

Registered number: 00698102  
Charity number: 310491

**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**  
**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**

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**SOUTH LEE SCHOOL LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS GOVERNORS AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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| <b>Governors</b>                 | Mr S R Honeywood, Chair<br>Mrs H J Buckingham<br>Mrs C E Godfrey (resigned 8 March 2024)<br>Mr F Robertson<br>Mr B Baber<br>Mr E Marland (resigned 4 November 2024)<br>Mrs L Manning<br>Mr M S Scragg |
| <b>Company registered number</b> | 00698102  |
| <b>Charity registered number</b> | 310491  |
| <b>Registered office</b>         | Nowton Road<br>Bury St Edmunds<br>Suffolk<br>IP33 2BT   |
| <b>Headmistress</b>              | Mrs J Coventry-King (to 4th February 2024)<br>Mrs S Catchpole (Acting Head, 5th February 2024 to 31st August 2024)<br>Mrs S Catchpole (from 1st September 2024)                                       |
| <b>Independent auditors</b>      | Whitings LLP<br>Greenwood House<br>Greenwood Court<br>Skyliner Way<br>Bury St Edmunds<br>Suffolk<br>IP32 7GY  |
| <b>Bankers</b>                   | Lloyds Bank Plc<br>25 Gresham Street<br>London<br>EC2V 7HN  |
| <b>Solicitors</b>                | Greene & Greene<br>80 Guildhall Street<br>Bury St Edmunds<br>Suffolk<br>IP33 1QB  |

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**SOUTH LEE SCHOOL LIMITED**  
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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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The Governors present their annual report together with the audited financial statements of the charitable company for the 1 September 2023 to 31 August 2024. The Governors confirm that the Annual Report and financial statements of the 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 (FRS 102) published October 2019.

Since the charity qualifies as a small company under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**Objectives and activities**

**a. Policies and objectives**

The objective of the charity, as set out in its Memorandum of Association, is to establish and carry on and develop an independent preparatory school for children residing in Bury St Edmunds, in Suffolk and the adjacent counties.

In determining the overall activities of the charity, the Governors have continued to give regard to the Charity Commission's public benefit guidance. The Board remains mindful of the continuing and changing competition from other Independent Schools and Nurseries and continues to consider other ways in which access to the outstanding facilities offered by South Lee might be further broadened.

The aims of South Lee School are to further the education of its pupils and to pursue excellence in all fields, in the firm belief that "All Have Talent". The School aims to make all of its pupils into good, rounded members of society.

Furthermore, the School aims to support the wider community by making its facilities available to local children from other schools at prescribed times, and to support sport, music and the arts locally. This is supported by the school sports hall being available for public lettings during evenings and weekends and utilising the Victory Ground as a sporting venue for the long term. The school is a Trinity Examination centre for the Arts used by the county of Suffolk. The School, through its various activities, also continues to support local, national and international charities, often those chosen by the children. South Lee School also aims to support each member of its staff by providing a friendly and socially rewarding place to work.

South Lee School's main objectives for the coming year are to continue to encourage the educational, moral and spiritual growth of all of its pupils and to further the cause of local sport and the arts. Consideration continues to be given to widening the resources provided by the School.

South Lee School achieves its objectives year on year through charging its parents a fair termly fee. Fees are carefully reviewed by the School's Governors annually. Continued pressure brought to bear by increasing prices for vital items such as utilities, food and business rates will make this process all the more vital in future years. Any surplus funds will always be invested into a programme of continual improvement and updating of the educational environment and facilities provided. Careful consideration is given to the many possible ways of facilitating the continued growth of South Lee School, and the broadest possible range of teaching resources are utilised. Considering continuing financial difficulty for many, the Board of Governors remains committed to securing the long-term future of South Lee. Funds are invested only in the most secure institutions and the continued policy of prudent and sustainable budgeting is maintained.

South Lee School is a Preparatory Day School and Nursery, educating more than 100 full-time pupils from age 4 – 13 and more than 50 Nursery children, aged from six months – 4 years old.

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**SOUTH LEE SCHOOL LIMITED**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Objectives and activities (continued)**

In addition, South Lee School runs many sports teams, in rugby, football, netball, hockey, cricket and tennis. Pupils regularly gain recognition at area and national level. Staff also actively encourage and support pupils in a range of other sports, including sailing, martial arts, shooting, and cross country running. South Lee, furthermore, has an excellent musical pedigree, with several visiting specialist teachers, offering tuition in a range of musical instruments, as well as in singing and drama.

**Achievements and performance**

**a. Review of activities**

The average number of pupils on the school roll was as follows:-

|             | Full Time Pupils | Nursery Pupils | Total Pupils |
|-------------|------------------|----------------|--------------|
| Autumn Term | 103              | 46             | 149          |
| Spring Term | 103              | 54             | 157          |
| Summer Term | 105              | 59             | 164          |

This year has proven to be incredibly positive with pupil numbers increasing in the main school by 12% on average throughout the year. The Governors remain optimistic about the future with the new Head already recruiting new pupils and with Nursery numbers very buoyant indeed. The reputation of the School remains extremely positive, and we are working really hard to get our name out into the local community.

The School continues to have an excellent record in preparing children for the next stage in their education. South Lee pupils obtained scholarships to other local Senior Schools which included two Academic, two Music, two Sports and one Drama. Personal testimonials from happy parents indicate a high level of satisfaction with the education provided. Letters from senior schools regarding the progress of former South Lee pupils provide further evidence of the excellent work carried out by the School and its staff.

South Lee prides itself on its diversified education with trips to the Fitzwilliam Museum in Cambridge, The Globe Theatre in London, Hilltop Outdoor Centre (Years 4-8), Caythorpe Court PGL Activity Centre (Years 6-8) and The Theatre Royal in Bury St Edmunds. These trips add to our pupils understanding and allow them to develop their leadership and social skills outside the school environment. We also held our first camping at school evenings for our younger years in Years 3-5.

