	Overseas 2021 £	Total funds 2021 £
Listed investments	<u>181,315</u>	<u>913,782</u>	<u>1,095,097</u>

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

15. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	22,581	10,502
Other debtors	2,061	2,202
Prepayments and accrued income	10,470	1,762
	<u>35,112</u>	<u>14,466</u>

16. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	43,569	30,007
Trade creditors	10,416	5,864
Other taxation and social security	36,443	31,432
Other creditors	369	369
Accruals and deferred income	286,346	414,455
	<u>377,143</u>	<u>482,127</u>

There is one loan secured by legal charges over the freehold land and buildings of 18 Kidderpore Gardens by a debenture in favour of CAF Bank. The loan was secured for the purposes of providing a new Science lab and classroom in the outer building of the School.

The loan is repayable over a 20 year term to July 2039 through equal monthly instalments of capital and interest which are at a fixed rate for the first five years, currently 3.84%. An additional repayment of £400,000 was made during 2020/21.

Tuition fees included within deferred income were as follows:

	2021
	£
Deferred income at 1 September 2020	363,595
Tuition fees received in the year	(2,830,092)
Income recognised in the year (note 5)	2,738,981
	<u>272,484</u>

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

17. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Bank loans	353,492	799,153
Other creditors	162,000	165,000
	<u>515,492</u>	<u>964,153</u>

18. Provisions

	2021	2020
	£	£
ISPS Pension deficit contribution (see note 25)	19,802	22,155
	<u>19,802</u>	<u>22,155</u>

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

19. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Fund	49,959	2,723,012	(2,487,596)	92,565	186,544	564,484
Restricted funds						
Salti Bursary	44,906	-	(15,258)	-	-	29,648
Designated funds						
Morton Scholarship Fund	156,892	1,587	(1,718)	-	-	156,761
Fixed Asset Reserve	1,968,530	-	-	(92,565)	-	1,875,965
Revaluation Reserve	4,263,774	-	-	-	-	4,263,774
	<u>6,389,196</u>	<u>1,587</u>	<u>(1,718)</u>	<u>(92,565)</u>	<u>-</u>	<u>6,296,500</u>
Total of funds	<u><u>6,484,061</u></u>	<u><u>2,724,599</u></u>	<u><u>(2,504,572)</u></u>	<u><u>-</u></u>	<u><u>186,544</u></u>	<u><u>6,890,632</u></u>

Restricted funds

The Salti Bursary was established to provide a scholarship to a single student to ensure the highest probability of their success for their full education at the school.

Designated funds

The Morton scholarship fund was established to reflect the wishes of a donor that some of her donation be used to provide scholarships and bursaries to future pupils. The school board has agreed that any increase of the fund over the value of £156,892 will be transferred to the unrestricted funds to assist the cost of the Morton bursaries.

The Fixed Asset Reserve was established in accordance with Charity Commission guidance to separately identify the value of the fixed assets held by the school. Transfers represent net movements on fixed assets in the year.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Fund	421,076	2,732,064	(2,477,960)	(634,088)	8,867	49,959
Restricted funds						
Salti Bursary	60,164	-	(15,258)	-	-	44,906
Designated funds						
Morton Scholarship Fund	156,892	2,712	(1,912)	(800)	-	156,892
Fixed Asset Reserve	1,329,642	-	-	638,888	-	1,968,530
Revaluation Reserve	-	-	-	-	4,263,774	4,263,774
FOSM - Playground contributions	-	4,000	-	(4,000)	-	-
	<u>1,486,534</u>	<u>6,712</u>	<u>(1,912)</u>	<u>634,088</u>	<u>4,263,774</u>	<u>6,389,196</u>
Total of funds	<u><u>1,967,774</u></u>	<u><u>2,738,776</u></u>	<u><u>(2,495,130)</u></u>	<u><u>-</u></u>	<u><u>4,272,641</u></u>	<u><u>6,484,061</u></u>

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	6,139,739	-	6,139,739
Fixed asset investments	971,499	156,761	-	1,128,260
Current assets	505,422	-	29,648	535,070
Creditors due within one year	(377,143)	-	-	(377,143)
Creditors due in more than one year	(515,492)	-	-	(515,492)
Provisions for liabilities and charges	(19,802)	-	-	(19,802)
Total	564,484	6,296,500	29,648	6,890,632

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	6,232,304	-	6,232,304
Fixed asset investments	785,768	156,892	-	942,660
Current assets	732,626	-	44,906	777,532
Creditors due within one year	(482,127)	-	-	(482,127)
Creditors due in more than one year	(964,153)	-	-	(964,153)
Provisions for liabilities and charges	(22,155)	-	-	(22,155)
Total	49,959	6,389,196	44,906	6,484,061

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	406,571	252,513
Adjustments for:		
Depreciation charges	164,296	145,289
Gains on investments	(185,600)	(8,867)
Dividends, interests and rents from investments	(12,929)	(18,007)
Decrease/(increase) in debtors	(20,646)	4,713
Increase/(decrease) in creditors	(121,546)	79,400
(Decrease)/increase in provisions	(2,353)	(2,216)
Net cash provided by operating activities	227,793	452,825

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	499,958	763,066
Total cash and cash equivalents	499,958	763,066

23. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	Other non- cash changes £	At 31 August 2021 £
Cash at bank and in hand	763,066	(263,108)	-	499,958
Debt due within 1 year	(30,007)	32,099	(45,661)	(43,569)
Debt due after 1 year	(799,153)	400,000	45,661	(353,492)
	(66,094)	168,991	-	102,897

24. Pension commitments

The School's employees belong to two principal pension schemes: one for academic and related staff and one for non-teaching staff. Academic and related staff are now in the Aviva Pension Trust for Independent Schools (APTIS), a defined contribution scheme. Non-teaching staff are in the Independent Schools' Pension Scheme (ISPS), which is managed by TPT Retirement Solutions.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

24. Pension commitments (continued)

ISPS is a multi-employer defined benefit scheme and the School is unable to identify its share of the underlying assets and liabilities. In accordance with FRS 102, the School has accounted for its contributions to the scheme as if it was a defined contribution scheme. Accordingly, the accounting charge for the scheme in the period under FRS 102 represents the employer contributions payable and any change in the provision for contributions under the deficit recovery plan.

Aviva Pension Trust for Independent Schools (APTIS)

The pension charge for the year includes contributions payable to APTIS of £162,223 (2020: £101,592) and at the year-end £nil (2020 - £nil) was accrued in respect of contributions to this scheme.

Independent Schools' Pension Scheme (ISPS)

The School participates in The Independent Schools' Pension Scheme (the Scheme), which is a funded multi-employer defined benefit (DB) scheme. The Scheme is a contracted-out of the State scheme.

There are four DB structures available, namely:

- a) Final salary with a 1/60th accrual rate
- b) Final salary with a 1/80th accrual rate
- c) Career average revalued earnings with an 1/80th accrual rate
- d) Career average revalued earnings with a 1/120th accrual rate

A defined contribution (DC) benefit structure was made available from 1 September 2013.

An employer can elect to operate different benefit structures for different categories of staff. The School has elected to operate the final salary with 1/60th accrual rate.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due. The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period St Margaret's School (Hampstead) Limited paid a joint contribution rate of 26.81% comprising employer contributions of 18.68% and member contributions of 8.13%. As at the balance sheet date there was one active member of the Scheme employed by St Margaret's School (Hampstead) Limited. The school does not offer membership of the Scheme to its employees.

