

Company Registration No: 2151420 (England and Wales)

Charity Registration No: 800673 (England and Wales)

**SEATON HOUSE SCHOOL LIMITED**

**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**31<sup>ST</sup> AUGUST 2023**

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**31<sup>ST</sup> AUGUST 2023**

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## **SEATON HOUSE SCHOOL LIMITED**

### **GOVERNORS' REPORT**

FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

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The Board of Governors present their annual report for the year ended 31<sup>st</sup> August 2023, together with the audited financial statements for the year. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law. These have been prepared in accordance with the Companies Act 2006, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 (FRS 102) and the Charities Act 2011.

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

Seaton House School Limited was founded in 1930 and became a limited company and charity in 1987. Charity number 800673. The School's principal address and registered office is 67 Banstead Road South, Sutton, Surrey, SM2 5LH.

#### **Governors and Company Directors**

The Governors of the School, who are also Charity Trustees, and company directors who served in office as Governors during the year and subsequently are:

Mrs J Evans (Chair)  
Ms B Grant (Deputy Chair)  
Mr M Russell  
Mr MA Alidina  
Mr O Saeed  
Mr J Hoar (appointed 1 January 2023)  
Mr P Patel (appointed 23 April 2023)  
Ms N Rankin (appointed 5 June 2023)  
Ms K Grimwood (appointed 30 September 2023)

#### **Key Leadership Personnel**

The Governors  
The Headteacher: Mr C Bates BA Ed (Hons) MA  
The Bursar: Mr T Roads ACIB  
Deputy Head: Mrs S McGreevy BA (Hon QTS)  
Senior Teacher: Mrs M Smith BSc (Hons), PGCE

#### **Professional Advisors**

Bankers: Barclays Bank plc, 6, Clarence Street, Kingston Upon Thames, KT1 1NY  
Solicitors: Carpenter & Co, 46 Woodcote Road, Wallington, Surrey, SM6 0MW  
Auditor: Jacob, Cavenagh & Skeet, 5 Robin Hood Lane, Sutton, Surrey, SM1 2SW

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Company is governed by its Memorandum and Articles of Association.

### **Governing Body**

The Board of Governors currently has eight Governors (a maximum of 12 is permitted under the M&A). The Governors are reconfirmed at the AGM every year; there were two board appointments in 2022-2023, Mr J Hoar and Ms N Rankin to increase the Educational skills of the board. The Board of Governors appoints new Governors in light of specific criteria and the needs created by retirements. Governor appointments are based on the need for the Board as a whole to have the skills and experience to determine the policies of the School and to monitor the implementation of those policies.

### **Governor training**

New Governors are inducted into the workings of the School, and also of the Company as a registered Charity, including Board Policy and Procedures. They receive guidance notes from the Bursar, together with introductory information from AGBIS. The Governors each have their own areas of individual professional expertise and the Chair of Governors and the Clerk to the Governing Body identify and offer suitable training opportunities and courses, either offered via organisations such as AGBIS or online from the school's National College Training licence. A record of Governor training is maintained. Regular updates from AGBIS, ISBA and other relevant bodies are circulated to the Governors.

### **Organisational Management**

The Governors operate a Sub-Committee Structure to ensure they have a good working knowledge of the school's day to day operations, determine the general policies and to review its overall management and control, for which they are legally responsible. The Sub-Committees now comprise:

Safeguarding  
Education  
Compliance  
Finance & General Purpose  
Estates & Development  
Equality Diversity & Inclusion (EDI)

The EDI committee has been established to formalise the schools current focus in this area and enhance current working practices and procedures. Each Sub-Committee meets in the first half of each term and then reports through to the full Governor meetings held in the second half of each term. Additionally, the Annual General Meeting is held to review and discuss procedural compliance matters and further Strategy or Ad-hoc meetings are organised, as required. The minutes of these meetings are produced and circulated by the Bursar & Clerk to the Governors. Furthermore, the Chair of Governors meets with the Headteacher and the Bursar on a regular basis and can be called upon at any time by them, should the need arise. The day-to-day running of the School is delegated to the Headteacher and the Bursar who are supported by the remainder of the Leadership team.

