

**ST. MARY'S SCHOOL, HAMPSTEAD**  
**(A Company Limited by Guarantee)**

**Annual report and financial statements**

**For the year ended**

**31 August 2024**

**Company No: 2643515**

**Charity registered in England No: 1006411**

## **ST. MARY'S SCHOOL, HAMPSTEAD**

### **Trustees' Report**

**Year ended 31 August 2024**

The Trustees have prepared their annual report for the year ended 31 August 2024 in accordance with the Companies Act 2006, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS102).

#### **AIMS, OBJECTIVES & MISSION**

##### **a. Our Aims**

St Mary's School, Hampstead aims to provide preparatory school education within a secure, friendly learning environment where there is a strong emphasis placed on both social and academic development. The achievement of this aim enables the School to fulfil its legal purposes of promoting and providing for the advancement of Roman Catholic education and the Roman Catholic religion. The Trustees seek to achieve a fair balance between benefits provided and the need for the School to maintain a prudent financial position when exercising their powers and duties in setting fees charged by the School and when identifying the benefits provided by the School in relation to its aims.

##### **b. Our Objectives**

The objects are set out in the Memorandum of Association as the promotion and provision of the advancement of Roman Catholic education and the Roman Catholic religion. The School's policy is to enable each child to develop their full potential both academically and socially in accordance with the School's Mission Statement and to prepare them for the senior schools of their choice.

In furthering the charity's objects, the Trustees have complied with the duty in Section 175(5) of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission concerning the operation of the Public Benefit Requirement under that Act.

##### **c. Our Mission**

The School's Mission Statement is:

- St Mary's School seeks to provide an outstanding education firmly founded on the Catholic faith.
- Spiritual and moral principles are nurtured in a way that is reflected in daily life.
- Within a happy and caring environment and based on the recognition of the dignity and worth of each child, high standards are expected.
- Intellectual development is emphasized and fostered along with the pursuit of academic excellence.
- St Mary's values the unique contribution of every child within the school community.
- St Mary's is inclusive and welcomes girls from all communities and faith backgrounds, or none, and believes that all benefit from the School's values.
- St Mary's aims to encourage an active partnership between home, school, parish and the wider community.

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

Year ended 31 August 2024

#### ACHIEVEMENTS & PERFORMANCE

##### a. Curriculum & Academic Achievements

Pupils at the School continued to perform at a level well in excess of the national standard expectation for their age groups. Despite being non-selective on entry, Year 6 pupils typically achieve standardised scores in Maths and English assessments of 115-120, compared to the national average for independent schools of 108-110 and all schools of 100. The highest achievable score is 131.

The Senior School Entrance Examination results show that the School continues to secure places for its pupils at a wide range of leading London day schools and out-of-London boarding schools. Typical destinations for girls leaving at the end of Year 6 include Channing School; City of London School for Girls; Francis Holland, Regent's Park; Godolphin and Latymer School; Highgate School; More House School; North London Collegiate School; Queen's College, London; Queenswood; South Hampstead High School; St Margaret's School, Bushey; St Mary's School, Ascot; St Paul's Girls' School; St Helen's School; and Wycombe Abbey.

The School provides our pupils with an education that is rich, varied and tailored to their needs to enable them to discover their full potential. The learning environment is supportive and positive, yet challenging. We believe that real learning stems from nurturing a love of and curiosity for the subjects being taught.

At St. Mary's School, we teach using the Creative Curriculum. This approach uses a single topic, which permeates through many aspects of the curriculum. Placing creativity at the centre of our curriculum ensures our children remain at the forefront of educational practices. We have seen that it enables them to take greater risks, make tangible connections in their learning and think deeply about real-world problems.

We are immensely proud of our pioneering Global Learning Centre. The space includes a cutting-edge Engineering and Robotics Lab, Virtual Reality Launch Pad, Art and Design Studio as well as a Green Room. This modern, innovative centre has been specially designed to promote STEAM at St Mary's. STEAM is a holistic approach that combines Science, Technology, Engineering, Art and Maths within their learning.

##### b. Pupil Numbers

The School has continued to provide a Catholic preparatory education for girls aged 2 <sup>3</sup>/<sub>4</sub> to 11. The pupil numbers for the year averaged 213, 48% Catholic (2023: 208, 49% Catholic).

##### c. Developing Sporting Talent

Sport is an essential and fun part of the day at St Mary's School. The P.E. Department is passionate about inspiring children to fall in love with sport, so we provide a wide range of options to ensure they find their special talent.

Our sports programme is inclusive and every pupil from Nursery to Year 6 will participate in at least two P.E. lessons a week. The lessons are supported by a plethora of sports clubs before, during and after school.

We benefit from a well-equipped hall on-site for gymnastics and a spacious outside play area. Climbing equipment has been installed and a full-size netball court allows for football, rugby, cricket, tennis, netball and hockey lessons.

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

#### Year ended 31 August 2024

The School also uses excellent local facilities such as Hampstead Heath for athletics and Swiss Cottage Leisure Centre for swimming.

Children show great enthusiasm and an appropriate competitive spirit for the individual and team events. Pupils also enjoy participating in many fixtures and tournaments against local schools and competing in national events. The School achieves considerable success across the board.

In 2023-24, 249 matches were played, with the girls winning 77%. Some highlights include:

- ISA Regional Netball qualifier – 1st place
- ISA Football Competition – 2nd place
- ISA National Netball Finals – 13th place
- LVS Ascot ISA Football Festival – 5th Place
- Year 5 Devonshire House Football Competition – 1st Place
- Year 6 Devonshire House Football Competition – 1st Place
- Cavendish School Football Competition – 2nd Place
- Southbank International Football Competition – 1st Place
- Year 6 Devonshire House Netball Competition – 2nd Place
- Year 6 Devonshire House Netball Competition – 1st Place
- Y5/6 Devonshire House X Country Competition - 1st Place
- St Mary's Cricket Competition – 1st Place

We were delighted for our sporting achievements to be recognized with a Highly Commended Award for Outstanding Sport from the Independent School Association.

#### **d. Creativity Outside the Classroom**

Music, Drama and Art form an important part of the creative curriculum and involve everyone, from Nursery upwards. The lessons are lively, engaging, fun and of an extremely high quality.

At St Mary's, we believe that a love of music gained in childhood lasts a lifetime and that making music with others is a social and uplifting experience.

The children are taught the essential skills of performing, composing and appreciating a variety of musical styles. Our one-to-one instrument lessons are hugely popular and we nurture our young musicians from a young age. We benefit from talented peripatetic teachers who offer individual or group tuition in piano, violin, clarinet, saxophone, flute, recorder and voice. We are very proud of the superb results our pupils gain in external music exams.

In 2023-24, 90 girls benefited from music lessons, some taking lessons in more than one instrument, and 36 external music exams were taken with ABRSM.

Drama and role play are used across all curriculum areas, building confidence and allowing individual talents and strengths to develop.

We plan weekly class assemblies where all the children are encouraged to speak, sing and dance in front of an audience. These invaluable opportunities broaden the imagination, foster creativity and develop communication skills.