In sport, the pupils have continued to compete at a high level. We had one pupil represent the county in Hockey and Cricket one pupil for Netball and one for Hockey. Our U9 Soft Archery team were winners of the Bury St Edmunds Schools Games Competition. Our U9 Dodgeball team competed at the County Finals and finished in the top 10 of all the Suffolk Schools. They qualified for the County Finals by winning the regional round that was hosted at South Lee School.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Achievements and performance (continued)**

In Drama, pupils from the school competed in the Suffolk Performing Arts Festival with one pupil becoming Suffolk Junior Champion, one pupil won The Norman Kenyon Cup for Junior Verse Speaking, one pupil won the U9 Solo Shakespeare Trophy, one pupil won the age 12-13 Solo Shakespeare Trophy, and another twenty-eight pupils being awarded a First, Second or Third place.

In Music, four pupils attend scholarship "pathways" and eleven pupils attend a choir, Scholar Cantorum. We have three children who have been selected to be choristers at St Edmundsbury Cathedral.

The sports hall and studio facilities continue to increase public access, with several organisations hiring the sports hall on a regular basis, including cricket, football, netball, badminton and tchoukball clubs. The studio is now home to SGL training, a bespoke gym which parents are very happy with.

The relationships between South Lee School, its pupils, parents, and the wider community remain strong and positive. Links have been forged with Suffolk Netball, Bury St Edmunds Hockey and Rugby clubs, Bury Town Football Club and Athletics.

**b. Information on fundraising practices**

The charity does not fundraise from the general public. The charity does not use professional fundraisers as a part of their charitable fundraising. Income to fund the activities of the charity is derived from termly fee income which is generated from parents who are members of the charitable company. The School is extremely grateful to the PTA who raise funds and make donations to the School which included refurbishment of the Reception Outdoor Play Area and for a new Classroom dedicated to Domestic Science. The School is also grateful to a number of parents who have provided donations to allow the School to purchase new IT Equipment and provide a secure outdoor play area for Nursery.

**c. Investment policy**

The policy of the Governors of South Lee School, as a not for profit organisation, is to ensure that any surplus funds generated by fee income is invested with security as the main priority. It is important that funds are safeguarded so that they are available to improve facilities and secure the continued operation of the School.

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**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Financial review**

**a. Going concern**

The Governors consider that the charitable company has adequate resources to continue in operational existence for the foreseeable future and consequently they continue to adopt the going concern basis in preparing the financial statements.

The Governors have reviewed the detailed cashflow projections for a period to August 2026 as well as future budgets to August 2028.

The Governors, along with senior management, carefully monitor and manage cashflows to maintain the financial sustainability of the school and monitor pupil numbers.

The Governors introduced an Annual Fees in advance scheme which provided a discount on fees for those parents who paid the academic fees for 2020/21 by end of July 2020. The scheme was very successful with over £250,000 in fees paid in advance. This has supported the school's cashflow. This scheme was repeated for 2022/23 with just under £300,000 paid in advance and 2023/24 with advance fees of £316,000. Advance fees were disappointing for 2024/25 when only £138,000 was paid in advance. The main reason for this was that saving rates were above the discount of 5% being offered. The school's cash flow was still positive despite this. It is anticipated that the advance fees for 2025/26 will be greater as savings rates have fallen below 5% and are expected to fall further.

The school continues to hire out facilities such as the Sports Hall to generate additional income. Now the school manages this facility, income has increased by 47%. Finally, the school continues to build on its great reputation within the local area to retain and attract new pupils to the school.

The Governors and Senior Management have set out a realistic step-by-step plan to ensure the financial stability of the charity which includes other income streams and tighter cost control measure. Based on this, the Governors have concluded that they have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the near future, being at least twelve months from the date of signing these financial statements. They continue to adopt the going concern basis of accounting in preparing these financial statements.

**b. Reserves policy**

With careful financial planning and management, the school continues to work towards building a surplus and forecasts show the school moving into surplus. Once the school is in a net operating surplus with depreciation, it is the Governors intention to build at least 3 operating months cash as a reserve. The Governors are committed to exploring every avenue to increase pupil numbers and manage costs whilst continuing to offer the absolute best education and facilities available.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**c. Operating result**

Excluding depreciation the operational result is a surplus of £12,384 (2023 – deficit of £119,964). The net operating deficit with depreciation for the year for all funds was £55,725 (2023 - £192,875). This is an excellent result, but there is still a net operating deficit with depreciation, albeit greatly reduced from the 2022/23 net operating deficit with depreciation of £192,875.

The school continues to work hard to retain pupils in year 7 and 8. Year 7 and 8 continue to be a challenge in retaining pupils, as Senior Schools who start at Year 7 face their own problems in recruiting pupils and are aggressively offering places to Preparatory School pupils in Year 6. Our own numbers moving from Year 6 to 7 remained strong, and pupil numbers in the Prep School have increased. Nursery numbers are very strong. The Senior Management Team and Governors continue to monitor the numbers and continued success of Years 7 and 8. It is felt that our pupils gain so much from Years 7 and 8 that they will not receive from a Senior School.

Costs continue to be carefully analysed and managed, strong financial management by the Governors continues to assure the long-term financial stability of South Lee.

**d. Principal risks and uncertainties**

South Lee School, as all schools in the Independent Sector, continues to face a difficult road ahead financially from outside political interference in the sector. Costs continue to be carefully analysed and managed. However, as the independent prep school sector remains a challenging environment, pupil numbers remain crucial to the finances of the school. The Board, Head Teacher and the Senior Management Team are working to secure the continued financial stability of the school whilst reevaluating the school's business model. The Board has considered the risks posed by the recent election of a Labour Government with the loss of business rate relief and the imposition of VAT on school fees.