The Headteacher oversees the recruitment of all educational staff, whilst the Bursar oversees the recruitment of administrative and non-teaching support staff.

**Key management personnel**

The Governors consider that they, together with the Senior Leadership Team (Headteacher, Bursar, Deputy-Head & Senior Teacher) comprise the Key Management Personnel as detailed on Page 1. There have been no changes in the Senior leadership Team in 2022-23.

The Governors give their time freely, no Governor received remuneration in 2023 (2022: Nil). Details of Governors' expenses are detailed in Note 5 to the Accounts.

The pay and remuneration of the Headteacher and senior staff is set by the Governors and is subject to annual review. A number of criteria are used in setting pay both for senior management and for general staff.

- nature of the role and responsibilities
- salaries in the region
- the sector average salary for comparable positions
- economic factors such as Inflation rates

The Governors remain aware that delivery of the school's vision as a Charitable body is largely dependent on the quality of the staff, and the salary costs are the largest single element of the school's expenditure. The School aims to recruit the best-qualified and experienced staff and provide scope to reward them for excellence.

**Relationships**

The School is a member of the ISA (Independent Schools Association) which the school feels provides greater support to the smaller schools such as Seaton House. The Headteacher attends HMC & ISA events and the Bursar is an active member of ISBA. The school also is a member of AGBIS which provides training and guidance to the Governing Body.

We co-operate with as many local organisations and state schools as we can, despite our limited facilities welcoming other independent and state schools to our premises for matches and competitions as well as supporting and participating in community events, e.g. wreath laying at the local Remembrance Service. We are hosting tea parties for elderly vulnerable residents, where the girls entertain the guests with singing and musical performances. We endeavour to increase the awareness of our pupils of the wider social context of the education that they receive at the school; we frequently fundraise for other charities to raise funds for them and awareness of their aims. The charities regularly supported in the year were BBC Children in Need, Red Nose Day, Marsden March and Macmillan Cancer Support. In addition in 2022-23 we supported Ickle Pickles Children's Charity, Jeans 4 Genes and Breast Cancer Now. On the academic and career front we created links with Roehampton University to offer placement opportunities for student teachers and we are also looking to support apprentices as we have in the past.

The School benefits from the generosity of its Parents' Association, whose close support we greatly appreciate and acknowledge.

**Principal risks and uncertainties**

The Board with assistance from the Head and the Bursar reviews the School's current and future activities in the light of any major risks arising from time to time and the effectiveness of systems and procedures designed to manage them.

Having emerged from the Global Pandemic in a relatively healthy position, the school has had to face the new economic turmoil due to Global factors such as the Ukraine War. Along with the whole country, high inflation has had direct impact on the school's cost base.

As an Independent School we are acutely aware that in times of economic hardship there is a high risk of pupil numbers of declining as family finances become stretched. The Governors are mindful of this situation and continue to take into consideration economic factors before each annual fee review.

Despite the difficult climate we have not seen any significant drop in parent interest in bringing their children to the school, indeed pupil numbers remain buoyant, especially so in the school's Nursery, which of course is the initial step to feeding the pupils through to the main school. We do continue to monitor pupil numbers very closely and do not take past success as a guarantee of future prosperity.

The School is also cognisant of the impact on pupil numbers as state schools in the area expand as well as price competition from rival independent schools investing heavily in state of the art technology and sports facilities. The school has its own development plan and has begun implementing improvements. In 2022-23 a new Teaching Block was completed which has provide new state of the art classrooms and a studio for group activities. Coupled with extensive landscaping to link the three buildings on the main school site this has enhanced facilities greatly for the start of the 2023-24 academic year.