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

Year ended 31 August 2024

#### e. Enriching and Extending the School Day

We offer a variety of school clubs that take place before school, at lunchtime and after school to support the truly well-rounded education that our girls receive. The current club list numbers over 60 and this excellent extra-curricular provision encourages pupils to stretch their imaginations and find their confidence.

The successful After School Club provides high-quality and stimulating wraparound care to support working St Mary's families until 6pm (Monday to Friday).

The Holiday club, introduced in 2022-23 and operating from 8am to 6pm in eight weeks of the school holiday, continues to thrive and provide parents with an excellent option for holiday childcare.

#### f. Religious & Pastoral Life

The School develops its religious and pastoral life with the ongoing service and dedication of our Chaplain, Father Chris Connor, in conjunction with the Leaders of Learning for Religious Education and the support of all staff. The Catholic life of the School and the Catholic education it delivers were both found to be outstanding in the June 2019 School's Inspection by the Diocese of Westminster.

The School has assisted current potential members of the Roman Catholic Church through preparing eleven girls to make their First Reconciliation (2023: eight) and twelve (2023: seven) girls to receive their First Holy Communion in the School Chapel.

The School made its first appearance on Radio Maria while celebrating Ascension Day Mass in our School Chapel on 9<sup>th</sup> May 2024. This was broadcast live to Radio Maria listeners and the School's Christmas Carol Concert is also planned to be broadcast live in December.

Children in Year 5 had the opportunity to join the Woldingham School Carol Service at Westminster Cathedral at Christmas time, allowing for musical collaboration between two Catholic girls' schools.

The School holds weekly Masses for parents, staff and children. There is an Act of Collective Worship everyday which links to the Sunday Gospel reading. The children take part in a service or a Mass each week as well as Hymn Practice. The School has an active Prayer Council consisting of Year 6 children who promote the Catholic faith to younger members of the School.

The School teaches and practices the St Mary's Way:

- Treat other people as you would like to be treated.
- Do your best to be your best.
- Be honest and truthful.
- Listen to each other.
- Be kind and helpful.
- Forgive.
- Share

In line with the School's Catholic ethos, acts of charity are an important part of school life. The School has a chosen charity each year to which it offers financial support; in the academic year 2023-2024, this was Solidarios Sin Fronteras. The School also supports other charities throughout the year, often with a Catholic link, such as CAFOD's Brighten Up Day, but national charities are also supported, such as Children in Need. Throughout Lent, Lenten

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

Year ended 31 August 2024

Promises are made by each class to help deliver something useful to either the School or local community, such as litter picking in and around Hampstead.

The School was delighted to be placed in the top five Catholic prep schools in the Catholic Good Schools Guide in 2024.

#### **g. Bursaries**

Bursary funds are limited and those applicants judged most suitable in accordance with the School's Admissions Policy are given priority. Bursaries and hardship payments are awarded based on financial means testing. The amount awarded to any pupil may vary depending on individual family circumstances. Awards are normally made for up to 95% of the school fees plus other costs connected to attendance (such as school lunches and residential trips), although higher awards can be made where the circumstances require.

During the year bursaries worth £269,830 (2023: £246,265) were awarded to 17 pupils (2023: 17 pupils) in line with the School's policy on financial support. Awards are normally reviewed annually. Prospective parents are made aware of the Bursary policy through a variety of ways, including a prominent position on the School's website. As of the Autumn Term 2024, 14 pupils are benefiting from bursaries.

#### **h. Staff Professional Development**

School staff continue to participate in high quality external Professional Development courses and in-house training. All this serves to enrich the teaching style of the whole School and continues to be an important aspect of the Appraisal Policy. There were five whole School INSET days during the year at which staff training was delivered as well as a regular programme of short-focused training sessions that were delivered during and after school during term-time.

#### **i. Community Activities**

The School hosted and attended sporting competitions with other schools locally and nationally, with St Mary's being a favoured location due to the quality of its facilities and famed "match tea".

Mini St. Mary's, which launched in January 2022, continues to be in high demand. This free 1-hour session, run twice a week, provides a stimulating and fun range of structured activities for children from 6 months – 3 years, including free play, malleable play, dance, music, movement, Bee-Bots, arts, crafts and storytelling. The families attending have reported how grateful they have been to find such an important resource to support them and their children.

During the year, the School supported the education of four pupils with Education and Healthcare Plans (2023: five pupils) as well as other girls with additional educational needs for whom the Local Authority has not yet provided an Education and Healthcare Plan. The School worked with the parents of two girls to ensure their needs were recognised by their Local Authority and these girls have now successfully obtained Education and Healthcare Plans.

The School co-operates with and supports as many charities as possible in its ongoing endeavours to widen public access to the schooling it provides and to awaken in its pupils an awareness of the wider social context of the education they receive at the School.

The School encourages charitable activities with various fundraising activities. During the course of the year £9,216

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

#### Year ended 31 August 2024

(2023: £16,100) was raised through fundraising activities within the School, including by the PTA, for a number of third-party charities and appeals. These included Solidarios sin Fronteras, CAFOD, Jeans 4 Genes, Children in Need, Royal British Legion, British Red Cross, and St Vincent de Paul Society. A further £4,866 was raised by the PTA, which was donated to fund bursaries at the School (£1,423) or held for future projects.

Practical donations of food, clothing and toiletries were also made and donated to the Food Aid Bank, toys were collected and donated to The Toy Project and books were collected for the Children's Book Project. The girls also collected for and made up "care bags" which they distributed to homeless men and women as well as donating arts and crafts materials for Christmas activities run by Crisis at Christmas.

Over the course of the academic year, the staff and parents have raised money through the Christmas Fair and disco, holding second hand uniform and cake sales and enjoying a quiz night and our first ever Air Fair. The children have also raised money through selling Christmas cards that they have designed, dressing up in pyjamas and bad hair and numerous other small events created and organised by the pupils themselves. We are enormously proud of the work done by the whole school community in order to raise funds for these good causes.

We were also delighted to be able to send second-hand library books to children in Sierra Leone and to iCollect to raise funds for Cherry Trees and to collect foreign coins for Mary's Meals.

The School continued to coordinate and provide support to early years staff at our school and those from other settings. In November 2023, the School was delighted to be able to host local early years providers for a catch-up. Further CPD sessions were held covering EAL and different learning styles.

### Relationships

The School is an active member of the following organisations:

- Independent Association of Preparatory Schools (IAPS) for the promotion and maintenance of preparatory schools generally
- The Independent Schools Association (ISA)
- Catholic Independent Schools Congregation (CISC)
- Independent Schools Council (ISC)
- Independent Schools' Bursars Association (ISBA)
- Association of Governing Bodies of Independent Schools (AGBIS)
- Admissions, Marketing and Communications in Independent Schools (AMCIS)

### FINANCIAL RESULTS

The principal source of funding for the School is its termly fees, which supports the key objective of providing a Roman Catholic education.