**e. Plans for future periods**

**Future developments**

The School has increased its pupil numbers to 164. This is a terrific year on year improvement and the School continues to consolidate its financial position. The Governors are also still of the opinion that there is an ongoing need to upgrade the older school buildings to a level which is compatible with South Lodge. Consideration is continually being given to ideas to improve classroom provision and other facilities. At all times, the Governors remain determined to provide accommodation which will maintain the character and atmosphere of the School whilst providing the appropriate facilities for both pupils and staff alike.

The Governors remain ever mindful of the requirements of the Charity Commission in ensuring that Independent Schools make their facilities available to as many children as possible. One of the Governors' key priorities moving forward is to build pupil numbers with the focus on recruiting and retaining the absolute best staff and always driving standards whilst being true to the South Lee culture and ethos.

The Governors continue to consider a wide range of possible options to encourage the healthy growth and renewed expansion of South Lee School and the services it provides.

The Governors and School are most grateful for the support, both financial and other help, of the PTA who contribute so much to the life of the School.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Structure, governance and management**

**a. Constitution**

The charity is registered as a company limited by guarantee with charitable purposes and was set up by a Memorandum of Association, and is registered as a charity, number 310491. The charity is constituted under a Memorandum of Association.

The charity has no share capital, but is limited by guarantee. Every member of the charity is a guarantor and undertakes to contribute to the assets of the charity in the event of it being wound up. Each member's liability is limited to £1.

The principal object of the charity is to carry on the activity of an independent school by providing a first class education.

The Governors are also directors of the charitable company for the purpose of company law. Details of the Governors who served during the year are shown on page 1.

**b. Methods of appointment or election of Governors**

The management of the charity is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association.

Governors, whose number cannot be less than seven nor more than nine (excluding Co-opted Governors) are elected at Annual General Meetings. Only members of the charity are eligible to stand for election. The Governors may appoint a person, who need not be a member, either to fill a vacancy or act as an additional Governor. These co-opted Governors, whose number cannot exceed seven, or cause the total number of Governors to exceed twelve, serve until the next Annual General Meeting whereupon they will be eligible for re-election. A co-opted Governor who is not a member of the charity cannot serve for more than three years. The Head Teacher acts as a Governor ex officio. At each Annual General Meeting, one third of the Board of Governors retires, all being eligible for re-election.

**c. Organisational structure and decision-making policies**

The Board of Governors focuses on the areas of Education, Finance and Human Resources, Health and Safety, Pastoral and Safeguarding, Estates and Development and Marketing determine the general policy of the charity. This is managed through communication with the school lead in each area. The day-to-day management is delegated to the Head Teacher and Senior Management Team (SMT).

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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

**d. Policies adopted for the induction and training of Governors**

All new Governors are given a special South Lee School Governors' Pack, supported by The Association of Governing Bodies of Independent Schools (AGBIS) documentation, which outlines their responsibilities as a Trustee\Governor. The pack is designed to provide Governors with a broad insight into the workings of the School. It contains sections on the School; its Governors and their appointment, rotation and powers; Governors' meetings, the Chairman and various sub-committees; duties and responsibilities of Governors and the names of the current Board.

In addition, each new Governor is provided with access to a number of publications, including "Life of a Company", Parts 1 and 2, published by Companies House, and "The Essential Trustee: What You Need to Know", published by the Charity Commission. These publications are accessed on-line, to ensure that Governors are always referring to the latest version, as is the "Code of Conduct for School Governing Boards", published by the National Governors' Association. In addition, the Governors are mindful of their responsibilities regarding the regulatory requirements of the Independent Schools Inspectorate and safeguarding, having regard to "Keeping Children Safe in Education" and all updates published by HM Government. Furthermore, new Governors are taken on a full tour of the School by the Head Teacher and given full safeguarding training by the DSL.

South Lee School is a member of the Association of Governing Bodies of Independent Schools (AGBIS). Each board member has been provided with a copy of the AGBIS publication "Guidelines for Governors", which aims to be a manual of good practice for Governors of Independent Schools.

**e. Pay policy for senior staff**

The Governors are considered to be the Board of Governors, who also act as the directors of the company and trustees to the charity. They appoint the senior management team comprising of key management personnel (Head Teacher and School Business Manager/Bursar). All Governors give their time freely and do not receive remuneration. Details of related party transactions are disclosed in note 20 to the financial statements.

The pay of senior staff is reviewed annually by the Governors and is benchmarked against staff holding similar positions in both the private and maintained sector in the East of England.

**f. Related party relationships**

The Charity is a member of Victory Sports Ground - CIC, which is a community interest company holding the freehold of the Victory Sports Ground and responsible for management of the land. South Lee has taken a long leasehold interest in part of the grounds on which its sports hall sits and is used for its own use as well as community use.

**g. Risk management**

The Governors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

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**SOUTH LEE SCHOOL LIMITED**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**Statement of Governors' responsibilities**

The Governors (who are also the directors of the Charitable company 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 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 Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable company will continue in operation.

The Governors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that, in so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditors**

The auditors, Whitings 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:



**Mr S R Honeywood**  
Governor

Date:

19th December 2024.

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**SOUTH LEE SCHOOL LIMITED**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH LEE SCHOOL LIMITED**

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**Opinion**

We have audited the financial statements of South Lee School Limited (the 'charitable company') 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 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 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.