The risks the Independent Education sector faces should a Labour government get elected should not be underestimated, charity status, VAT on school fees, loss of business rates relief etc. present some very real risks to the school's cost base over and above the economic challenges to parent finances. Whilst Brexit did not significantly affect pupil numbers it has been a contributing factor of higher costs in various industries that are important to the sector – maintenance and construction being of great importance to the school at this time. All or any of these will have an adverse effect on surpluses generated; the market will not sustain merely increasing fees to compensate.

A continuing threat has been the school's contribution levels to the Teachers Pensions fund. The Government introduced an increase in Employer contributions of more than 40% in September 2019 and a further increase of 30% has been announced for April 2024 which is challenging the majority of the independent sector who are still members of the Pension scheme. Such increases cannot be easily absorbed; indeed, a growing number of schools have already withdrawn from the scheme and others are consulting with staff on the matter. Seaton House School has now closed the scheme for new Employees but continues to support existing employees. Governors will continue to review if this arrangement is sustainable.

**OBJECTS, PUBLIC BENEFIT AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

The Objective of the Charity, in accordance with its Memorandum and Articles of Association, is to provide for the advancement of education and carry on and develop a school for the education of children.

In addition to the principal activities, the charity looks for ways to help its local community, whether by occasional rental of premises, partnering with local state schools, raising funds for local causes or participating in community events or aid initiatives as detailed above.

The Governors continue to look for ways to offer bursaries and scholarships at the school, and means-tested opportunities were advertised from time to time in 2022-23. A fund exists to support pupil(s) when the opportunity arises whether by bursary assistance for new pupils or hardship cases for existing pupils. The Governors supported a significant hardship case in 2022-23.

In furthering this Objective, the Governors, as charity trustees, have complied with the duty s17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under that act.

**Strategic Aim and Intended Effect**

The school's strategic aim to reach its annual objective for the public benefit as a charitable Independent School is the attainment of the highest academic levels consistent with our admissions policy.

We intend to draw out our pupils' abilities and academic potential and develop their wider interests in life for participation in society and to motivate them for a successful outcome at their chosen senior school.

**Objectives for the year**

The Board's main objectives in pursuit of the charity's public benefit aims were (a) to educate all pupils to at least the same high standard as previously achieved (b) to develop bursary funding so that our high levels of education can be extended those from lower income families.

Our strategy for achieving this is to recruit and retain a high quality teaching and support staff and invest in their continued education and development. Secondly, to improve our facilities to provide pupils with the tools of success. Thirdly, to build up our own bursary funds and a bursary policy to enable us to extend assistance to pupils from a lower income homes.

**Principal activity and income sources**

Seaton House's principal activity continues to be to develop and educate children between the ages of 3 and 11, preparing them for secondary education.

## **REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

### **Operational performance of the school**

Once again, the School has succeeded in its principal objective as demonstrated by our preparing girls for 11+ entry. In the class of 2023, many girls received multiple offers at Grammar and Independent Schools, including 27 Scholarships for Academic, Drama, Sports & Music excellence. Ultimately, 9 girls accepted places at Grammar Schools, 9 accepted offers at Independent Secondary Schools and 2 girls took places at State Secondary Schools.

The school continued to achieve high honours when it was ranked number 2 in the Times Parent Power Top 100 Prep Schools in Autumn 2022 (1<sup>st</sup> in 2018, 5<sup>th</sup> in 2019, 4<sup>th</sup> in 2020, 2<sup>nd</sup> in 2021) based on the SATS results. These achievements have continued to have an impact on the number of parent enquiries for places; Registrations continue to be buoyant at more than twice the rate of the standard number of year 6 leavers each year.

In addition to the academic successes, Music continues to be a major focal area with many talented musicians being produced each year thanks to the dedication of passionate music staff and a number of peripatetic music tutors operating at the school. There is a wide range of extra-curricular activities undertaken, from Ballet, Gymnastics and Football clubs to Theatre, Chess and Science to name some. The school constantly reviews and looks for new experiences to offer.

### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

This year's operating results improved on 2022 and produced a better than budgeted surplus of £196,060. This was achieved whilst undertaking a large development project with high capital expenditure which required strong cash-flow management. Whilst income was up slightly on budget, most of the surplus improvement was driven by lower than expected estates costs outside of the Development Project.

It is important that we continue to make a reasonable level of surplus each year in order to finance the ongoing capital expenditure needed to upgrade the premises of the School described below. The principal source of funds in the year has come from fees. As we improve the facilities, our opportunity to share them with the community and gain rental income increases.

The school has continued to receive donations from the Parents Association to fund specific purchases to benefit the pupils.

### **Reserves policy**

The Governors' policy is to maintain a sufficient level of reserves to ensure that the school's continuing activities can be maintained. At 31 August 2023 the school's free reserves, defined as unrestricted funds (excluding designated funds) not invested in fixed assets, stood at £128,162 (2022: £1,123,928). The main change is the reduction of cash reserves which were used in the creation of additional fixed assets. Despite this, the school holds £726,866 in Cash and Short term investments which fulfils the Governors' aim to maintain freely available funds to cover approximately one term's expenditure of £594,502 (2022: £545,930). The school is currently working hard to replenish cash reserves to enable the next phase of development to be started. We therefore believe that the school is in a good position to sustain itself in the current economic climate. At 31 August 2023 the school's total reserves amounted to £2,469,834 (2022: £2,273,774) of which £103,350 (2022: £98,350) has been designated to providing future bursaries, as and when the opportunity arises to help appropriate pupils. The Governors believe that the reserves are sufficient to meet the charity's obligations and these are reviewed on a regular basis.

### **Going concern**

The Governors have reviewed the circumstances of Seaton House School and consider that adequate resources continue to be available to fund activities for the foreseeable future. The Governors are of the view that the charity is a going concern.

### **Fundraising**

In line with the new reporting requirements included in the Charities Act 2016 the Governors are pleased to confirm that all fundraising is done in compliance with best fundraising practice. All fundraising activities follow traditional methods such as cake sales, "mufti days" and a Christmas Carol Concert. During 2023 we did not employ any professional fundraisers. There were no complaints or criticisms during the year about our fundraising activities.

### **FUTURE PLANS**

The school wishes to continue to improve its facilities for the benefit of the girls' education. Whilst expansion of the overall pupil numbers is not the aim of the school, improvements are nevertheless essential to provide additional flexible space to support the wide range of educational subjects and extra-curricular activities. The Senior House building is not suited to the post pandemic world where greater space and ventilation requirements are needed to provide healthy educational environments. The school is therefore focussed on providing modern ecologically sound buildings; the new Junior House block just opened has solar power and an air source heat pump to drive the underfloor heating in an efficient and eco-friendly way. All future plans will seek to continue to reduce the school's carbon footprint and further improve disability access; it is vital that the school improves facilities to support the continued success of Seaton House for many years to come.

## SEATON HOUSE SCHOOL LIMITED

### GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

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#### STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

Company law requires the Governors to prepare financial statements for each financial year which 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 in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2015 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and irregularities.

#### AUDITORS

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.

Jacob, Cavenagh & Skeet have expressed their willingness to continue as auditors of the company.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board of Governors at its meeting on 6 March 2024 and signed on its behalf by:

Judith Evans  
Chair of Governors

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023**

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**Opinion**

We have audited the financial statements of Seaton House School Limited (the 'charity') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Charity's ability to continue as a going concern for a period of at least 12 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 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.

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

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023**

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**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Governors' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Governors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included with the governors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the governors' report and from the requirement to prepare a strategic report.

**Responsibilities of governors**

As explained more fully in the governors' responsibilities statement set out on page 9, 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 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 governors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to employment legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)**  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

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We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team. We determined that the principal risks were related to the categorisation of capital versus revenue expenditure, management override of controls and presentation of separately disclosed items.