The last formal valuation of the Scheme was performed as at 30 September 2017 by a professionally qualified actuary using the Projected Unit Method. The following key assumptions have been used for the 2017 valuation.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

Assumptions

	30 Sept 2017
	Valuation
	£m
Price inflation	RPI - 3.35% CPI - 2.45%
Discount rate	
- pre retirement	4.21%
- post retirement	2.26%
Pensionable earnings growth (annual)	CPI - 2.45%

In addition to these key financial assumptions, the latest mortality projections, supported by Scheme specific experience, have also been used in the assumption set adopted.

St. Margarets School (Hampstead) Limited
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Notes to the Financial Statements
For the Year Ended 31 August 2021

Based on the valuation assumptions adopted, the 2017 valuation results are:

	30 Sept 2017 Valuation £m
Assets	149
Liabilities	188
Deficit	38
Funding level (%)	80
	<hr/> 455 <hr/> <hr/>

The future service contribution rate that will apply to the School from 1 September 2019 is 30.5% as determined by reference to the Scheme's 30 September 2017 valuation.

Following consideration of the results of the Scheme's 2017 actuarial valuation it was agreed that the shortfall of £38.2 million would be dealt with by payment of deficit contributions of £2.4 million per annum from 1 September 2019 to 30 April 2030. The new recovery plan replaces the recovery plan set out in the 2014 valuation report. The amount of deficit contribution will be dependent on the membership profile of each individual employer. There will be a review of progress at the next valuation in 2020.

The School was required to contribute deficit payments of £1,539.60 for the year commencing 1 September 2018. From 1 September 2019 the School was required to contribute £2,284.78 a year increasing annually by 3% from 1 September 2020 and on 1 September thereafter until 30 April 2030. In accordance with FRS 102, a provision has been recognised for the expected total deficit contributions (see note 18).

A copy of the recovery plan, setting out the level of deficit contributions payable and the period for which they will be payable, must be sent to The Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan). In relation to the 2014 valuation the Regulator did not respond on whether they intend to take any Scheme Funding Action.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. As at 30 September 2014 the estimated employer debt for the School was £103,863. A more recent estimate is not yet available.

St. Margarets School (Hampstead) Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2021

25. Related party transactions

Dr A Wayne, a governor, was paid the sum of £nil (2020: £280) for providing staff flu vaccinations.

26. Operating lease commitments

At 31 August 2021 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	7,673	5,309
Later than 1 year and not later than 5 years	21,742	-
	29,415	5,309

27. Controlling party

The Charity is governed by the Trustees who do not consider there to be one controlling party.

ST MARGARET'S SCHOOL (HAMPSTEAD) LTD

England & Wales - Charity number 312720

Accounts

Registered number: 00537118
Charity number: 312720

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 August 2020

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

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St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

**Reference and administrative details of the School, its Trustees and advisers
for the year ended 31 August 2020**

Trustees Mrs E Brettle, Chair
Mr M Feldman
Miss C Gay (resigned 23 September 2020)
Mr E Grower
Mr G Leung
Mr D MacNeill
Mrs T Marton (appointed 17 June 2020)
Miss M Mendham
Mr F Patel
Dr A Wayne
Mrs M Wayne

**Company registered
number** 00537118

**Charity registered
number** 312720

Registered office 18 Kidderpore Gardens
Hampstead
London
NW3 7SR

Principal Mr M Webster

Bursar Mrs S Beschizza

Clerk to the Governors Ms L A Scorgie

Website www.st-margarets.co.uk

Independent auditors Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Third Floor
24 Chiswell Street
London
EC1Y 4YX

Bankers CAF Bank Limited
25 Kings Hill Avenue, Kings Hill
West Mailing
Kent
ME19 4JQ

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Reference and administrative details of the School, its Trustees and advisers (continued)
for the year ended 31 August 2020

Solicitors	Veale Wasborough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
Investment Advisors	Canaccord Genuity Wealth Management 41 Lothbury London EC2R 7AE
Insurance Brokers	Marsh Brokers Limited Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Trustees' report
for the year ended 31 August 2020

The Governors present their annual report and audited financial statements of St Margarets School (Hampstead) Limited ("the School") for the year ended 31 August 2020. The Governors confirm that the Annual Report and financial statements of the School comply with the current statutory requirements, the requirements of the School's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the School qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

AIMS, OBJECTIVES AND ACTIVITIES

a. Our aims

The principal object of the company, as authorised by its Memorandum and Articles of Association, is to carry on at 18 Kidderpore Gardens, Hampstead, London NW3, a school for the general education of girls.

We aim, through our Junior and Senior Schools, to provide a secure, caring and challenging learning environment in which girls are encouraged to strive for excellence in all that they do. Respect for others lies at the heart of the school community, within which the potential and talent of each individual can be recognised, nurtured and realised. At St Margaret's, education is seen as a partnership between pupils, parents and teachers. Specifically, our aims are to:

- encourage and enable each girl to develop a love of learning by providing a supportive environment in which success is measured based on personal progress;
- enable each girl to meet intellectual, creative and physical challenges with confidence;
- support the spiritual and moral development of each girl through maintaining high standards of personal responsibility and an awareness of their contribution to the wider world;
- foster an active concern for the community and the environment through awareness and providing opportunities for individual contribution;
- prepare each girl for the next stage of her education when she leaves St Margaret's through educational credentials and/or foundations and information and guidance about future options from 16 years old;
- ensure that education is seen as a partnership between pupils, parents and staff by promoting communication and collective responsibility for a girl's academic and personal education.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2020

AIMS, OBJECTIVES AND ACTIVITIES (continued)

b. Our objectives

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

This objective is, however, set in the context of the broader goals we set for the School and its pupils.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Our key objectives for the year included:

- the continued achievement of excellent academic performance by each individual pupil as measured by GCSE results as compared with similarly loosely-selective schools. As in previous years, our Value Added scores for GCSE were high, demonstrating that the girls make better than predicted progress whilst at St Margaret's;
- the continued provision of an educational environment within which each individual pupil can thrive and develop intellectually, physically, socially and spiritually by maintaining high expectations amongst staff and pupils and making evident the spiritual values held important by the School;
- to endeavour to make an education at St Margaret's available to the greatest number of pupils to whom it would be of benefit by keeping school fees as reasonable as possible, maintaining only limited selection of pupils, and using the school's bursary policy to promote the admission of a greater number of pupils with parents on lower incomes;
- to develop our programme of co-operation and joint working with local state junior and secondary schools;
- to play our part in the life of our local community through our community access and service programmes.

ACHIEVEMENTS AND PERFORMANCE

a. Pupil numbers and fees

Our educational activities are carried out through our Senior School and our Junior School. The average number of pupils on roll during the academic year 2019/2020 was 170. This is, effectively, the maximum number which can be comfortably accommodated on school premises, and there is now a waiting list for places.

Our fees are set at the minimum level required to ensure that the School's costs, a high proportion of which relate to teachers' salaries, are covered. Fees during the academic year 2019/2020 before the deduction of any means assisted bursaries were:

Years R to 2	£4,491 per term
Years 3 – 6	£5,086 per term
Year 7 – 11	£5,203 per term

Curriculum

The curriculum remained the same as in previous years, though more PSHE was timetabled in the Senior School.

Academically it was a moderately successful year overall for our girls at GCSE level, with approximately 82% of grades being awarded a 7 or above (the equivalent of an A grade or above).

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Co-curricular activities:

Music

We held a Carol service in December 2019 with orchestra, choirs, handbells, ukulele group and nearly all of the girls from St. Margaret's involved in music.

In March 2020, just a few days before the lockdown, we had a pleasure of performing for Voice in a Million at the O2 Arena. It was a fantastic and fun learning experience and an opportunity of a lifetime for our choir to come together united in song and perform in front of their own family and friends in what has been billed as 'The most spectacular school concert'. It was enjoyed by pupils, teachers and parents and raised awareness of the plight of children in care and the importance of Adoption and Fostering.