**Material uncertainty related to going concern**

We draw attention to note 1.6 in the financial statements, which indicates that the charitable company has incurred a net deficit of £55,725 for the year ended 31 August 2024 and has net current liabilities at this date of £985,872. As stated in note 1.6, these events or conditions, along with the other matters as set out in the note 1.6, indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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 SOUTH LEE SCHOOL LIMITED**  
**(CONTINUED)**

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**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. 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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH LEE SCHOOL LIMITED**  
**(CONTINUED)**

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**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:

- Enquiry of management about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace, and fraud;
- Enquiry of management around actual and potential litigation and claims;
- Reviewing compliance with significant laws and regulations, including with regulators ISI and Ofsted;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates, including material uncertainty related to going concern; and
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the course of normal business.

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH LEE SCHOOL LIMITED**  
(CONTINUED)

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**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.

*Whitings LLP*  
**Whitings LLP**  
Greenwood House  
Greenwood Court  
Skyliner Way  
Bury St Edmunds  
Suffolk  
IP32 7GY

Date: *19th December 2024*

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

**SOUTH LEE SCHOOL LIMITED**  
(A company limited by guarantee)

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

|                                    | Note | Restricted<br>funds<br>2024<br>£ | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ | <i>Total<br/>funds<br/>2023<br/>£</i> |
|------------------------------------|------|----------------------------------|------------------------------------|-----------------------------|---------------------------------------|
| <b>Income from:</b>                |      |                                  |                                    |                             |                                       |
| Donations and legacies             | 2    | 1,692                            | 1,744                              | 3,436                       | 14,732                                |
| Charitable activities              | 3    | -                                | 1,626,491                          | 1,626,491                   | 1,386,507                             |
| Investments                        |      | -                                | 232                                | 232                         | 123                                   |
| Other income                       | 4    | -                                | 170,494                            | 170,494                     | 104,277                               |
| <b>Total income</b>                |      | <b>1,692</b>                     | <b>1,798,961</b>                   | <b>1,800,653</b>            | <b>1,505,639</b>                      |
| <b>Expenditure on:</b>             |      |                                  |                                    |                             |                                       |
| Charitable activities              | 6    | 2,926                            | 1,853,452                          | 1,856,378                   | 1,698,514                             |
| <b>Total expenditure</b>           |      | <b>2,926</b>                     | <b>1,853,452</b>                   | <b>1,856,378</b>            | <b>1,698,514</b>                      |
| <b>Net movement in funds</b>       |      | <b>(1,234)</b>                   | <b>(54,491)</b>                    | <b>(55,725)</b>             | <b>(192,875)</b>                      |
| <b>Reconciliation of funds:</b>    |      |                                  |                                    |                             |                                       |
| Total funds brought forward        |      | 32,087                           | 951,622                            | 983,709                     | 1,176,584                             |
| Net movement in funds              |      | (1,234)                          | (54,491)                           | (55,725)                    | (192,875)                             |
| <b>Total funds carried forward</b> | 12   | <b>30,853</b>                    | <b>897,131</b>                     | <b>927,984</b>              | <b>983,709</b>                        |

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

The notes on pages 18 to 33 form part of these financial statements.

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**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 00698102**

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**BALANCE SHEET**  
**AS AT 31 AUGUST 2024**

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|   | Note | 2024<br>£             | 2023<br>£             |
|---|------|-----------------------|-----------------------|
| <b>Fixed assets</b>                                     |      |                       |                       |
| Tangible assets   | 8    | 1,922,219             | 1,989,268             |
|   |      | <u>1,922,219</u>      | <u>1,989,268</u>      |
| <b>Current assets</b>                                   |      |                       |                       |
| Debtors   | 9    | 35,633                | 27,328                |
| Cash at bank and in hand                                | 16   | 173,443               | 309,362               |
|   |      | <u>209,076</u>        | <u>336,690</u>        |
| Creditors: amounts falling due within one year          | 10   | (1,194,948)           | (1,321,574)           |
| <b>Net current liabilities</b>                          |      | <u>(985,872)</u>      | <u>(984,884)</u>      |
| <b>Total assets less current liabilities</b>            |      | <u>936,347</u>        | <u>1,004,384</u>      |
| Creditors: amounts falling due after more than one year | 11   | (8,363)               | (20,675)              |
| <b>Total net assets</b>                                 |      | <u><u>927,984</u></u> | <u><u>983,709</u></u> |

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**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 00698102**

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

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|                      | Note | 2024<br>£      | 2023<br>£ |
|----------------------|------|----------------|-----------|
| <b>Charity funds</b> |      |                |           |
| Restricted funds     | 12   | <b>30,853</b>  | 32,087    |
| Unrestricted funds   | 12   | <b>897,131</b> | 951,622   |
| <b>Total funds</b>   |      | <b>927,984</b> | 983,709   |

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:

**Mr S R Honeywood**  
Director  
Date:

  
**14TH DECEMBER 2024**

**Mrs H J Buckingham**  
Director



The notes on pages 18 to 33 form part of these financial statements.

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**SOUTH LEE SCHOOL LIMITED**  
(A company limited by guarantee)

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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|   | Note | 2024<br>£      | 2023<br>£      |
|---|------|----------------|----------------|
| <b>Cash flows from operating activities</b>             |      |                |                |
| Net cash used in operating activities                   | 15   | (7,331)        | 53,985         |
| <b>Cash flows from investing activities</b>             |      |                |                |
| Proceeds from the sale of tangible fixed assets         |      | -              | 500            |
| <b>Net cash provided by investing activities</b>        |      | -              | 500            |
| <b>Cash flows from financing activities</b>             |      |                |                |
| Loan interest paid                                      |      | (128,820)      | (118,913)      |
| Interest received                                       |      | 232            | -              |
| <b>Net cash used in financing activities</b>            |      | (128,588)      | (118,913)      |
| <b>Change in cash and cash equivalents in the year</b>  |      |                |                |
| Cash and cash equivalents at the beginning of the year  |      | 309,362        | 373,790        |
| <b>Cash and cash equivalents at the end of the year</b> | 16   | <u>173,443</u> | <u>309,362</u> |

The notes on pages 18 to 33 form part of these financial statements

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**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**

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

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (published October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

South Lee School 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.