In setting the fees, the Trustees have regard to the level of fees that are appropriate for the educational services provided and are competitive in the local market. The Trustees aim to set the fee levels with the intent for the School to produce a surplus which can be employed in providing bursaries to those who could not afford to pay the fees and to fund the use of the School's facilities, resources and staff to provide for the advancement of the objectives and aims of the School and to provide public benefit by other means to members of the wider community.

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

#### Year ended 31 August 2024

The total incoming resources for the year were £4,341,318 (2023: £3,884,477). The total outgoing resources were £4,101,263 (2023: £4,045,196). The net incoming resources for the year amounted to a surplus of £240,055 (2023: a deficit of £160,749).

Within total incoming resources, £19,096 (2023: £5,633) were restricted funds received by way of parental donations towards bursaries, the expenditure of which also shows within incoming resources for the year.

At 31 August 2024, the total funds of the School were £4,640,770 (2023: £4,400,715). All the School funds as at 31 August 2024 are unrestricted and are held for use by the School. Its assets are sufficient to meet its obligations. The funds are being used to help finance current and future operational and capital projects.

#### RESERVES POLICY

Reserves are primarily held to enable the continuity of services and activities undertaken by the School.

Specific reasons to hold reserves are:

- to handle a sudden reduction in income;
- to cover other key risks crystallising resulting in unplanned expenditure; or
- to take advantage of unexpected opportunities.

In considering the level of reserves that should be held, the Trustees test the policy level against various scenarios to ensure that adequate levels of reserves are held. In doing so, the Trustees have set a target range for free reserves (being total funds less any restricted funds and fixed assets) equivalent to the annual fee value resulting from a drop in pupil numbers of ten to thirty-three percent. At 31 August 2024, this range was between £394,284 and £1,314,280.

At 31 August 2024, the total funds of the School were £4,640,770 (2023: £4,400,715) while the net book value of fixed assets totaled £3,123,757 (2023: £3,161,197) resulting in free reserves of £1,517,013 (2023: £1,239,518).

The Trustees have reviewed areas of uncertainties that may impact the School's free reserves. Pupil numbers are an uncertainty as they are challenging to forecast accurately and can be impacted by factors outside the School's control. Pupil numbers, and in turn fee income, in 2020-21 and 2021-22 were significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. There was also an increased demand for bursary support over these two years as a result of the pandemic and there continues to be a higher demand for bursary assistance as the current financial environment, in the form of inflationary pressures and rising interest rates and taxes, impacts parental ability to pay fees.

The post-pandemic years (2021-22 and forward) have been financially challenging for the School due to the drop in pupil numbers. However, due to the careful stewardship by the School's leadership team, the School's free reserves have been maintained. Forecasts have been prepared for 2024-25 and 2025-26 taking into account the additional costs that the School will incur as a result of the Labour Government's decision to impose VAT on school fees from 1 January 2025 and remove Charitable Business Rate Relief from 1 April 2025. Over the initial period following the introduction of these two measures, it is expected that the School will need to draw on its reserves in order to meet its aim of ensuring every girl can remain at the School, despite the addition of VAT to the school fees. Beyond that transition phase, it is expected that the School will operate with a small surplus.

## **ST. MARY'S SCHOOL, HAMPSTEAD**

### **Trustees' Report (continued)**

**Year ended 31 August 2024**

The Trustees are satisfied that the free reserves are sufficient and will continue to be managed within the target range of free reserves (general reserves) and that there is adequate working capital for the going concern status of the School to be assured.

#### **PLANS FOR THE FUTURE**

The Trustees intend for the School to continually improve its educational offering in line with its objectives and to maximise the benefits it provides to the wider community.

During the year to 31 August 2025, the School's focus is on continuing to: embed value-added pastoral care which provides support for parents as well as pupils; strengthen academic provision, including creating further opportunities for more able children; integrate AI into the curriculum (where appropriate); embed the new RE curriculum; strengthen our community outreach and faith in action; maintain a focus on sustainability, including gaining Eco-Schools accreditation; and invest further in CPD for staff, particularly for middle-management. The School is also continuing to renew and refresh its approach to marketing to ensure that its academic and wider successes are known and celebrated.

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

##### **Governing Document**

St Mary's School, Hampstead is incorporated as a company limited by guarantee, number 2643515 and is a registered charity, number 1006411. Its registered office and principal address is 47 Fitzjohn's Avenue, London, NW3 6PG.

The School is governed by the Memorandum of Association dated 10 June 1991 which was amended on 8 October 1991, 23 April 1993, 14 June 1993, 26 April 2006 and 18 March 2020 and its Articles of Association which were amended on 8 October 1991, 20 April 2005 and 23 March 2021. The Governors serve under Regulations as revised on 23 March 2021.

##### **Trustees and Governors**

St Mary's School, Hampstead has a two-tier structure of governance: The Trustees and the Governors.

The Trustees are responsible for maintaining the objects of the charity, its administration and finances, risk assessment and overall strategy, as well as ensuring that the School complies with company and charity law and regulations. The Trustees appoint the Headmistress. The Trustees have overall responsibility for the School and exercise the oversight of some of the School's educational activities together with the Governors.

The Trustees, who are the directors of the company, who served during the year and up to the date of this report, were as follows:

Ms C Barry-Walsh (Chairman)  
Mr K K Wilkins (Treasurer)  
Mr R M Carlisle  
Mrs S McCarron  
Mr S Murphy

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

Year ended 31 August 2024

Trustees are elected by the Members of the company. One third of Trustees retire by rotation at each Annual General Meeting (AGM) and are eligible for re-election. The Trustees who retire each year are those who have been longest in office since their last election. The Trustees who retired by rotation and were re-elected at the AGM held on 20 March 2024, were Mr K Wilkins and Mrs S McCarron.

The Governors, who are appointed by the Trustees, are responsible for the general direction, policies and priorities of the School within the budgets and objectives established by the Trustees. They offer support and guidance to the Headmistress, and also hold the School to account for the quality of education it provides and the standards it achieves. The Governors and Trustees ensure the safety of the School environment and review the effectiveness of the School's child protection policies. Five of the Governors are also Trustees.

The Governors who served during the year and up to the date of this report, were as follows:-

Mr S Murphy <sup>123</sup>	(Chairman)
Mr K K Wilkins <sup>1</sup>	(Ex-Officio)
Ms C Barry-Walsh	(Ex-Officio)
Mr R M Carlisle <sup>3</sup>	
Mrs C Del Toro Reyes <sup>1</sup>	(appointed 6 March 2024)
Mrs A Devlin <sup>2</sup>	
Mrs D Einoeder <sup>23</sup>	
Miss F Hagerty <sup>3</sup>	(appointed 7 February 2024)
Mrs S McCarron	
Ms L Rands <sup>3</sup>	(Retired 20 March 2024)
Mrs C Wright <sup>3</sup>	
Miss J Zammit-Mangion <sup>3</sup>	

<sup>1</sup> Member of the Finance and General Purposes Committee

<sup>2</sup> Member of the Health and Safety Committee

<sup>3</sup> Member of the Education and Staffing Committee

The Trustees record their gratitude to the Board of Governors, and to Miss Owen and her staff for their contribution to the continued success of the School during the 2023-24 school year.