Since March 2020 we have successfully moved to online learning using Google classrooms. Girls are able to record their own performances and upload them to their classrooms. We started using an online computer system – flat.io, which enables girls to work on their compositions from home.

We continued with the Apollo music project where professional musicians come and play for Y5 and 6 girls and introduce them to the beauty of classical music and different orchestral instruments. The musicians work closely with the children in interactive workshops including a wide range of live music and active participation. By giving children the chance to experience high-quality performances in the classroom and concert hall we aim to wake up their interest in classical music, build their knowledge, and their self-confidence in this area. We divided the workshops into two separate sessions, so that St. Luke's school, which we sponsor in this project, can enjoy their sessions in their own school, to keep with the government's advice of distancing.

We have kept singing in our classes and every week one Junior class prepares a song for our online Junior assembly. We also prepared Carols in our bubbles for a Carol service online.

We are very lucky with all of our peripatetic teachers who are very flexible and teach a mixture of online and face to face lessons. With their help we slowly moved towards online Tea-time concerts and our school orchestra is currently recording their first online piece.

Drama

Students from Years 5 to 11, were all taught Drama by our experienced subject specialist teacher.

The planned Year 6 production of Annie, unfortunately fell victim to school closure, resulting from the pandemic. Opportunities for theatre trips, were also limited, although all GCSE Drama students did have the chance to see the classic Steven Daldry production of, An Inspector Calls, as well as a new play, Unknown Rivers, at Hampstead Theatre. Senior girls in Theatre Club, also attended the West End production of Noises Off.

Students at KS3, all participated in a varied and evolving Drama curriculum, which successfully adapted to the challenges of remote teaching and learning.

Drama GCSE students in Year 11 achieved over 70% passes Grades 8 & 9 and 100% 6+ within the examination framework.

Shortly before lockdown, the Film Director, Sarah Gavron and lead actor, Bukky Bakray came to talk, to students in Years 10 & 11, about their new movie, Rocks, as well as women in the film industry.

St. Margarets School (Hampstead) Limited
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Trustees' report (continued)
for the year ended 31 August 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Sport

The PE curriculum throughout various stages of the School has traditionally covered the following areas: - netball, gymnastics, dance, games, fitness, tennis, swimming, rounders, athletics, trampolining, volley ball, badminton, rowing, tag rugby, cross country, orienteering, football and hockey.

The broad curriculum makes use of a variety of facilities. Currently St Luke's Free School is used for indoor work such as gym, dance, fitness and indoor games for the lower Juniors and Infants. The whole school from Y1 upwards continues to use West Heath for both lessons and matches. Currently Y5&6 and the Senior School makes use of Hendon Sports Centre and for swimming the Junior girls are taken to Barnet Cophthall.

From Year 4 onwards children take part in competitive team games through the inter-house and inter-school fixture programme. Relative to size the School netball teams have achieved commendable success in recent years playing approximately one fixture a week during the Autumn and Spring Terms (Currently no fixtures can take place). In the Summer Term rounders fixtures are played and the season culminates in a parent vs pupils' fixture. Both Junior and Senior girls enter local cross country events and some have joined the Highgate Harriers athletic club. Seniors also play competitive netball, rounders and some football matches against local schools, and against the staff.

Additionally, we offer a wide variety of sports clubs throughout the year. We have two tennis clubs, a Junior and Senior running club, ballet, netball clubs, street dance, yoga, jazz dance cheerleading and rounders clubs. There is an early morning netball shooting clinic and a football club that both take place before school. We have a cheerleading squad who perform at sporting events. Although due to lockdown this did not take place there is an annual Junior School Swimming Gala and whole school Sports Day at the end of the Summer Term. At the end of the Spring Term we have a Movement Display that includes every pupil from Reception-Y9.

During lockdown the PE curriculum was delivered remotely to all the girls R-Y11. They were set a variety of tasks through a 5 pronged Fitness programme and they were asked to complete a daily fitness diary. The activities ranged from daily Jo wicks workout, to specified games skills, some fun challenges, fitness activities, or their own initiated work and a variety of outdoor physical activity.

b. Details of bursary and scholarship awards

Bursaries

This year the value of means tested bursaries totaled £144,950 and represented 5.81% of our gross fees. They provided assistance to 11 of our pupils of which 7 pupils benefitted from a full remission of fees. A hardship fund is also available to help pupils in receipt of bursaries meet the costs of school trips, examination entrance fees and similar expenses.

Review

The Governors are constantly reviewing our Bursary policy to ensure that as many children as possible can accept offers of places at our School through the availability of means tested fee assistance. Our policy is designed to widen access to our School. We anticipate this will help inform the development of our policy and help ensure the objective of wider access continues to be achieved.

c. Community service

The girls have undertaken community work in the following ways:

- Multiple visits to the local Age Concern, serving afternoon tea and conversing with the residents
- Visits with donations to a local branch of the St Mungo's charity
- Visits with donations to an animal rescue shelter

The girls have performed at the Spring Grove retirement home and for St. Luke's School during their assemblies.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

d. Environmental Initiatives

The School has received Gold accreditation from TFL for numerous School Travel Plan initiatives to reduce “our carbon footprint”. Initiatives have included encouraging walking to school with a pedometer challenge, assemblies and “Green” initiatives. All of these initiatives are working towards the goal of reducing car journeys.

The School also runs a recycling programme for its paper and waste.

e. Community access

We see St Margaret’s School as a part of a wider community and where we can assist the community without detriment to advancing the education of our pupils we are delighted so to do.

Financial review

a. Our finances

The financial statements show net incoming resources for the year on School activities of £252,513 (2019: £33,529).

The principal source of income is fees, accounting for 97.2% of the School’s income. The Governors are continuing their strategy of deploying all net incoming resources to invest in the educational purposes and fabric of our Junior and Senior Schools.

As a charity the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims. As a Charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies and ‘teaching link’ programme.

However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

In addition to the very substantial benefits our School brings to our pupils, the local community and society through the education we offer, our bursary programme and our ‘teaching links’ programme create a social asset without cost to the Exchequer.

Teachers' Pension Scheme

Following consultation the School opted out of the Teachers’ Pension Scheme in January 2020.

The Governors carefully considered their legal duties (as Directors and Charity Trustees) to ensure that the Charity remained financially stable to deliver its charitable objectives and also ensure financial viability and sustainability.

In addition, the Governors have a fiduciary duty to act in the best interests of the School and must consider whether paying 23.6% contributions to the pension scheme is an appropriate use of charitable funds when other alternatives are available.

The Board carefully considered remaining in the Teachers’ Pension Scheme but felt that to ensure long term sustainability of the School it was necessary to withdraw from the scheme and offer an alternative; finally deciding on the APTIS (Aviva) scheme for the teaching staff pensions.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2020

Financial review (continued)

Developments and Maintenance

The School has a planned programme of decoration / maintenance with every classroom being decorated every 3 years with all common areas decorated annually. In addition, the School has this year replaced its outside classrooms with a new building consisting of two new classrooms and a new state of the art Science Laboratory. This was funded by loan repayable over 20 years.

IT Strategy

To facilitate remote learning across all year groups we expanded the use of our Google Suite of online applications for use across the school.

Teaching Staff

While all teaching staff were familiar with using Google Drive, training was required on the use of Google Classroom, Google Meet and screen recording software. This was completed in a variety of ways and included documentation specific to our needs, a dedicated website with help videos to one to one phone calls and video chats as required.