**1.2 Company status**

The charity is a private company limited by guarantee, registered in England. The members of the company are the parents of the children at the school. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is Nowton Road, Bury St Edmunds, Suffolk, IP33 2BT. The charity's principal activity is the operation of an independent school.

**1.3 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 Charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable company 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.

**1.4 Income**

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

School fees and charges are recognised in the period in which the service is provided. Any bursaries, scholarships, or other discounts given are deducted from fees income.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.5 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**1.6 Going concern**

Following a period of significant operating deficits, the Governors have undertaken a major programme of reorganisation commensurate with the level of predicted pupil numbers. This was implemented at the start of the 2018-19 academic year and is ongoing. The charitable company has reported a deficit for the year of £55,725 and has net current liabilities at the balance sheet date of £985,872. The charitable company, at the balance sheet date, had total unrestricted funds of £897,131 of which £1,922,219 were represented by tangible fixed assets.

The Governors have reviewed the detailed cashflow projections for the period to 31st August 2028. The Governors and senior management have set out a realistic strategy to ensure the financial stability of the charitable company. This is based in part on assumptions that pupil numbers can be maintained and that inflationary increases in respect of the most significant cost headings are within their control.

Based on this, the Governors have concluded that they have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of signing these financial statements. They continue to adopt the going concern basis of accounting in preparing these financial statements. They recognise that due to the circumstances, the existence of a material uncertainty which may cast significant doubt over the charitable company's ability to continue as a going concern exists.

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**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.7 Government grants**

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Where the government pays loan interest on behalf of the charity, this is recognised as a loan interest expense and government grant income respectively.

**1.8 Interest receivable**

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

**1.9 Tangible fixed assets and depreciation**

Tangible fixed assets costing £350 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following basis:

|                                   |   |                      |
|-----------------------------------|---|----------------------|
| Freehold property                 | - | 2% Straight line     |
| Long-term leasehold property      | - | 2% Straight line     |
| Motor vehicles                    | - | 25% Reducing balance |
| Fixtures and fittings             | - | 5% Reducing balance  |
| Office equipment                  | - | 20% Straight line    |
| Educational equipment - computers | - | 33% Straight line    |
| Educational equipment - Other     | - | 20% Straight line    |

**1.10 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

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**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.11 Pensions**

The company operates a defined contribution scheme for employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over the employees' working life with the charity.

**1.12 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.

**1.13 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.

**1.14 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 charity 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.

**1.15 Financial instruments**

The charity 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.

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**SOUTH LEE SCHOOL LIMITED**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.16 Critical accounting estimates and areas of judgment**

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 charity 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.

Useful economic lives of tangible assets:

The annual depreciation charge for tangible assets is sensitive to changed in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Impairment of debtors:

The charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience.

Going concern:

Further details regarding this can be found in note 1.6.

**2. Income from donations and legacies**

|                   | <b>Restricted<br/>funds<br/>2024<br/>£</b> | <b>Unrestricted<br/>funds<br/>2024<br/>£</b> | <b>Total<br/>funds<br/>2024<br/>£</b> | <i>Total<br/>funds<br/>2023<br/>£</i> |
|-------------------|--|--|---------------------------------------|---------------------------------------|
| Donations         | 1,692                                      | 1,744  | <b>3,436</b>                          | 14,732                                |
| <i>Total 2023</i> | <u>5,218</u>                               | <u>9,514</u>                                 | <u>14,732</u>                         |                                       |

**SOUTH LEE SCHOOL LIMITED**  
(A company limited by guarantee)

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

**3. Income from charitable activities**

|                        | <b>Unrestricted<br/>funds<br/>2024<br/>£</b> | <b>Total<br/>funds<br/>2024<br/>£</b> | <i>Total<br/>funds<br/>2023<br/>£</i> |
|------------------------|--|---------------------------------------|---------------------------------------|
| School fees receivable | 1,618,786                                    | <b>1,618,786</b>                      | 1,371,461                             |
| Ancillary income       | 7,705  | <b>7,705</b>                          | 15,046                                |
|                        | <u>1,626,491</u>                             | <u><b>1,626,491</b></u>               | <u>1,386,507</u>                      |
| <i>Total 2023</i>      | <u>1,386,507</u>                             | <u><b>1,386,507</b></u>               |                                       |

**4. Other income**

|                          | <b>Unrestricted<br/>funds<br/>2024<br/>£</b> | <b>Total<br/>funds<br/>2024<br/>£</b> | <i>Total<br/>funds<br/>2023<br/>£</i> |
|--------------------------|--|---------------------------------------|---------------------------------------|
| Other incoming resources | 81,653                                       | <b>81,653</b>                         | 44,044                                |
| Sports hall income       | 88,841                                       | <b>88,841</b>                         | 60,233                                |
|                          | <u>170,494</u>                               | <u><b>170,494</b></u>                 | <u>104,277</u>                        |
| <i>Total 2023</i>        | <u>104,277</u>                               | <u><b>104,277</b></u>                 |                                       |

**SOUTH LEE SCHOOL LIMITED**  
(A company limited by guarantee)

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

**5. Governance costs**

|                                      | Unrestricted<br>funds<br>2024<br>£ | Total<br>funds<br>2024<br>£ | Total<br>funds<br>2023<br>£ |
|--------------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Governance Auditors' remuneration    | 8,000                              | <b>8,000</b>                | 8,196                       |
| Governance Auditors' non audit costs | 7,133                              | <b>7,133</b>                | 6,660                       |
| Governors indemnity insurance        | 378                                | <b>378</b>                  | 381                         |
|                                      | <u>15,511</u>                      | <u><b>15,511</b></u>        | <u>15,237</u>               |
| <i>Total 2023</i>                    | <u>15,237</u>                      | <u>15,237</u>               |                             |