### **Recruitment, Appointment, Induction and Training of Trustees and Governors**

The Trustees are responsible for the selection and appointment of new Trustees and Governors. This is a legal responsibility that cannot be delegated, although the Nominations Committee, comprising the Headmistress and Chair of Governors will, after discussion and research, put forward recommendations for new Trustees and Governors to the Trustees. As charity trustees, the Trustees are aware of the importance of identifying the appropriate mixture of skills and experience that they and their successors need to manage the multi-faceted affairs of a modern school which is also a company limited by guarantee, a medium sized business and an important local employer. Each appointment of a Governor or Trustee made by the Trustees is for an initial period of three years, which may be renewed.

To facilitate communication, induction and training at Governor and Trustee level, the Governors' Handbook is regularly updated.

Roles and responsibilities are covered with main job descriptions and responsibilities. Terms of Reference are included for all committees, along with membership lists and the key policies and documents.

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

Year ended 31 August 2024

All Trustees and Governors are encouraged to attend in-house and external training courses, including those run by the Association of Governing Bodies of Independent Schools (AGBIS). Training in certain topics, such as Keeping Children Safe in Education, the Prevent Duty and data protection is mandatory and undertaken by all members of the governing body. Numerous on-line training courses are also undertaken by the Trustees and Governors.

A list of school policies is available on the School's website. To ensure full compliance with Safeguarding issues the Headmistress, Deputy Head, Director of Studies, Bursar and a number of Trustees have completed Safer Recruitment Training. The named Governor and Trustee for Safeguarding has lead responsibility for all Safeguarding matters to ensure that the School is fully compliant with all current regulations.

Trustees make available to parents on the School's website a clear and succinct set of replies to questions that parents often ask about governance. The information covering Frequently Asked Questions is provided to enhance communication between Trustees and the parent body and to encourage them to share in the School's vision for the future.

All Governors and Trustees give their time on a voluntary basis to the governance of the charity.

#### **Third Party Indemnity Provision for Trustees & Governors**

Qualifying third party indemnity insurance is in place covering the governing body of the School.

#### **Organisational Management**

The Governing Body meets as a Board at least three times a year to determine the general strategy of the Charity and review its overall management and control, for which they are legally responsible. Trustees and Governors convene jointly with a separate session for Trustees only. The Trustees and Governors also attend the Annual General Meeting.

There are three sub-committees of the Board of Governors as follows:

1. Education and Staffing Committee - meet once each half term where members consider educational and staffing issues. This committee is chaired by Mr Robert Carlyse.
2. Finance and General Purposes Committee - meet before each main Board meeting. The committee scrutinises revenues & expenditures, the budget & reforecasts and capital expenditure. This committee is chaired by Mr Keith Wilkins (who is also the Treasurer (the Trustee with responsibility for the supervision of the finances of the School)).
3. Health and Safety Committee - meet termly to consider all Health and Safety matters. This committee is chaired by Mrs Dagmar Einoeder.

The Key Management Personnel are the Trustees, Governors and the Senior Leadership Team. Day to day management of the School is delegated by the Governors to the Senior Leadership Team as below, led by the Headmistress.

#### **Facilities Management**

Management of the school facilities is overseen by the Bursar and Premises Manager and is monitored by the Health and Safety Committee which continues to ensure full compliance with all legislative requirements as well as incorporating rolling repairs with a programme to upgrade facilities on a carefully structured basis.

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

#### Year ended 31 August 2024

The School is part of the Brent and Camden Business Climate Challenge and is taking steps to reduce its energy usage. In 2023-24 all the lighting in the School was replaced with LED lighting and the School is in the process of implementing plans to install solar panels that will further help manage the challenges of the current energy price crisis, as well as prepare the School for the future and reduce our carbon footprint.

An escape of water in May 2024, resulted in damage to three classrooms as well as some administrative areas. With the support of the School insurers, the damage was repaired and these rooms brought back into use for the start of the Academic Year 2024-25. The girls in the small number of classes demonstrated their resilience by enjoying using alternative spaces within the School during the repair works.

The Bursar, Premises Manager and Network Manager oversee development works including improvements to the IT infrastructure. During the year, the School continued its programme of rolling renewal of its IT hardware with the purchase of new iPads, VR headsets, Promethean boards and Chromebooks, and staff laptops and PCs.

#### Remuneration of Key Management Personnel

Trustees and Governors do not receive any remuneration for their services. The remuneration of the Headmistress and Bursar is set by the Trustees, with the policy objective of ensuring that they are provided with appropriate compensation to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The remuneration of the rest of the Senior Leadership Team is determined by the Headmistress within the parameters set by the Trustees and Governors. The appropriateness and relevance of the remuneration policy is reviewed annually, including comparisons with other independent schools and the state sector to ensure that the School remains sensitive to the sector wide issues of pay and employment conditions. Delivery of the School's charitable vision and purpose is primarily dependent on the Senior Leadership Team.

#### SENIOR LEADERSHIP TEAM AND PROFESSIONAL ADVISORS

Headmistress	Miss Charlotte Owen
Bursar & Company Secretary	Mrs Sara Gibbins
Deputy Head	Miss Philippa d'Aquino
Director of Studies and Acting Deputy Head	Mr Martin Otter
Independent Auditor	Moore Kingston Smith LLP 9 Appold Street London, EC2A 2AP
Bankers	Barclays Bank PLC 28 Hampstead High Street London, NW3 1QB
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol, BS1 5WS

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

Year ended 31 August 2024

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of St Mary's School, Hampstead for the purposes of company law, are responsible for preparing this 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company 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 charitable company and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the School's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Principal Risks and Uncertainties

The Trustees undertake an annual risk review to identify major risks to which the Charity is exposed. This review includes a full evaluation and thorough assessment of the primary risks relating to the key areas of the Charity as defined below and how those risks can be best minimised to reduce their potential impact on the School. Responsibility for detailed monitoring of each of the categories of risk identified is allocated to a committee or retained by the full board of Governors and Trustees. The mitigation activities that have been undertaken in the preceding year in response to the risk are discussed in the meetings of the relevant committee/full board and any additional mitigation activities that are required are detailed and monitored.

Inflationary pressures during the past few years and the likelihood of changes in legislation removing beneficial tax treatment from independent schools and imposing VAT on school fees, create an environment of additional risk for the School. The School manages these risks through ensuring it continues to offer a generous bursary programme while ensuring that it maintains its reserves and carefully manages its budgets to enable it to absorb as far as possible the financial impact that any change in tax laws may bring.

## ST. MARY'S SCHOOL, HAMPSTEAD

### Trustees' Report (continued)

Year ended 31 August 2024

In addition to the health & safety and financial risks arising from the above stated issues, the major risk areas are:

- Safeguarding: including Keeping Children Safe in Education, anti-bullying and online safety
- Operational: including regulatory and environmental factors
- Financial: including information technology and staff compensation factors
- Governance: including a review of mission / objects, governance & management and external factors
- Personnel: including staffing, employment and academic factors
- Health & safety: including fire risk assessment / procedures, accidents and external events
- Reputation: including safety, education and publicity

The principal risks identified and receiving a high level of mitigation activity concern the impact of external economic factors and their potential impact on pupil numbers leading to more sophisticated early warning indicators; external catastrophe planning; and recruitment and retention issues.