Students

Y4 - Y11 already had school Google accounts but needed to be trained on the use of Google Classroom and Google Meet. This was relatively straight forward and was aided by the use of help videos and step by step guides.

Rec - Y3 were allocated new school Google accounts and their parents were sent their log in details along with documentation and support videos on how to access the set work and live sessions. While this initially involved a lot of time supporting and guiding parents, once they were confident little more intervention was required.

Hardware

Students who required a computer to work on at home were able to borrow one of the school Chromebooks. This enabled all students to access the set work and live sessions on their own dedicated computer. This was one of the major factors that enabled teachers to successfully engage with all pupils.

Moving Forward

Staff were surveyed about their experience of remote teaching and the devices that they were using. As a result, the School decided to purchase laptops for each teacher to make any further remote teaching easier and require less use of personal computers and equipment. This has been very popular with staff and has improved their ability to work both in school and at home.

We have purchased Chromebooks for students in the Junior School (Y3 - Y6) not only to enhance their in school learning but in the event of their class having to isolate, they will all have access to a suitable device at home to access lessons.

In the event of Rec - Y2 having to isolate at home a bank of Chromebooks are available to borrow for the duration of the isolation period.

St. Margarets School (Hampstead) Limited
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Trustees' report (continued)
for the year ended 31 August 2020

Financial review (continued)

b. Reserves policy

The Governors regularly review the finances, budgets and spend against budget together with a monthly cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums into new School refurbishment in recent years and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. The closing value of our tangible assets, property, plant and equipment was £6,232,304.

Total funds at the balance sheet date were £6,484,061 (2019: £1,967,774). Of these £44,906 (2019: £60,164) were held as restricted funds and £6,389,196 (2019: £1,486,534) as designated funds. Designated funds include £6,232,304 (2019: £1,329,642) of property, plant and equipment held as tangible fixed assets. The significant increase in the year reflects the additions during the year and the revaluation of the School's land and buildings. As shown in note 20 to the accounts, this leaves free reserves of £49,959 (2019: £421,076). Target reserves are 3-6 months of expenditure (excluding depreciation) and current levels are below this range. This illustrates the extent of the investment in our School, as is common practice by independent schools which have to finance their own capital investment plans.

The Governors recognise that the level of reserves fluctuates during periods of investment in the School estate and the arrangements at our Investment Company Cannacord Genuity Wealth Management are in place to provide an adequate 'safety net' should it be required.

c. Financial health and going concern

The Governors consider that the school is in good financial health given the strength of the charity's balance sheet, the stable cash flow from full student rolls, the ongoing popularity of our School, and the available banking facility that can be called upon if need arises.

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

d. Investment policy and performance

The 12 months to 31st August has been a challenging one, for reasons that are well known. Therefore, it pleasing to be able to report that the School's investment portfolio had a small gain of 0.67% (net of fees) over the year, ending the period with a value of £942,660.

This compares with a fall of 0.67% of the benchmark. Clearly, the key driver of the markets has been the global Covid-19 pandemic. The impact of a forced closure of much of the global economy during the first quarter of the calendar year had a traumatic effect on the market, and the portfolio fell 15.9%. Support from central banks and governments resulted in equally sharp recovery and the following quarter saw the portfolio bouncing 13.9%. With equity markets continuing to recover, the question is whether this can be continued into next year? Central banks will keep interest rates close to zero in developed markets, whilst the combination of both fiscal expenditure and quantitative easing will result in economies recovering and excess liquidity flowing towards risk markets. As long as bonds remain an unattractive investment, equities will perform well.

St. Margarets School (Hampstead) Limited
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Trustees' report (continued)
for the year ended 31 August 2020

OUR ETHOS STRATEGY AND POLICIES

St Margaret's is, by any manner of reckoning, a very small school, having not just small classes but only one class per year group from age 4 to age 16. This situation may have been arrived at by accident of history, but it is now embraced and celebrated by the Governors as a matter of positive policy. The close-knit community which our size engenders is integral to our academic and pastoral success and is one of the prime reasons why parents choose St Margaret's for their daughters in preference to the many larger schools available to them locally in both independent and maintained sectors.

The Governors are committed to broadening access to the School by every means at their disposal, whilst having regard to their duty to safeguard its long-term future.

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

Our ethos: a caring School serving our local community and society

St Margaret'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 to ensure the financial viability of the School and at a level that is consistent with our aim of providing a first class education to girls.

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 a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Our School is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment. In early 2018 the school underwent a compliance inspection which confirmed that the school meets all its obligations as regards the quality of provision and care for the girls of the school.

We had to adapt many of our practices so that we were able to provide appropriate pastoral support during the lockdown period.

In the Spring of 2020, we introduced a new 'PROSPER' focus, the acronym standing for a series of focused areas, related to wellbeing, designed to complement and underpin the traditional curriculum.

Parents are given regular information about their children's social and academic progress through parent evenings and online progress grades, in addition to the traditional end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and through our newsletter. The school operates a mostly 'open door' policy and parents are given access to teachers' direct email addresses with a view to maintaining close communication opportunities.

Access Policy

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. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy together with our 'Teaching Links' programme contribute to a widening of access to the education we offer and the facilities we enjoy.

St. Margarets School (Hampstead) Limited
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Trustees' report (continued)
for the year ended 31 August 2020

OUR ETHOS STRATEGY AND POLICIES (continued)

Teaching Links

Our School is a part of a wider community and we are keen that our staff and pupils participate. Our Governors are committed to developing our 'Teaching Links' programme of cooperation and joint working with local state junior and secondary schools. Please see our "community section" above.

Bursary policy

At St Margaret's we believe whole-heartedly in the value of a traditional academic education within a small scale, "family" environment. This is an expensive endeavour, and our fees must cover our costs as well as providing for the future maintenance, development and stability of the school. We are well aware that, in consequence, an education at St Margaret's is beyond the means of some parents whose daughters would derive considerable benefit from what we have to offer. The Governors are committed to broadening access to the School by every means at their disposal, including by offering means-tested financial assistance, of up to 100% remission of fees, to parents of suitable applicants.

Where funds allow, the school will continue to give sympathetic consideration to cases where the parents of existing pupils experience a sudden, unforeseen change in circumstances which would result in their daughter otherwise having to be withdrawn from the school. For the sake of clarity, these awards are termed Hardship Grants.

The bursary awards range from 50% to 100% remission of fees. In the year we awarded 11 bursaries at an average of £12,313 each.

The success of our bursary scheme is explained in our review of activities and achievements section of this report. Details of bursary awards are set out in note 5 to the accounts.

Other policies on assistance

Financial planning policy

Timely financial planning is often the key for many parents who are hoping to send their children to St Margaret's School and a school fee plan is available to help those who wish to fund educational costs through regular contributions.

Family discounts policy

To underline the value we place on continuity for families, we offer discounts where parents have more than two daughters at the School

Promoting high academic standards

The Teachers' Standards (as set out by the DfE) are in full use and have now been extended to reflect an additional set of 12 STM standards which acknowledge contribution across the school which is substantial and sustained.

We provide whole school in-house professional development approximately every two weeks.

We have appointed a Key Stage 1 / Early Years Coordinator to oversee teaching in these Year groups.

We have continued to develop our Kinetic Learning initiative which focuses on higher order skills (such as creativity, evaluation and decision making) being embedded into the academic curriculum to enable all pupils to benefit from stretch and challenge opportunities.

The external inset budget has been focused on opportunities to extend our staff professionally as well as offering new developments within the school.