In response to the risks identified we designed procedures which included but were not limited to: reviewing the fixed asset register, fixed asset additions and non-capital expenditure, reviewing the recoverability of debts, identifying and testing journal entries, reviewing minutes of governors' meetings, evaluating the charity's internal controls and agreeing financial statement disclosures to underlying supporting documentation.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**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 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Richard Haffenden FCA (Senior Statutory Auditor)**  
**for and on behalf of Jacob Cavenagh & Skeet**  
**Statutory Auditor**  
**Chartered Accountants**

5 Robin Hood Lane  
Sutton  
Surrey  
SM1 2SW

March 2024

**SEATON HOUSE SCHOOL LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023**

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>INCOME FROM</b>			
<i>Charitable activities</i>			
School fees receivable	2	1,847,523	1,689,681
Registration fees		3,355	4,015
After school activities and trips		83,420	50,072
<i>Donations and legacies</i>	3	100	1,294
<i>Other trading activities:</i>			
Rents and lettings		3,650	3,400
<i>Investment income</i>		13,683	3,836
<i>Holiday club income</i>		17,504	15,270
<i>Other income</i>		10,332	8,037
<b>Total Income</b>		<u>1,979,567</u>	<u>1,775,605</u>
<b>EXPENDITURE ON</b>			
<i>Charitable activities:</i>			
School operating costs		<u>1,783,507</u>	<u>1,653,785</u>
<b>Total expenditure</b>	7	<u>1,783,507</u>	<u>1,653,785</u>
<b>NET INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS</b>		196,060	121,820
<b>RECONCILIATION OF FUNDS</b>			
Funds brought forward at 1 <sup>st</sup> September 2022		2,273,774	2,151,954
<b>Funds carried forward at 31<sup>st</sup> August 2023</b>		<u><u>2,469,834</u></u>	<u><u>2,273,774</u></u>

The notes on pages 16 to 24 form part of these accounts.

**SEATON HOUSE SCHOOL LIMITED****BALANCE SHEET**AS AT 31<sup>ST</sup> AUGUST 2023

Company number 2151420

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	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets			
School land, buildings and equipment	9	<u>2,238,322</u>	<u>1,051,496</u>
<b>CURRENT ASSETS</b>			
Debtors	10	75,525	75,437
Investment: cash on short-term deposit		552,191	541,139
Cash		<u>174,675</u>	<u>999,693</u>
		802,391	1,616,269
<b>CREDITORS: Due within one year</b>	11	<u>( 432,379)</u>	<u>( 251,991)</u>
<b>Net Current Assets</b>		<u>370,012</u>	<u>1,364,278</u>
<b>Total Assets less Current Liabilities</b>		2,608,334	2,415,774
<b>CREDITORS: Due after more than one year</b>			
Final term deposits	12	<u>( 138,500)</u>	<u>( 142,000)</u>
<b>NET ASSETS</b>		<u><u>2,469,834</u></u>	<u><u>2,273,774</u></u>
<b>UNRESTRICTED FUNDS:</b>			
	15		
Designated: Scholarship fund		103,350	98,350
General fund		<u>2,366,484</u>	<u>2,175,424</u>
<b>TOTAL FUNDS</b>		<u><u>2,469,834</u></u>	<u><u>2,273,774</u></u>

The financial statements were prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 Approved by the board on 6 March 2024 and signed on its behalf by

J Evans

P Patel

Chair

Finance Governor

The notes on pages 16 to 24 form part of these accounts.