The Trustees continue to monitor the School's performance in relation to teaching, staff movement, Catholicity and the value added provided by the School.

#### AUDITOR

Moore Kingston Smith act as auditors under section 485 of the Companies Act 2006 and have indicated their willingness to continue as the School's auditors.

#### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Trustees (who are also company directors) who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that:

- there is no relevant audit information which has not been disclosed to the auditor; and
- each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This Report was approved by order of the Trustees and signed on their behalf by

  
C Barry-Walsh  
Chairman  
4 December 2024

**INDEPENDENT AUDITOR'S REPORT TO  
THE MEMBERS OF ST MARY'S SCHOOL, HAMPSTEAD**

**Opinion**

We have audited the financial statements of St Mary's School Hampstead ('the company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information 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.

**INDEPENDENT AUDITOR'S REPORT TO  
THE MEMBERS OF ST MARY'S SCHOOL, HAMPSTEAD (continued)**

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 there is 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.

**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 Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' annual report have been prepared in accordance with applicable legal requirements.

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 12, 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.

**INDEPENDENT AUDITOR'S REPORT TO  
THE MEMBERS OF ST MARY'S SCHOOL, HAMPSTEAD (continued)**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 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 are appropriate in the circumstances, but not for the purposes of expressing an opinion on 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

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

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.

**INDEPENDENT AUDITOR'S REPORT TO  
THE MEMBERS OF ST MARY'S SCHOOL, HAMPSTEAD (continued)**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are [the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council]
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 by, for example, forgery or intentional misrepresentations, or through collusion.

**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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

Shivani Kothari (Senior Statutory Auditor)

for and on behalf of:

Moore Kingston Smith LLP, Statutory Auditor

6<sup>th</sup> Floor, 9 Appold Street

London

EC2A 2AP

*11<sup>th</sup> February 2025*

**ST MARY'S SCHOOL, HAMPSTEAD**

**Statement of Financial Activities (incorporating Income and Expenditure Account)  
for the year ended 31 August 2024**

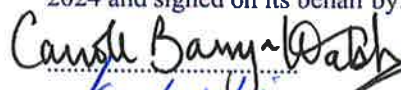

	Unrestricted	Restricted	Total 2024	Total 2023
Note	£	£	£	£
<b>Income</b>				
Investment income – interest receivable	74,771	-	74,771	33,379
Donations	-	19,096	19,096	5,633
 <i>Charitable activities:</i>				
School operations:	2a			
Gross Fees receivable	3,866,623	-	3,866,623	3,530,303
Less: Bursaries	(250,734)	(19,096)	(269,830)	(246,265)
	<u>3,615,889</u>	<u>(19,096)</u>	<u>3,596,793</u>	<u>3,284,038</u>
Ancillary Income	2a	-	650,658	561,397
	<u>4,266,547</u>	<u>(19,096)</u>	<u>4,247,451</u>	<u>3,845,435</u>
 <b>TOTAL INCOME</b>	 <u>4,341,318</u>	 <u>-</u>	 <u>4,341,318</u>	 <u>3,884,447</u>
 <b>Expenditure</b>				
<i>Charitable activities:</i>				
School operating costs	(4,101,263)	-	(4,101,263)	(4,045,196)
 <b>TOTAL EXPENDITURE</b>	 3 (4,101,263)	 <u>-</u>	 <u>(4,101,263)</u>	 <u>(4,045,196)</u>
 <b>Net (deficit) and net movement in funds for the year</b>	 240,055	 <u>-</u>	 240,055	 <u>(160,749)</u>
 <i>Reconciliation of funds</i>				
Total funds brought forward	4,400,715	-	4,400,715	4,561,464
Total funds carried forward	10 4,640,770	-	4,640,770	4,400,715

The Statement of Financial Activities includes all gains and losses recognised in the year.  
The notes on pages 22 to 34 form part of these Financial Statements.  
All income and expenditure arise from the School's continuing operations.

**ST MARY'S SCHOOL, HAMPSTEAD**  
**Company No: 2643515**  
**Balance Sheet**  
**at 31 August 2024**

	Notes	2024	2023
		£	(as restated) £
<b>Fixed assets</b>			
Tangible assets	5	3,123,757	3,161,197
<b>Current assets</b>			
Debtors	6	188,072	115,473
Investments		980,000	600,000
Cash at bank and in hand		2,011,767	1,619,306
		3,179,839	2,334,779
<b>Liabilities: Amounts falling due within one year</b>	7	(1,284,410)	(821,711)
<b>Net current assets</b>		1,895,429	1,513,068
<b>Total assets less current liabilities</b>		5,019,186	4,674,265
<b>Liabilities: Amounts falling due after more than one year</b>	8	(359,744)	(249,550)
Provisions for Liabilities	9	(18,672)	(24,000)
<b>Net Assets</b>		4,640,770	4,400,715
<b>Funds</b>			
<b>Unrestricted Funds:</b>			
General Funds	10	1,517,013	1,239,518
Tangible Fixed Assets Fund	10	3,123,757	3,161,197
<b>Total Funds</b>		4,640,770	4,400,715

The Financial Statements on pages 19 to 34 were approved by the Board and authorised for issue on 4 December 2024 and signed on its behalf by:

 Carol Barry-Walsh (Chairman)  
 K K Wilkins (Treasurer)

The notes on pages 22 to 34 form part of the Financial Statements.

**ST MARY'S SCHOOL, HAMPSTEAD**  
**Company No: 2643515**  
**Statement of Cash Flows**  
**at 31 August 2024**

		2024 £	2023 (as restated) £
<b>Cash flow from operating activities</b>	14	303,673	24,849
<b>Cash flows from investing activities</b>			
Investment in current asset investments		(380,000)	(600,000)
Bank interest received		74,771	33,379
Purchase of Tangible Fixed Assets		(127,578)	(64,959)
Cash used in investing activities		(432,807)	(631,580)
<b>Cash flows from financing activities</b>			
Cash received from Fees in Advance Scheme		521,595	-
Cash received from financing activities		521,595	-
Increase/(Decrease) in cash and cash equivalents in the year		392,461	(606,731)
Total cash and cash equivalents and the beginning of the year		1,619,306	2,226,037
Total cash and cash equivalents at the end of the year		2,011,767	1,619,306

**Analysis of changes in net debt**

	As at 1 September £	2024 Cashflows £	As at 31 August £
<b>Cash and cash equivalents</b>			
Cash	1,619,306	392,461	2,011,767
Total	1,619,306	392,461	2,011,767

	As at 1 September £	2023 (as restated) Cashflows £	As at 31 August £
<b>Cash and cash equivalents</b>			
Cash	2,226,037	(606,731)	1,619,306
Total	2,226,037	(606,731)	1,619,306

The notes on pages 22 to 34 form part of the Financial Statements.