**6. Analysis of total resources expended**

|                        | Staff costs<br>2024<br>£ | Depreciation<br>2024<br>£ | Other costs<br>2024<br>£ | Total<br>2024<br>£      | Total<br>2023<br>£ |
|------------------------|--------------------------|---------------------------|--------------------------|-------------------------|--------------------|
| Teaching costs         | 653,130                  | 3,362                     | 88,268                   | <b>744,760</b>          | 679,962            |
| Nursery teaching costs | 262,487                  | -                         | -                        | <b>262,487</b>          | 187,301            |
| Welfare costs          | 42,132                   | -                         | 85,852                   | <b>127,984</b>          | 99,931             |
| Premises costs         | 14,934                   | 60,030                    | 204,174                  | <b>279,138</b>          | 257,972            |
| Finance costs          | -                        | -                         | 130,804                  | <b>130,804</b>          | 122,735            |
| Donations              | -                        | -                         | 600                      | <b>600</b>              | 816                |
| Support costs          | 179,578                  | 4,717                     | 110,799                  | <b>295,094</b>          | 334,560            |
| Governance costs       | -                        | -                         | 15,511                   | <b>15,511</b>           | 15,237             |
| <b>Total 2024</b>      | <u>1,152,261</u>         | <u>68,109</u>             | <u>636,008</u>           | <u><b>1,856,378</b></u> | <u>1,698,514</u>   |
| <i>Total 2023</i>      | <u>1,042,848</u>         | <u>72,911</u>             | <u>582,755</u>           | <u>1,698,514</u>        |                    |

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**SOUTH LEE SCHOOL LIMITED**  
(A company limited by guarantee)

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

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**7. Staff costs**

|                       | 2024             | 2023             |
|-----------------------|------------------|------------------|
|                       | £                | £                |
| Wages and salaries    | 1,022,445        | 930,178          |
| Social security costs | 94,339           | 78,162           |
| Other pension costs   | 35,477           | 34,508           |
|                       | <u>1,152,261</u> | <u>1,042,848</u> |

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

|                | 2024      | 2023      |
|----------------|-----------|-----------|
|                | No.       | No.       |
| Teaching staff | 18        | 18        |
| Nursery staff  | 13        | 9         |
| Support staff  | 25        | 21        |
|                | <u>56</u> | <u>48</u> |

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

|                               | 2024 | 2023 |
|-------------------------------|------|------|
|                               | No.  | No.  |
| In the band £60,001 - £70,000 | -    | 1    |

Key management personnel of the school are considered to be the Governors, who do not receive any remuneration, and Senior Management Team of the school. The aggregate remuneration of the key management personnel was £240,221 (2023 - £249,780).

During the year, no Governors received any remuneration or other benefits (2023 - £Nil).

During the year, no Governor expenses have been incurred (2023 - £Nil).

**SOUTH LEE SCHOOL LIMITED**  
(A company limited by guarantee)

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

**8. Tangible fixed assets**

|                          | Freehold<br>property<br>£ | Long-term<br>leasehold<br>property<br>£ | Motor<br>vehicles<br>£ | Fixtures<br>and<br>fittings<br>£ | Education<br>equipment<br>£ | Total<br>£              |
|--------------------------|---------------------------|---|------------------------|----------------------------------|-----------------------------|-------------------------|
| <b>Cost or valuation</b> |                           |   |                        |                                  |                             |                         |
| At 1 September 2023      | 1,589,292                 | 1,628,621                               | 21,229                 | 275,802                          | 426,950                     | 3,941,894               |
| Additions                | -                         | -                                       | -                      | 1,060                            | -                           | 1,060                   |
| At 31 August 2024        | <u>1,589,292</u>          | <u>1,628,621</u>                        | <u>21,229</u>          | <u>276,862</u>                   | <u>426,950</u>              | <u>3,942,954</u>        |
| <b>Depreciation</b>      |                           |   |                        |                                  |                             |                         |
| At 1 September 2023      | 1,015,019                 | 314,289                                 | 21,229                 | 181,361                          | 420,728                     | 1,952,626               |
| Charge for the year      | 27,457                    | 32,572                                  | -                      | 4,969                            | 3,111                       | 68,109                  |
| At 31 August 2024        | <u>1,042,476</u>          | <u>346,861</u>                          | <u>21,229</u>          | <u>186,330</u>                   | <u>423,839</u>              | <u>2,020,735</u>        |
| <b>Net book value</b>    |                           |   |                        |                                  |                             |                         |
| At 31 August 2024        | <u><u>546,816</u></u>     | <u><u>1,281,760</u></u>                 | <u><u>-</u></u>        | <u><u>90,532</u></u>             | <u><u>3,111</u></u>         | <u><u>1,922,219</u></u> |
| At 31 August 2023        | <u><u>574,273</u></u>     | <u><u>1,314,332</u></u>                 | <u><u>-</u></u>        | <u><u>94,441</u></u>             | <u><u>6,222</u></u>         | <u><u>1,989,268</u></u> |

Included within the cost of freehold property are freehold buildings and property improvements with a cost of £1,228,704 on which depreciation has been charged.

Freehold land and buildings are pledged as security for bank loans.