St. Margarets School (Hampstead) Limited
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Trustees' report (continued)
for the year ended 31 August 2020

Information on fundraising practices

The School recognises the contribution made by its supporters, with voluntary donations being a valuable part of the School's incoming resources. All fundraising activity is carried out by our Parent Teachers Association (PTA) which is led by an elected committee of parents and operates independently from the school. This group raises money for the School through events and activities which are voluntary and advertised in a non-intrusive manner.

The School does not utilise the services of any external commercial fundraisers. Given that the majority of donations are from parents of current pupils, either direct or through our PTA, and only limited fundraising activity takes place, the School does not consider it necessary at this time to subscribe to a fundraising regulator. The School has not received any complaints in the year in respect of our fundraising practices.

Structure, governance and management

a. Constitution

St. Margarets School (Hampstead) Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 19 August 1954, as amended by special resolution registered at Companies House on 17 December 2018.

b. Governor recruitment and training

The Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees the important attribute is a commitment to the School and an understanding of education as a holistic and rounded experience of personal growth. Governors are recruited by personal recommendation and are inducted into the workings of the School and the Board by the Chairman, Bursar and the Principal. We also invite senior local business people to consider joining our Board. Where possible the Governors consider that the skills and experience of the Board should comprise the following:

- A Governor with a legal background
- X 2 Governor with a financial/accounting background
- A Governor with education experience
- A Governor with senior managerial or business experience
- A Governor with experience of equal opportunities or disability needs
- At least one female Governor and at least one male Governor

One Governor may have one or more of these skills.

New Governors undergo a full induction process and competence is maintained through access to a variety of training media.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2020

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Governors, who are also the charity trustees, are responsible for the overall management and control of St Margaret's School Hampstead and meet six times a year. The work of implementing most of their policies is carried out by members of the Board. The St Margaret's School Bursar is responsible for coordinating the work of the Governors and their Committees, preparation of papers and management accounts and the review of matters arising.

The Governors who served during the year are shown on page 1. The current Governors come from a variety of backgrounds and include two solicitors, an accountant, an architect and a general practitioner. Two governors are former parents and one is a former pupil. The majority live within a five mile radius of the school.

All trustees give of their time freely and no remuneration or expenses were paid in the year for their Governing duties.

The Governors determine the general policy of the School. The day to day running of the School is delegated to the Principal, supported by senior staff. The Principal undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day to day administration of both Junior and Senior School is undertaken within the policies and procedures approved by the Governors.

The Principal oversees the recruitment of all educational staff, whilst under delegated authority the Bursar oversees the recruitment of administrative and non-teaching support staff. The Principal and Bursar are invited to attend Governors' meetings.

d. Pay policy for key management personnel

The Governors consider that they, together with the Principal, the Bursar and the Senior Leadership Team comprise the Key Management Personnel (see note 11 to the accounts). The Governors give their time freely and the pay remuneration of the Principal and senior staff is set by the Salary Committee and is kept under annual review. A number of criteria are used in setting pay:

- nature of the role and responsibilities
- competitor salaries in the region
- the sector average salary for comparable positions
- trends in pay

The Governors have given delegated authority to the Principal and Bursar to pay higher salaries for exceptional candidates where this is in the interest of the School.

e. Other relationships

The Principal is a member of the GSA which is an opportunity to share expertise, knowledge and experience across the independent school sector. The Conference also permits appropriate representation to Government and regulators of the views of the sector.

St. Margarets School (Hampstead) Limited
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Trustees' report (continued)
for the year ended 31 August 2020

Structure, governance and management (continued)

f. Risk management

The Governors are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Management of the School. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. Risk is managed under the headings of financial sustainability, school safety, student welfare, employment, school trips and events and community access.

The main risks that the Governors have identified and the plans to manage those risks are:

- **Reputation:** The School's success is built on its reputation for the education and well-being of our pupils. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both pupils and staff and active identification and resolution of health and safety related issues.
- **Money:** Our ability to continue is reliant on pupil fees and the ability to pay bills as they fall due. This risk is managed by marketing activity, having a reputation for academic excellence and active cash-flow management
- **Curriculum:** Academic excellence requires the most able teachers with good facilities delivering the curriculum to able students. We manage this risk by combining attractive salaries with additional allowances and an approach to enrolment that works with supportive parents whose children have an appetite for learning and a bursary scheme that recognises pupil achievement and aptitude.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Plans for future periods

The Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our pupils. Achieving a high standard of academic results is a constant aim whilst maintaining the breadth and depth of the education provided.

The Principal and senior staff continue to review the curriculum to ensure that the educational qualifications remain appropriate for our pupils' development.

Our future plans are financed primarily from fee income and from our reserves. The Governors need to maintain an equitable balance ensuring our current pupils benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for the next generation of pupils in the same way as our current pupils benefit today from the investment made in the past.

The Governors view our Bursary awards as important in widening access to the education our School provides. The Governors are constantly reviewing our Bursary Awards policies to ensure that the most deserving children can accept offers of places at our School through the availability of means-tested fee assistance.

We have maintained our links with St Luke's Church of England School (see the Choir programme mentioned above), and also invited them to join us for the Apollo Music scheme. Further plans have had to be postponed for the time being due to Covid-19 restrictions preventing the schools physically working together. Separately, one of our teachers was seconded to work at three schools next year as an Art teacher, responsible for providing art lessons once a week for a half a term. This is fully funded by St Margaret's.

Maintaining and, where necessary, developing the fabric and facilities of the School are central to our strategy. The School's programme of routine building maintenance will continue.

St. Margarets School (Hampstead) Limited
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Trustees' report (continued)
for the year ended 31 August 2020

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Mrs E Brettle
(Chair of Trustees)

Date:

St. Margarets School (Hampstead) Limited
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Statement of Trustees' responsibilities
for the year ended 31 August 2020

The Trustees (who are also the directors of the School 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its 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 of the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Independent auditors' report to the Members of St. Margarets School (Hampstead) Limited

Opinion

We have audited the financial statements of St. Margarets School (Hampstead) Limited (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

St. Margarets School (Hampstead) Limited
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Independent auditors' report to the Members of St. Margarets School (Hampstead) Limited (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Independent auditors' report to the Members of St. Margarets School (Hampstead) Limited (continued)

Auditors' responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

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 of the effectiveness of the charitable company's 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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the charitable company 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.

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.

St. Margarets School (Hampstead) Limited
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Independent auditors' report to the Members of St. Margarets School (Hampstead) Limited (continued)

Use of our report

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

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
London

Date:

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

St. Margarets School (Hampstead) Limited
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Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 August 2020

	Note	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:						
Donations and legacies	4	52,028	4,000	-	56,028	1,152
Charitable activities	5	2,648,963	-	-	2,648,963	2,476,548
Other trading activities	6	15,778	-	-	15,778	20,222
Investments	7	15,295	2,712	-	18,007	14,141
Total income and endowments		2,732,064	6,712	-	2,738,776	2,512,063
Expenditure on:						
Raising funds	8	9,475	1,912	-	11,387	7,974
Charitable activities	9	2,468,485	-	15,258	2,483,743	2,485,167
Total expenditure		2,477,960	1,912	15,258	2,495,130	2,493,141
Net gains on investments		8,867	-	-	8,867	14,607
Net income / (expenditure)		262,971	4,800	(15,258)	252,513	33,529
Transfers between funds	19	(634,088)	634,088	-	-	-
Net movement in funds before other recognised gains		(371,117)	638,888	(15,258)	252,513	33,529
Other recognised gains:						
Gains on revaluation of fixed assets		-	4,263,774	-	4,263,774	-
Net movement in funds		(371,117)	4,902,662	(15,258)	4,516,287	33,529
Reconciliation of funds:						
Total funds brought forward		421,076	1,486,534	60,164	1,967,774	1,934,245
Net movement in funds		(371,117)	4,902,662	(15,258)	4,516,287	33,529
Total funds carried forward		49,959	6,389,196	44,906	6,484,061	1,967,774