## ST MARY'S SCHOOL, HAMPSTEAD

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

#### 1. Accounting policies

##### a. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standards applicable to the UK and the Republic of Ireland (FRS102) and the Charities Act 2011. The Charity constitutes a public benefit entity as defined by FRS102.

The functional and presentational currency is sterling and amounts are rounded to the nearest pound.

##### b. Going concern

The School's key activity of providing a Roman Catholic education is such that fee income represents the majority of the School's income. Fee income in the period from March 2020 has been significantly impacted as a result of the Coronavirus pandemic with a number of families leaving London at short notice and returning to their home countries or moving away from the School. There was also an increased demand for bursary support over the period of the pandemic and this is continuing as high interest rates, inflation and the energy crisis impact parental ability to pay fees. This is further impacted by VAT being imposed on school fees from January 2025.

Despite the increased costs and reduced pupil numbers, due to the careful stewardship by the School's leadership team, a small increase in free reserves was achieved in 2021-22 and 2022-23 and the School returned to surplus in 2023-24. Free reserves have remained within or above target throughout this period. Forecasts have been prepared for 2024-25 and 2025-26 taking into account the additional costs that the School will incur as a result of the Labour Government's decision to impose VAT on school fees from 1 January 2025 and remove Charitable Business Rate Relief from 1 April 2025. Over the initial period following the introduction of these two measures, it is expected that the School will need to draw on its reserves in order to meet its aim of ensuring every girl can remain at the School, despite the addition of VAT to the school fees. Beyond that transition phase, it is expected that the School will operate with a small surplus.

Pupil numbers are an uncertainty. However, they are not a material uncertainty and do not cast doubt on the ability of the School to continue as a going concern, as the uncertainty is being managed through cost management strategies, development of new revenue streams (such as through the Holiday Club) and a strong focus on marketing. The School's level of free reserves are sufficient for the impact to be managed over the medium-term within the target range of free reserves (general reserves). Additionally, there is adequate working capital for the going concern status of the School to be assured, specifically in the 12 months from the date of the signing of the Financial Statements. The School expects to return to making surpluses following a transition phase after the imposition of VAT on fees and to continue to maintain reserves at the top end of the target for free reserves.

##### c. Income

Fees receivable consist of charges billed for the school year 2023/2024. Fees received for education provided in future years are carried forward as deferred income (fees received in advance). Fees received in advance, as part of the Fees in Advance Scheme are treated as Financing Activities in the cash flow statement. Where parents are charged fees in lieu of notice this is recognised in the term for which the notice should have been given as parents are encouraged to keep their daughter at our School during this period and these charges are designed to cover the shortfall in income that would otherwise arise in that

## ST MARY'S SCHOOL, HAMPSTEAD

### NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 31 AUGUST 2024

period. Other fee income consists of additional fees from tuition classes, lunches and registration fees which are accounted for on a receivable basis. Donations and income from fundraising activities are recognised when the School has entitlement to the receipt of the income, it can accurately measure the amount and it is probable that the economic benefits associated with the transaction will flow to the School. Fundraising activities undertaken within the School for other Charities are treated as funds held for third parties and any amounts held at the year-end are shown in the balance sheet.

#### **d. Assets**

Fixed assets costing more than £1,000 are shown on the balance sheet at cost less cumulative depreciation. Group purchases of IT, furniture and equipment costing less than £1,000 per item are also capitalised where the estimated life extends over at least the period used under the School's depreciation policy for the relevant asset and the value of the group purchase exceeds £1,000. Current assets are shown at the lower of cost and net realisable value.

#### **e. Depreciation**

Depreciation is provided on all tangible fixed assets retained for the School's own use, other than freehold land, at rates calculated to write off their cost over their estimated useful economic lives at the following rates, on a straight-line basis:

Freehold buildings	2½% to 10% on cost
Furniture	12.5% on cost
Catering and playground equipment	10% on cost
IT	20% to 25% on cost
Land is not depreciated.	

#### **f. Pension costs**

The School contributes to the Teachers' Pension Scheme (a defined benefit scheme) at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with SORP (FRS102) the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School is undertaking a phased withdrawal from the Teachers' Pension Scheme and from 1 September 2022 contributes to a defined contribution scheme for teachers employed from 1 September 2022 and existing teachers wishing to move from the Teachers' Pension Scheme to this new scheme. The School also contributes to a defined contribution pension schemes for staff other than teachers. Contributions to defined contribution schemes are paid or accrued within the year in which the corresponding salary is earned.

#### **g. Deposits**

Deposits are refundable when a pupil leaves the School and are treated as a long-term liability upon entry to the School except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income. Unclaimed deposits are deemed forfeited one year after a pupil leaves the School.

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

**h. Expenditure**

Expenditure is recognised on an accruals basis as soon as a liability is considered probable and has been analysed between School Operating Costs and Educational Grants. Expenditure is summarised under functional headings either on a direct cost basis or, for overhead support costs, apportioned according to management estimates of staff time spent. Irrecoverable VAT is included within the item of expenditure to which it relates. Support costs represent school administration costs incurred to support charitable activities and governance.

**i. Termination payments**

Employment termination payments do not provide future economic benefits and are therefore recognised as an expense in the Statement of Financial Activities as soon as the Charity is demonstrably committed to terminate the relevant employment (when a formal plan for termination of employment, without the realistic possibility of withdrawal, has been established). The amount recognised is the best estimate of the expenditure required to settle the obligation at the reporting date.

**j. Operating leases**

Operating lease costs are written off to the Statement of Financial Activities on a straight-line basis over the lease period.

**k. Financial Instruments**

The Charity only holds basic Financial Instruments. Financial Instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including any accrued income) are financial instruments and are debt instruments measured at amortised cost as detailed in note 6. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors are classified as financial instruments, and are measured at amortised cost as detailed in note 7 and 8. Amounts due for taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

**l. Cash at bank and in hand**

Cash at bank and in hand includes cash and highly liquid assets with a short maturity of 95 days or less.

**m. Current asset investments**

Current asset investments include cash and other assets with a maturity of over 95 days. A prior year adjustment has been made to reflect bank deposits held with a maturity over 95 days as at 31 August 2023.

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

**n. Corporation Tax**

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**o. 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 School has provided for doubtful debts on the basis of assumptions over which debts at the balance sheet date may not be paid in full. However, due to the low level of debts that had not been paid by the date of preparing the provision, the range of possible outcomes resulting from various assumptions is not material and therefore the estimates used to calculate the provision are not considered critical.

Critical areas of judgment - the depreciation policies used by the School represent a critical judgement as to the useful lives of the tangible fixed assets of the Charity.

**2a. School operation income**

	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gross School fees receivable	3,866,623	-	3,866,623	3,530,303
Less Bursaries	(250,734)	(19,097)	(269,831)	(246,265)
	<u>3,615,889</u>	<u>(19,097)</u>	<u>3,596,792</u>	<u>3,284,038</u>
Ancillary Income:				
Extras	378,194	-	378,194	324,166
Lunches	215,483	-	215,483	195,030
Registration fees	13,670	-	13,670	14,345
Other	43,311	-	43,311	27,856
	<u>650,658</u>	<u>-</u>	<u>650,658</u>	<u>561,397</u>
	<u>4,266,547</u>	<u>(19,097)</u>	<u>4,247,451</u>	<u>3,845,435</u>

In 2024, £19,097 (2023: £5,633) was received as restricted donations for bursaries.