**SOUTH LEE SCHOOL LIMITED**  
(A company limited by guarantee)

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

**9. Debtors**

|                                | 2024          | 2023          |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| <b>Due within one year</b>     |               |               |
| Trade debtors                  | 9,052         | 5,421         |
| Prepayments and accrued income | 26,581        | 21,907        |
|                                | <b>35,633</b> | <b>27,328</b> |
|                                | <b>35,633</b> | <b>27,328</b> |

**10. Creditors: Amounts falling due within one year**

|                                    | 2024             | 2023             |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Bank loans                         | 762,020          | 761,609          |
| Income received in advance         | 321,628          | 432,837          |
| Trade creditors                    | 9,176            | 5,234            |
| Other taxation and social security | 15,813           | 21,909           |
| Other creditors                    | 36,700           | 25,137           |
| Accruals and deferred income       | 49,611           | 74,848           |
|                                    | <b>1,194,948</b> | <b>1,321,574</b> |
|                                    | <b>1,194,948</b> | <b>1,321,574</b> |

Bank loans of £750,000 are interest only and have an open ended term, however, they can be recalled at any point. Interest is charged at a fixed rate of 1.5% above Barclays Bank Plc's base rate per month, or 1% above Barclays Bank Plc's base rate on early payment. The loan is secured by a charge over freehold property.

**11. Creditors: Amounts falling due after more than one year**

|            | 2024         | 2023          |
|------------|--------------|---------------|
|            | £            | £             |
| Bank loans | 8,363        | 20,675        |
|            | <b>8,363</b> | <b>20,675</b> |
|            | <b>8,363</b> | <b>20,675</b> |

Bank loans of £50,000 have a term of 72 months, the first 12 months are interest only and this is paid by the Government. There was a payment holiday of 6 months granted in 2021. The loan is repayable by monthly instalments. Interest is charged at a fixed rate of 2.5%. The Government has guaranteed this debt.

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

**12. Statement of funds**

**Statement of funds - current year**

|                                    | Balance at 1<br>September<br>2023<br>£ | Income<br>£             | Expenditure<br>£          | Balance at 31<br>August 2024<br>£ |
|------------------------------------|--|-------------------------|---------------------------|-----------------------------------|
| <b>Unrestricted funds</b>          |  |                         |                           |                                   |
| General Funds                      | 951,622                                | 1,798,961               | (1,853,452)               | 897,131                           |
| <b>Restricted funds</b>            |  |                         |                           |                                   |
| Outgoing Charitable Donations Fund | 2,393                                  | 100                     | (600)                     | 1,893                             |
| South Lee PTA Fund                 | 29,334                                 | 1,592                   | (2,326)                   | 28,600                            |
| Pearl Music Prize                  | 160                                    | -                       | -                         | 160                               |
| Citizen Foundation Fund            | 200                                    | -                       | -                         | 200                               |
|                                    | <u>32,087</u>                          | <u>1,692</u>            | <u>(2,926)</u>            | <u>30,853</u>                     |
| <b>Total of funds</b>              | <u><u>983,709</u></u>                  | <u><u>1,800,653</u></u> | <u><u>(1,856,378)</u></u> | <u><u>927,984</u></u>             |

The Outgoing Charitable Donations Fund was established by way of donations received to be expended for specific charitable purposes.

The South Lee PTA Fund was established by way of donations received from South Lee PTA to be used for specific expenditure.

The Pearl Music Prize was established by way of a parent donation to reward pupil achievements in music.

The Citizenship Fund was set up by a donation of £100 from the Citizenship Foundation. It is designed to teach children about finance skills and to enable them to operate a small business. At the end of each year, the fund is restored to £100, with any surplus generated being donated to a charity of the children's choice.

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

**12. Statement of funds (continued)**

**Statement of funds - prior year**

|                                    | <i>Balance at<br/>1 September<br/>2022<br/>£</i> | <i>Income<br/>£</i>     | <i>Expenditure<br/>£</i>  | <i>Balance at<br/>31 August<br/>2023<br/>£</i> |
|------------------------------------|--|-------------------------|---------------------------|--|
| <b>Unrestricted funds</b>          |  |                         |                           |  |
| General Funds                      | 1,147,773  | 1,500,421               | (1,696,572)               | 951,622  |
| <b>Restricted funds</b>            |  |                         |                           |  |
| Outgoing Charitable Donations Fund | 2,393  | 816                     | (816)                     | 2,393  |
| South Lee PTA Fund                 | 26,058   | 4,402                   | (1,126)                   | 29,334   |
| Pearl Music Prize                  | 160  | -                       | -                         | 160  |
| Citizen Foundation Fund            | 200  | -                       | -                         | 200  |
|                                    | <u>28,811</u>                                    | <u>5,218</u>            | <u>(1,942)</u>            | <u>32,087</u>                                  |
| <b>Total of funds</b>              | <u><u>1,176,584</u></u>                          | <u><u>1,505,639</u></u> | <u><u>(1,698,514)</u></u> | <u><u>983,709</u></u>                          |

**SOUTH LEE SCHOOL LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**13. Summary of funds**

**Summary of funds - current year**

|                  | <b>Balance at 1<br/>September<br/>2023</b> | <b>Income</b>    | <b>Expenditure</b> | <b>Balance at 31<br/>August 2024</b> |
|------------------|--|------------------|--------------------|--------------------------------------|
|                  | £  | £                | £                  | £                                    |
| General funds    | 951,622                                    | 1,798,961        | (1,853,452)        | 897,131                              |
| Restricted funds | 32,087                                     | 1,692            | (2,926)            | 30,853                               |
|                  | <u>983,709</u>                             | <u>1,800,653</u> | <u>(1,856,378)</u> | <u>927,984</u>                       |