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

The notes on pages 25 to 47 form part of these financial statements.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)
Registered number: 00537118

Balance sheet
as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	6,232,304	1,329,642
Investments	14	942,660	934,347
		<u>7,174,964</u>	<u>2,263,989</u>
Current assets			
Debtors	15	14,466	19,179
Cash at bank and in hand		763,066	1,095,016
		<u>777,532</u>	<u>1,114,195</u>
Creditors: amounts falling due within one year	16	(482,127)	(405,513)
		<u>295,405</u>	<u>708,682</u>
Total assets less current liabilities		<u>7,470,369</u>	<u>2,972,671</u>
Creditors: amounts falling due after more than one year	17	(964,153)	(980,526)
Net assets excluding pension liability		<u>6,506,216</u>	<u>1,992,145</u>
Defined benefit pension scheme liability	25	(22,155)	(24,371)
Total net assets		<u><u>6,484,061</u></u>	<u><u>1,967,774</u></u>
Charity funds			
Restricted funds	19	44,906	60,164
Designated funds	19	6,389,196	1,486,534
Unrestricted funds	19	49,959	421,076
Total funds		<u><u>6,484,061</u></u>	<u><u>1,967,774</u></u>

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)
Registered number: 00537118

Balance sheet (continued)
as at 31 August 2020

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Mrs E Brettle
(Chair of Trustees)

Date:

The notes on pages 25 to 47 form part of these financial statements.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Statement of cash flows
for the year ended 31 August 2020

	2020	2019
	£	£
Cash flows from operating activities		
Net cash used in operating activities	452,825	131,476
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	18,007	14,141
Purchase of tangible fixed assets	(784,177)	(310,469)
Proceeds from sale of investments	7,345	665,948
Purchase of investments	(6,791)	(706,772)
	<hr/>	<hr/>
Net cash used in investing activities	(765,616)	(337,152)
	<hr/>	<hr/>
Cash flows from financing activities		
Cash inflows from new borrowing	-	850,000
Repayments of borrowing	(19,159)	(1,681)
	<hr/>	<hr/>
Net cash (used in)/provided by financing activities	(19,159)	848,319
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(331,950)	642,643
Cash and cash equivalents at the beginning of the year	1,095,016	452,373
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	763,066	1,095,016
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 25 to 47 form part of these financial statements

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

1. General information

Charity information

St. Margarets School (Hampstead) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 18 Kidderpore Gardens, Hampstead, London, NW3 7SR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St. Margarets School (Hampstead) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Company status

The School is a company limited by guarantee. The members of the company are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.

2.3 Going concern

Having reviewed the resources and funding available to the school together with the expected ongoing demand for places and the school's projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the school's financial viability. Thus the Governors continue to adopt the going concern basis of accounting in preparing the accounts.

These considerations take into account the impact of Covid-19 and the Governors have concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

2. Accounting policies (continued)

2.4 Income

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income arises in the United Kingdom from educational and allied activities and is accounted for in the year to which it relates. Tuition fees unpaid at the balance sheet date and relating to the period to that date are brought in as income with a provision created in respect of those for which recoverability is considered to be doubtful. Fees received in advance at the balance sheet date are included in creditors as deferred income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Investment income is recognised on a receivable basis.

Government grants are recognised in the period in which it is receivable and the related expenditure is incurred.

2.5 Expenditure

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

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the School. Governance costs are those incurred in connection with public accountability of the School and its compliance with constitutional and statutory requirements.

Costs of raising funds are costs incurred in managing the School's investment portfolio.

Charitable activities are costs incurred on the School's operations. These include all support costs and costs relating to the governance of the School which it is considered appropriate to allocate in full to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the Bank.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal undertaken by the School with reference to the most recent valuation performed for loan security purposes.

Gains and losses on revaluation are recognised in the statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method from the date they are brought into use.

Depreciation is provided on the following bases:

Freehold property	- 2% on valuation
Office equipment	- 33 1/3% on cost

2.8 Investments

The School's portfolio is managed professionally by Canaccord Genuity Wealth Management, in accordance with the objective of providing a balance of capital growth and income. Investments are stated at market value.

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account. Transaction costs are expensed as incurred.

The charity does not acquire or use put options, derivatives or other complex financial instruments.

Investments held as fixed assets are shown at cost less provision for impairment.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

2. Accounting policies (continued)

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Creditors

Trade and other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.13 Financial instruments

The School 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Basic financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

2. Accounting policies (continued)

2.14 Retirement benefits

Retirement benefits to employees of the school were provided by the Teachers' Pension Scheme ('TPS') until January 2020 and the Independent Schools' Pension Scheme ('ISPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the school 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 on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The ISPS is a funded scheme and the assets are held separately from those of the school in separate trustee administered funds. The trustee commissions an actuarial valuation of the scheme every three years using the prospective unit credit method. The ISPS is a multi-employer scheme and there is insufficient information available to use defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Where the actuarial valuation reveals a shortfall of assets compared to liabilities a provision for additional agreed contribution payments is also recognised in full.

In January 2020 the school withdrew from the TPS scheme and joined AVIVA's defined contribution scheme in January 2020. Contributions are recognised in the period to which they relate.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.16 Pupil deposits

A deposit is collected in respect of each pupil joining the school. This may be used to cover outstanding fees and expenses on the departure of the pupil, or retained in lieu of fees if the required notice of withdrawal is not given. As pupils are expected to remain at the school for several years and departing pupils are replaced by new students the Governors consider it is appropriate to treat all deposits as repayable after more than one year.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

2. Accounting policies (continued)

2.17 Employee benefits

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

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

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Independent Schools' Pension Scheme ('ISPS') defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 30 September 2017 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The carrying value of the land and buildings depends on the market values of similar property in the local area and will fluctuate according to market conditions.

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations and gifts	9,013	4,000	13,013
Grants	43,015	-	43,015
Total 2020	52,028	4,000	56,028

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

4. Income from donations and legacies (continued)

During the year, the School received unrestricted donations of deposits from ex-pupils. The School also received a donation from Friends of St.Margarets for the works in the playground area. This money was spent during the year and capitalised.

The School also received government grants in the form of furlough pay for staff members furloughed during the COVID-19 epidemic.

In the prior year, the School received unrestricted donations of deposits from ex-pupils.

	Unrestricted funds 2019 £	Total funds 2019 £
Donations	1,152	1,152
	<u>1,152</u>	<u>1,152</u>

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tuition fees and school activities	2,648,963	2,648,963	2,476,548
	<u>2,648,963</u>	<u>2,648,963</u>	<u>2,476,548</u>

During the year the School received income in relation to Autumn 2020 fees. These have been included in deferred income (see note 16).

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

6. Trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Optional extra school activities	15,778	15,778	20,222

All income from other trading activities in 2020 and 2019 was unrestricted.