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

<b>2b.</b>	<b>Net movement in funds</b>	<b>2024</b>	<b>2023</b>
		£	£
	Net movement in funds is stated after charging:		
	Auditor's remuneration (including VAT):		
	External audit (current year)	19,194	18,075
	Operating lease charges	7,843	7,751
	Depreciation	165,018	193,410
		<u>          </u>	<u>          </u>

All these movements are movements in unrestricted funds.

**3. Charitable Expenditure**

The split of expenditure between restricted and unrestricted funds in the year ended 31 August 2024 is shown below.

	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>2024 Charitable expenditure -</b>			
School operating costs:			
Teaching costs	2,449,464	-	2,449,464
Catering	240,229	-	240,229
Premises	588,053	-	588,053
School administration	820,674	-	820,674
Public benefit	2,843	-	2,843
	<u>4,101,263</u>	<u>-</u>	<u>4,101,263</u>

	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>2023 Charitable expenditure -</b>			
School operating costs:			
Teaching costs	2,460,398	-	2,460,398
Catering	223,632	-	223,632
Premises	620,833	-	620,833
School administration	738,030	-	738,030
Public benefit	2,303	-	2,303
	<u>4,045,196</u>	<u>-</u>	<u>4,045,196</u>

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

**3. Charitable Expenditure (continued)**

Analysis of charitable activities expenditure:

	<b>Direct costs £</b>	<b>Support costs £</b>	<b>Total 2024 £</b>
<b>2024 Charitable expenditure -</b>			
School operating costs:			
Teaching costs	2,449,464	-	2,449,464
Catering	240,229	-	240,229
Premises	588,053	-	588,053
School administration	242,131	578,543	820,674
Public benefit	2,843	-	2,843
	<u>3,522,720</u>	<u>578,543</u>	<u>4,101,263</u>

	<b>Direct costs £</b>	<b>Support costs £</b>	<b>Total 2023 £</b>
<b>2023 Charitable expenditure -</b>			
School operating costs:			
Teaching costs	2,460,398	-	2,460,398
Catering	223,632	-	223,632
Premises	620,833	-	620,833
School administration	211,493	526,537	738,030
Public benefit	2,303	-	2,303
	<u>3,518,659</u>	<u>526,537</u>	<u>4,045,196</u>

**2024 Support costs:**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total £</b>
School administration: staff costs	508,724	-	508,724
Governance costs:			
Audit fee	19,094	-	19,094
Legal and professional fees	48,294	-	48,294
Trustees' and Governors' expenses	2,431	-	2,431
	<u>578,543</u>	<u>-</u>	<u>578,543</u>

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

**3. Charitable Expenditure (continued)**

**2023 Support costs:**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
School administration: staff costs	463,629	-	463,629
Governance costs:			
Audit fee	18,075	-	18,075
Legal and professional fees	42,222	-	42,222
Trustees' and Governors' expenses	2,611	-	2,611
	526,537	-	526,537
		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
Staff costs include:			
Wages and salaries		2,110,987	2,194,190
Social security costs		221,970	235,546
Pension contributions		375,075	366,729
Supply staff costs		165,983	18,742
		2,874,015	2,815,207

Total employee salaries and other benefits of key management personnel, including employers' pension contributions and employer's national insurance contributions:

	<b>£403,917</b>	<b>£451,230</b>
	<b>£403,917</b>	<b>£451,230</b>

The members of the key management personnel are Trustees, Governors and the senior leadership team as listed on page 12.

**Governors' and Trustees' remuneration and expenses**

No remuneration or benefits were provided to any Governors or Trustees during the year other than the School purchasing Trustees' and Governors' indemnity insurance to provide cover of up to £2 million. The premium for 2024 was £1,109 (2023: £1,109). In the year to 31 August 2024, two Trustees and Governors were reimbursed £194 in respect of travel expenses (2023: £163 was reimbursed to two Trustees and Governors in respect of travel expenses). During the year, £2,431 (2023: £2,448 including modest gifts for the outgoing Headmistress) was spent in connection with the Governors and Trustees on training and hospitality.

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

The number of employees whose emoluments (including salaries and other benefits but excluding employers' pension contributions and employer's national insurance contributions) exceeded £60,000 was:

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
£60,000 - £70,000	2	2
£70,000 - £80,000	1	1
£80,000 - £90,000	0	1
£90,000 - £100,000	2	0
£100,000 - £110,000	<u>0</u>	<u>1</u>

These employees are accruing retirement benefits under the Standard Life Pension Scheme, a defined contribution scheme, and the Teachers' Pension Scheme, a defined benefit scheme.

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
The average number of employees during the year was:		
Teaching	41	42
Other	16	17
	<u>57</u>	<u>59</u>

**4. Taxation**

Value Added Tax on expenditure is borne in full and is included within the expenditure headings to which it relates.

**5. Tangible fixed assets**

	<b>Land</b>	<b>Freehold</b>	<b>Furniture &amp;</b>	<b>Total</b>
	<b>£</b>	<b>Buildings</b>	<b>Equipment</b>	<b>£</b>
		<b>£</b>	<b>£</b>	
<b>Cost</b>				
At 1 September 2023	1,000,000	3,661,931	1,063,469	5,725,400
Additions	-	47,309	80,269	127,578
Disposals	-	-	(44,266)	(44,266)
At 31 August 2024	<u>1,000,000</u>	<u>6,709,240</u>	<u>1,063,472</u>	<u>5,725,402</u>
<b>Depreciation</b>				
At 1 September 2023	-	1,596,892	967,311	2,564,203
Charge for year	-	125,142	39,876	165,018
Disposals	-	-	(44,266)	(44,266)
At 31 August 2024	<u>-</u>	<u>1,722,034</u>	<u>962,921</u>	<u>2,564,205</u>
<b>Net book value</b>				
At 31 August 2024	<u>1,000,000</u>	<u>1,987,206</u>	<u>136,551</u>	<u>3,123,757</u>
<b>Net book value</b>				
At 31 August 2023	<u>1,000,000</u>	<u>2,065,039</u>	<u>96,158</u>	<u>3,161,197</u>

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

**5. Tangible Fixed Assets (continued)**

There were no contractual commitments to acquire tangible fixed assets at the year end.

<b>6. Debtors</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fees	40,009	27,422
Other debtors	55,983	30,448
Prepayments	92,080	57,603
	<u>188,072</u>	<u>115,473</u>

Fees outstanding are stated after a provision for doubtful debts of £18,713 (2023: £24,530).