**Summary of funds - prior year**

|                  | <i>Balance at<br/>1 September<br/>2022</i> | <i>Income</i>    | <i>Expenditure</i> | <i>Balance at<br/>31 August<br/>2023</i> |
|------------------|--|------------------|--------------------|--|
|                  | £  | £                | £                  | £  |
| General funds    | 1,147,773                                  | 1,500,421        | (1,696,572)        | 951,622                                  |
| Restricted funds | 28,811                                     | 5,218            | (1,942)            | 32,087                                   |
|                  | <u>1,176,584</u>                           | <u>1,505,639</u> | <u>(1,698,514)</u> | <u>983,709</u>                           |

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

**14. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

|                                     | <b>Restricted<br/>funds<br/>2024<br/>£</b> | <b>Unrestricted<br/>funds<br/>2024<br/>£</b> | <b>Total<br/>funds<br/>2024<br/>£</b> |
|-------------------------------------|--|--|---------------------------------------|
| Tangible fixed assets               | 15,512                                     | 1,906,707                                    | 1,922,219                             |
| Current assets                      | 15,341                                     | 193,735                                      | 209,076                               |
| Creditors due within one year       | -  | (1,194,948)                                  | (1,194,948)                           |
| Creditors due in more than one year | -  | (8,363)                                      | (8,363)                               |
| <b>Total</b>                        | <b>30,853</b>                              | <b>897,131</b>                               | <b>927,984</b>                        |

**Analysis of net assets between funds - prior period**

|                                     | <i>Restricted<br/>funds<br/>2023<br/>£</i> | <i>Unrestricted<br/>funds<br/>2023<br/>£</i> | <i>Total<br/>funds<br/>2023<br/>£</i> |
|-------------------------------------|--|--|---------------------------------------|
| Tangible fixed assets               | 16,329                                     | 1,972,939                                    | 1,989,268                             |
| Current assets                      | 15,758                                     | 320,932                                      | 336,690                               |
| Creditors due within one year       | -  | (1,321,574)                                  | (1,321,574)                           |
| Creditors due in more than one year | -  | (20,675)                                     | (20,675)                              |
| <b>Total</b>                        | <b>32,087</b>                              | <b>951,622</b>                               | <b>983,709</b>                        |

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

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

|   | 2024<br>£        | 2023<br>£        |
|---|------------------|------------------|
| Net expenditure for the period (as per Statement of Financial Activities) | <b>(55,725)</b>  | <i>(192,875)</i> |
| <b>Adjustments for:</b>   |                  |                  |
| Depreciation charges  | <b>68,109</b>    | <i>72,911</i>    |
| Profit on the sale of fixed assets  | <b>-</b>         | <i>334</i>       |
| (Increase) in debtors   | <b>(8,305)</b>   | <i>(959)</i>     |
| (Decrease)/increase in creditors  | <b>(138,938)</b> | <i>64,994</i>    |
| Loan interest charged   | <b>128,820</b>   | <i>118,913</i>   |
| Purchase of fixed assets  | <b>(1,060)</b>   | <i>(9,333)</i>   |
| Interest received   | <b>(232)</b>     | <i>-</i>         |
| <b>Net cash provided by/(used in) operating activities</b>                | <b>(7,331)</b>   | <i>53,985</i>    |

**16. Analysis of cash and cash equivalents**

|  | 2024<br>£      | 2023<br>£      |
|--|----------------|----------------|
| Cash in hand                           | <b>173,431</b> | <i>309,350</i> |
| Notice deposits (less than 3 months)   | <b>12</b>      | <i>12</i>      |
| <b>Total cash and cash equivalents</b> | <b>173,443</b> | <i>309,362</i> |

**17. Analysis of changes in net debt**

|                          | At 1<br>September<br>2023<br>£ | Cash flows<br>£  | At 31<br>August 2024<br>£ |
|--------------------------|--------------------------------|------------------|---------------------------|
| Cash at bank and in hand | <b>309,362</b>                 | <b>(135,919)</b> | <b>173,443</b>            |
| Debt due within 1 year   | <b>(761,609)</b>               | <b>(411)</b>     | <b>(762,020)</b>          |
| Debt due after 1 year    | <b>(20,675)</b>                | <b>12,312</b>    | <b>(8,363)</b>            |
|                          | <b>(472,922)</b>               | <b>(124,018)</b> | <b>(596,940)</b>          |

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**SOUTH LEE SCHOOL LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

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**18. Pension commitments**

Defined contribution scheme:

The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge for the year represents contributions payable and amounted to £35,477 (2023 - £34,508). Contributions totalling £5,271 (2023 - £6,087) were payable to the fund at 31 August 2024 and are included in creditors.

**19. Operating lease commitments**

At 31 August 2024 the Charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

|  | <b>2024</b>          | <b>2023</b>   |
|--|----------------------|---------------|
|  | <b>£</b>             | <b>£</b>      |
| <b>Amounts payable</b>                       |                      |               |
| Not later than 1 year                        | <b>20,693</b>        | 27,346        |
| Later than 1 year and not later than 5 years | <b>22,774</b>        | 35,335        |
|  | <u><b>43,467</b></u> | <u>62,681</u> |

**20. Related party transactions**

The majority of the charity's income is derived from education fees paid by parents who are members of the charity.

Transactions with Governors:-

No member of the Board of Governors received emoluments during the year and no expenses were reimbursed.

The Charity is a member of Victory Sports Ground CIC which is a community interest company holding the freehold of the Victory Sports Ground and responsible for management of the facility. South Lee has taken a long leasehold interest in part of the grounds on which it has a sports hall for its own and community use.

**21. Company limited by guarantee**

The charity has no share capital, but is limited by guarantee. Every member of the charity is a guarantor and undertakes to contribute to the assets of the charity in the event of it being wound up. Each member's liability is limited to £1.

The charity's Memorandum of Association states that in the event of winding up or dissolution any surplus shall be given or transferred to a similar institution.