7. Investment income

	Unrestricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £
Income from listed investments	13,416	2,712	16,128
Interest receivable	1,879	-	1,879
Total 2020	15,295	2,712	18,007

	Unrestricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £
Income from local listed investments	10,491	2,279	12,770
Interest receivable	1,371	-	1,371
	11,862	2,279	14,141

8. Investment management costs

	Unrestricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £
Investment management fees	9,475	1,912	11,387

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

8. Investment management costs (continued)

	Unrestricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £
Investment management fees	6,551	1,423	7,974

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tuition fees and school activities	2,468,485	15,258	2,483,743

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tuition fees and school activities	2,470,908	14,259	2,485,167

10. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Tuition fees and school activities	2,158,189	325,554	2,483,743

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

10. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Tuition fees and school activities	2,131,000	354,167	2,485,167

Analysis of direct costs

	Tuition fees and school activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	1,566,761	1,566,761	1,575,602
Depreciation	145,289	145,289	117,317
Bursaries and Scholarships	150,172	150,172	117,987
Food and catering	101,288	101,288	106,506
Sport, music and art	54,027	54,027	78,831
Other direct expenditure	140,652	140,652	134,757
Total 2020	2,158,189	2,158,189	2,131,000

Analysis of support costs

	Tuition fees and school activities 2020 £	Total funds 2020 £	Total funds 2019 £
Wages and salaries	77,091	77,091	73,714
Premises and equipment	99,067	99,067	127,707
Other costs	130,753	130,753	104,799
Governance costs	18,643	18,643	47,947
Total 2020	325,554	325,554	354,167

Governance costs relate to legal and professional fees of £7,842 (2019 - £36,344) and Audit and accountancy fees of £10,801 (2019 - £11,603).

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

11. Staff costs

	2020	2019
	£	£
Wages and salaries	1,333,604	1,363,207
Social security costs	129,830	124,017
Pension scheme costs	180,418	162,092
	<u>1,643,852</u>	<u>1,649,316</u>

Included in wages and salaries for 2019 is an amount in relation to settlement costs paid to two employees (2020: none).

The average number of persons employed by the School during the year was as follows:

	2020	2019
	No.	No.
Teachers	26	26
Office and domestics	14	15
	<u>40</u>	<u>41</u>

The average headcount expressed as full-time equivalents was 32 (2019: 34).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
	No.	No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	1

The total remuneration paid during the year to the senior management team, which includes the Principal, Deputy Head, the Director of Studies and the Bursar, was £374,882 (2019: £347,958).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

13. Tangible fixed assets

	Freehold property £	Office equipment £	Assets under construction £	Total £
Cost or valuation				
At 1 September 2019	1,374,220	644,790	230,677	2,249,687
Additions	-	177,254	606,923	784,177
Disposals	(104,730)	(163,249)	-	(267,979)
Transfers between classes	837,600	-	(837,600)	-
Revaluations	4,070,978	-	-	4,070,978
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2020	6,178,068	658,795	-	6,836,863
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 September 2019	297,526	622,519	-	920,045
Charge for the year	52,288	93,001	-	145,289
On disposals	(104,730)	(163,249)	-	(267,979)
On revalued assets	(192,796)	-	-	(192,796)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2020	52,288	552,271	-	604,559
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 August 2020	<u>6,125,780</u>	<u>106,524</u>	<u>-</u>	<u>6,232,304</u>
At 31 August 2019	<u>1,076,694</u>	<u>22,271</u>	<u>230,677</u>	<u>1,329,642</u>

Assets under construction related to the development of new school building consisting of two new classrooms and a new Science Laboratory. Upon completion of the extension, those assets have been transferred to freehold property.

On 1 September 2020, the freehold land and buildings were revalued by the Trustees.

Had these assets been measured at historic cost, the carrying value of the freehold property would have been £1,936,150 (2019: £1,224,220).

Freehold land and buildings (18 Kidderpore Gardens) have been pledged as security for a bank loan liability of the charity.

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

14. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 September 2019	859,555	74,792	934,347
Additions	6,791	-	6,791
Disposals	(7,345)	-	(7,345)
Revaluations	8,867	-	8,867
Transfers between classes	18,576	(18,576)	-
At 31 August 2020	886,444	56,216	942,660
Net book value			
At 31 August 2020	886,444	56,216	942,660
<i>At 31 August 2019</i>	<i>859,555</i>	<i>74,792</i>	<i>934,347</i>

Material investments

Those investments making up more than 5% of the total market value of the portfolio were:

	2020 £
Schroder Asian Total RTN INV CO PLC ORD GBP	48,058
Smithson Investment Trust PLC Ord GBP0.01	44,880
Fundsmith LLP Equity INC NAV	52,855
	145,793

Investments at market value comprise:

	UK 2020 £	Overseas 2020 £	Cash to be reinvested 2020 £	Total funds 2020 £
Listed investments	142,494	743,950	56,216	942,660

St. Margarets School (Hampstead) Limited
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Notes to the financial statements
for the year ended 31 August 2020

15. Debtors

	2020	2019
	£	£
Due within one year		
Trade debtors	10,502	7,175
Other debtors	2,202	-
Prepayments and accrued income	1,762	12,004
	14,466	19,179

16. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank loans	30,007	28,793
Trade creditors	5,864	9,493
Other taxation and social security	31,432	39,453
Other creditors	369	20,921
Accruals and deferred income	414,455	306,853
	482,127	405,513

There is one loan secured by legal charges over the freehold land and buildings of 18 Kidderpore Gardens by a debenture in favour of CAF Bank.

The loan is repayable over a 20 year term to July 2039 through equal monthly instalments of capital and interest which are at a fixed rate for the first five years, currently 3.84%.

The loan was secured during the year for the purposes of providing a new Science lab and classroom in the outer building of the School.

Tuition fees included within deferred income were as follows:

	2020
	£
Deferred income at 1 September 2019	266,121
Tuition fees received in the year	(2,551,489)
Income recognised in the year (note 5)	2,648,963
	363,595

St. Margarets School (Hampstead) Limited
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Notes to the financial statements
for the year ended 31 August 2020

17. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank loans	799,153	819,526
Other creditors	165,000	161,000
	<u>964,153</u>	<u>980,526</u>

18. Provisions

	2020	2019
	£	£
ISPS Pension deficit contribution (see note 25)	22,155	24,371
	<u>22,155</u>	<u>24,371</u>

St. Margarets School (Hampstead) Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

19. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Fund	421,076	2,732,064	(2,477,960)	(634,088)	8,867	49,959
Restricted funds						
Salti Bursary	60,164	-	(15,258)	-	-	44,906
Designated funds						
Morton Scholarship Fund	156,892	2,712	(1,912)	(800)	-	156,892
Fixed Asset Reserve	1,329,642	-	-	638,888	-	1,968,530
Revaluation Reserve	-	-	-	-	4,263,774	4,263,774
FOSM - Playground contributions	-	4,000	-	(4,000)	-	-
	<u>1,486,534</u>	<u>6,712</u>	<u>(1,912)</u>	<u>634,088</u>	<u>4,263,774</u>	<u>6,389,196</u>
Total of funds	<u><u>1,967,774</u></u>	<u><u>2,738,776</u></u>	<u><u>(2,495,130)</u></u>	<u><u>-</u></u>	<u><u>4,272,641</u></u>	<u><u>6,484,061</u></u>

Restricted funds

The Salti Bursary was established to provide a scholarship to a single student to ensure the highest probability of their success for their full education at the school.

Designated funds

The Morton scholarship fund was established to reflect the wishes of a donor that some of her donation be used to provide scholarships and bursaries to future pupils. The school board has agreed that any increase of the fund over the value of £156,892 will be transferred to the unrestricted funds to assist the cost of the Morton bursaries.

The Fixed Asset Reserve was established in accordance with Charity Commission guidance to separately identify the value of the fixed assets held by the school. Transfers represent net movements on fixed assets in the year.