<b>7. Creditors: Amounts falling due within one year</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade creditors	170,057	82,591
Fees received in advance	858,444	472,199
Fee deposits	55,050	34,000
Other taxes and social security	51,689	55,025
Accruals and deferred income	91,827	126,687
Pension contributions	46,332	41,913
Other creditors	11,011	9,296
	<u>1,284,410</u>	<u>821,711</u>

**Deferred income, including fees in advance**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Brought forward at 1 September 2023	500,727	544,250
Resources deferred in the year	904,402	500,727
Resources released to SOFA in year	(500,727)	(544,250)
	<u>904,402</u>	<u>500,727</u>
<b>Deferred Income at 31 August 2024</b>	<b>904,402</b>	<b>500,727</b>

Deferred income reflects amounts charged to parents in respect of fees in lieu of notice relating to the Autumn Term 2024. Fees in advance reflects payments received from parents ahead of the due date (2024: £440,943; 2023: £472,199) as well as fees prepaid under our formal Fees in Advance Scheme (2024: £417,501; 2023: £nil).

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

<b>8. Creditors: Amounts falling due after more than one year</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fee deposits:		
Between 2-5 years	138,000	125,050
More than 5 years	113,000	113,000
Deferred income:		
Between 2-5 years	4,650	11,500
Fees in advance:		
Between 2-5 years	104,094	-
	<u>359,744</u>	<u>249,550</u>
<b>Deferred income, including fees in advance</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Brought forward at 1 September 2023	11,500	11,500
Resources deferred in the year	108,744	-
Resources released to SOFA in year	(11,500)	-
	<u>108,744</u>	<u>11,500</u>
Deferred Income at 31 August 2024	<u>108,744</u>	<u>11,500</u>

Deferred income reflects amounts received from parents who gave notice to defer their children's places until a term beginning after the end of the next academic year and for whom the amounts already received will be used to pay their daughters' first term's fees when they arrive (2024: £4,650; 2023: £11,500). Fees in advance reflects fees prepaid under our formal Fees in Advance Scheme (2024: £104,094; 2023: £nil).

**9. Provisions for Liabilities**

An amount of £24,000 was provided for as at 31 August 2022 in respect of work required to the exterior brickwork of the School building, which commenced in 2023-24.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Brought forward at 1 September 2023	24,000	24,000
Charged to SOFA in year:	(5,328)	-
	<u>18,672</u>	<u>24,000</u>
Provision for liabilities at 31 August 2024	<u>18,672</u>	<u>24,000</u>

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

**10. Restricted and unrestricted funds**

	<b>Balance at 1 September 2023 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Transfers £</b>	<b>Balance at 31 August 2024 £</b>
<b>Unrestricted funds:</b>					
General funds	1,239,518	4,341,318	(4,101,263)	37,440	1,517,013
Tangible fixed assets fund	3,161,197	-	-	(37,440)	3,123,757
	<u>4,400,715</u>	<u>4,341,318</u>	<u>(4,101,263)</u>	<u>-</u>	<u>4,640,770</u>
<b>Restricted funds:</b>					
Donations	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>4,400,715</u>	<u>4,341,318</u>	<u>(4,101,263)</u>	<u>-</u>	<u>4,640,770</u>

The tangible fixed asset fund is represented by the accumulated capitalised expenditure on tangible fixed assets net of depreciation. The amounts transferred in the year represent the net of depreciation, additions and disposals in the year.

In 2023-24 and 2022-23, the restricted funds were donations made and used for the purposes of funding bursaries (the expenditure of which is also shown within incoming resources) (2024: £19,096; 2023: £5,633).

For comparative purposes the movement on funds in 2022-23 were as follows:

	<b>Balance at 1 September 2022 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Transfers £</b>	<b>Balance at 31 August 2023 £</b>
<b>Unrestricted funds:</b>					
General funds	1,271,816	3,884,447	(4,045,196)	128,451	1,239,518
Tangible fixed assets fund	3,289,648	-	-	(128,451)	3,161,197
	<u>4,561,464</u>	<u>3,884,447</u>	<u>(4,045,196)</u>	<u>-</u>	<u>4,400,715</u>
<b>Restricted funds:</b>					
Donations	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>4,561,464</u>	<u>3,884,447</u>	<u>(4,045,196)</u>	<u>-</u>	<u>4,400,715</u>

**ST MARY'S SCHOOL, HAMPSTEAD**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 31 AUGUST 2024**

**11. Operating leases**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Hire of equipment		
Total of future minimum lease payments under non-cancellable operating leases:		
Payments due within one year	5,999	7,303
Payments due in one to two years	37	3,552
Payments due in two to five years	-	-
	-	-

**12. Pensions**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £268,079 (2023: £309,683). At the year-end £33,296 (2023: £34,617) 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 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

From 1 April 2024, the employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The effective cost of the increase in employer contribution under the TPS from 1 April 2024 is borne by the teachers participating in that scheme through a 3.5% reduction in their gross pay compared to teachers not in the TPS.

**Defined Contribution Schemes**

Defined Contribution Scheme for Teachers (DCforT)

Following consultation in 2021-22 with teachers regarding the School's continued participation in the TPS for its teaching staff, the School has entered into a phased withdrawal of the School from the TPS from 1 September 2022. A new defined contribution scheme has been established for teachers who are employed

## ST MARY'S SCHOOL, HAMPSTEAD

### NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 31 AUGUST 2024

from 1 September 2022 and for existing teachers who wish to opt out of the TPS and join this scheme. The School contributes 20% of the teacher's salary into this scheme. Additional benefits, including group life cover, income protection and critical illness cover are also provided to eligible employees. The cost for the year represents the School's contribution to the scheme of £49,130 (2023: £5,589). At the year-end £4,821 (2023: £317) was accrued in respect of contributions to this scheme.

#### Defined Contribution Scheme for other staff

The School also runs a pension scheme with Standard Life for those members of staff who are not eligible to join the Teachers' Pension Scheme. This is a money purchase scheme. The School contributes between 3% and 20% of an employee's salary, dependent on length of service. The cost for the year represents the School's contribution to the scheme of £57,866 (2023: £51,457). At the year-end £8,215 (2023: £6,979) was accrued in respect of contributions to this scheme.

#### 13. Related party transactions

There were no related party transactions in the year other than the Governors' expenses disclosed in note 3.

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

	2024	2023
	£	£
Net (outgoing) resources	240,055	(160,749)
Add: Depreciation	165,018	193,410
Less: Investment income and bank interest	(74,771)	(33,379)
Less: Fees in Advance	(521,595)	-
(Increase)/decrease in debtors	(72,599)	(48,068)
Increase/(decrease) in creditors	567,565	73,635
	<hr/>	<hr/>
Net cash provided by operating activities	303,673	24,849

#### 15. Event after the reporting period

In their first budget on 30th October 2024, the Labour Government announced that they would be introducing VAT on tuition and certain other fees charged by independent schools from 1 January 2025 and would remove Charitable Business Rate Relief for independent schools from 1 April 2025. As noted in note 1 above (Accounting Policies), forecasts have been prepared for 2024-25 and 2025-26 taking into account the additional costs that the School will incur as a result of these changes. Over the initial period following the introduction of these two measures, it is expected that the School will need to draw on its reserves in order to meet its aim of ensuring every girl can remain at the School, despite the addition of VAT to the school fees. Beyond that transition phase, it is expected that the School will operate with a small surplus.