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19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Fund	566,440	2,509,784	(2,477,459)	(189,689)	12,000	421,076
Restricted funds						
Salti Bursary	74,423	-	(14,259)	-	-	60,164
Designated funds						
Morton Scholarship Fund	156,892	2,279	(1,423)	(3,463)	2,607	156,892
Fixed Asset Reserve	1,136,490	-	-	193,152	-	1,329,642
	<u>1,293,382</u>	<u>2,279</u>	<u>(1,423)</u>	<u>189,689</u>	<u>2,607</u>	<u>1,486,534</u>
Total of funds	<u><u>1,934,245</u></u>	<u><u>2,512,063</u></u>	<u><u>(2,493,141)</u></u>	<u><u>-</u></u>	<u><u>14,607</u></u>	<u><u>1,967,774</u></u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	6,232,304	-	6,232,304
Fixed asset investments	785,768	156,892	-	942,660
Current assets	732,626	-	44,906	777,532
Creditors due within one year	(482,127)	-	-	(482,127)
Creditors due in more than one year	(964,153)	-	-	(964,153)
Provisions for liabilities and charges	(22,155)	-	-	(22,155)
Total	<u><u>49,959</u></u>	<u><u>6,389,196</u></u>	<u><u>44,906</u></u>	<u><u>6,484,061</u></u>

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	1,329,642	-	1,329,642
Fixed asset investments	777,455	156,892	-	934,347
Current assets	1,054,031	-	60,164	1,114,195
Creditors due within one year	(405,513)	-	-	(405,513)
Creditors due in more than one year	(980,526)	-	-	(980,526)
Provisions for liabilities and charges	(24,371)	-	-	(24,371)
Total	<u>421,076</u>	<u>1,486,534</u>	<u>60,164</u>	<u>1,967,774</u>

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	<u>252,513</u>	<u>33,529</u>
Adjustments for:		
Depreciation charges	145,289	117,317
Gains on investments	(8,867)	(14,607)
Dividends, interests and rents from investments	(18,007)	(14,141)
Decrease in debtors	4,713	7,426
Increase in creditors	79,400	3,492
(Decrease)/Increase in provisions	(2,216)	1,540
Net cash provided by operating activities	<u>452,825</u>	<u>134,556</u>

22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>763,066</u>	<u>1,095,016</u>
Total cash and cash equivalents	<u>763,066</u>	<u>1,095,016</u>

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23. Analysis of changes in net debt

	At 1 September 2019	Cash flows £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	1,095,016	(331,950)	-	763,066
Debt due within 1 year	(28,793)	19,159	(20,373)	(30,007)
Debt due after 1 year	(819,526)	-	20,373	(799,153)
	<u>246,697</u>	<u>(312,791)</u>	<u>-</u>	<u>(66,094)</u>

24. Capital commitments

	2020 £	2019 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	600,000
	<u>-</u>	<u>600,000</u>

The prior year commitment related to the completion of work on the new Science lab and classroom in the outer building of the School. This work was completed in the current year.

25. Pension commitments

The School's employees belong to two principal pension schemes: one for academic and related staff and one for non-teaching staff. Academic and related staff were previously in the Teachers' Pension Scheme (England and Wales) ("the TPS") and are now in the Aviva Pension Trust for Independent Schools (APTIS), a defined contribution scheme. Non-teaching staff are in the Independent Schools' Pension Scheme (ISPS), which is managed by TPT Retirement Solutions.

Both TPS and ISPS are multi-employer defined benefit schemes and the School is unable to identify its share of the underlying assets and liabilities. In accordance with FRS 102, the School has accounted for its contributions to these schemes as if they were defined contribution schemes. Accordingly, the accounting charge for these schemes in the period under FRS 102 represents the employer contributions payable and any change in the provision for contributions under the deficit recovery plan.

Teachers' Pension Scheme

Until January 2020, the School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £78,318 (2019: £161,919) and at the year-end £nil (2019 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at

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25. Pension commitments (continued)

31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

In January 2020, the School withdrew from the TPS (England and Wales) and joined APTIS, a defined contribution pension scheme.

Aviva Pension Trust for Independent Schools (APTIS)

The pension charge for the year includes contributions payable to APTIS of £101,592 (2019: £nil) and at the year-end £nil (2019 - £nil) was accrued in respect of contributions to this scheme.

Independent Schools' Pension Scheme (ISPS)

The School participates in The Independent Schools' Pension Scheme (the Scheme), which is a funded multi-employer defined benefit (DB) scheme. The Scheme is a contracted-out of the State scheme.

There are four DB structures available, namely:

- a) Final salary with a 1/60th accrual rate
- b) Final salary with a 1/80th accrual rate
- c) Career average revalued earnings with an 1/80th accrual rate
- d) Career average revalued earnings with a 1/120th accrual rate

A defined contribution (DC) benefit structure was made available from 1 September 2013.

An employer can elect to operate different benefit structures for different categories of staff. The School has elected to operate the final salary with 1/60th accrual rate.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due. The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period St Margaret's School (Hampstead) Limited paid a joint contribution rate of 26.81% comprising employer contributions of 18.68% and member contributions of 8.13%. As at the balance sheet date there was one active member of the Scheme employed by St Margaret's School (Hampstead) Limited. The school does not offer membership of the Scheme to its employees.

The last formal valuation of the Scheme was performed as at 30 September 2017 by a professionally

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25. Pension commitments (continued)

qualified actuary using the Projected Unit Method. The following key assumptions have been used for the 2017 valuation.

Assumptions

	30 Sept 2017 Valuation £m
Price inflation	RPI - 3.35% CPI - 2.45%
Discount rate	
- pre retirement	4.21%
- post retirement	2.26%
Pensionable earnings growth (annual)	CPI - 2.45%

In addition to these key financial assumptions, the latest mortality projections, supported by Scheme specific experience, have also been used in the assumption set adopted.

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Based on the valuation assumptions adopted, the 2017 valuation results are:

	30 Sept 2017 Valuation £m
Assets	149
Liabilities	188
Deficit	38
Funding level (%)	80
	<hr/> 455 <hr/>

The future service contribution rate that will apply to the School from 1 September 2019 is 30.5% as determined by reference to the Scheme's 30 September 2017 valuation.

Following consideration of the results of the Scheme's 2017 actuarial valuation it was agreed that the shortfall of £38.2 million would be dealt with by payment of deficit contributions of £2.4 million per annum from 1 September 2019 to 30 April 2030. The new recovery plan replaces the recovery plan set out in the 2014 valuation report. The amount of deficit contribution will be dependent on the membership profile of each individual employer. There will be a review of progress at the next valuation in 2020.

The School is required to contribute deficit payments of £1,539.60 for the year commencing 1 September 2018. From 1 September 2019 the School will be required to contribute £2,284.78 a year increasing annually by 3% from 1 September 2020 and on 1 September thereafter until 30 April 2030. In accordance with FRS 102, a provision has been recognised for the expected total deficit contributions (see note 18).

A copy of the recovery plan, setting out the level of deficit contributions payable and the period for which they will be payable, must be sent to The Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan). In relation to the 2014 valuation the Regulator did not respond on whether they intend to take any Scheme Funding Action.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. As at 30 September 2014 the estimated employer debt for the School was £103,863. The revised estimate as at 30 September 2017 is not yet available.

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26. Related party transactions

Mrs M Wayne, a governor, was paid the sum of £nil (2019: £795) for her work as an invigilator and French cover teacher.

Dr A Wayne, a governor, was paid the sum of £280 (2019: £220) for providing staff flu vaccinations.

27. Operating lease commitments

At 31 August 2020 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than 1 year	5,309	5,309
Later than 1 year and not later than 5 years	-	5,309
	<u>5,309</u>	<u>10,618</u>

28. Controlling party

The Charity is governed by the Trustees who do not consider there to be one controlling party.