**SEATON HOUSE SCHOOL LIMITED****STATEMENT OF CASH FLOWS**FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

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	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>		
<b>NET INCOME</b>	196,060	121,820
Add back depreciation charge	33,240	22,362
Add back loss on disposal of fixed assets	415	904
Deduct interest income in investing activities	( 13,683)	( 3,836)
(Increase) in debtors	( 88)	46,919
Increase in creditors	176,888	90,638
	<hr/>	<hr/>
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>392,832</b>	<b>278,807</b>
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	13,683	3,836
Net additions to investments	( 11,052)	( 3,439)
Purchase of tangible fixed assets	( 1,220,481)	( 186,794)
	<hr/>	<hr/>
<b>CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,217,850)</b>	<b>( 186,397)</b>
	<hr/>	<hr/>
<b>INCREASE IN CASH FOR THE YEAR</b>	<b>(825,018)</b>	<b>92,410</b>
Cash and cash equivalents at the beginning of the year	999,693	907,283
	<hr/>	<hr/>
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>174,675</b>	<b>999,693</b>
	<hr/> <hr/>	<hr/> <hr/>

**1. ACCOUNTING POLICIES**

**Charity information**

Seaton House School Limited was founded in 1931 and became a limited company and charity in 1987, incorporated in England and Wales. Charity number 800673. The School's principal address and registered office is 67 Banstead Road South, Sutton, Surrey, SM2 5LH.

**a. Basis of Preparation**

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting. The financial statements are prepared in sterling, rounded to the nearest pound.

Seaton House School charity meets the definition of a public benefit entity under FRS 102.

At the time of approving the financial statements, the Governors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting.

**b. Fees**

Fees consist of charges invoiced for the School Year ending 31<sup>st</sup> August, less discounts and allowances. Fees received in advance for education to be provided in future years are carried forward as deferred income. All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be reliably measured.

**c. Direct and Overhead Expenditure**

Expenditure is summarised by reference to the objectives of activities undertaken either on a direct cost basis or, for overhead costs, by apportionment based on management estimates of staff time spent. Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. The irrecoverable VAT is included with the item of expense to which it relates.

**d. Teaching materials**

Supplies of games equipment, books, stationery and sundry materials are written off to expenditure in the year which the goods are purchased for.

**e. Pension schemes**

The School contributes to the Teachers' Pension Defined Benefits 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 Charity. In accordance with SORP(FRS 102) the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

**1. ACCOUNTING POLICIES (continued)**

**e. Pension schemes (continued)**

The School also contributes to personal pension schemes for non-teaching staff at 3% of annual basic pay and these contributions are accrued accordingly.

**f. Support costs and governance costs**

Expenditure is classified under the following activity headings:

Costs of raising funds – this comprises the cost of fundraising, commercial trading and associated support costs.

Expenditure on charitable activities – this includes the cost of activities undertaken to further the purpose of the charity and their associated support costs

Other expenditure – includes those items not falling under any other heading.

All expenses, including support and governance costs, are allocated or apportioned to the applicable heading in the SOFA.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, administrative personnel, payroll and governance costs which support the school's activities.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

**g. Tangible Fixed Assets**

Depreciation is provided on all tangible fixed assets retained for use by the Charity, other than on the freehold land, at rates calculated to spread each assets cost, less its estimated residual value at current market price, evenly over its expected useful economic life, which for each class of asset is initially assessed as averaging:

Freehold buildings	50 years
Fixtures and fittings	10 years
Computer equipment	3 years

Depreciation is not provided on freehold land as the estimated residual value is considered to be the same or higher than the carrying value of the land in the accounts.

Assets in the course of construction include costs incurred in works to properties that had not been completed by the year end and are not depreciated.

## SEATON HOUSE SCHOOL LIMITED

### NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

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#### 1. ACCOUNTING POLICIES (continued)

##### h. Debtors

Other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

##### i. Current asset investments

Current asset investments are deposits with a maturity date of more than three months from the date of opening the deposit or with more than three months' notice required.

##### j. 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 opening the deposit.

##### k. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

##### l. Financial instruments

The charity only has financial assets and 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.

#### 2. SCHOOL FEES RECEIVABLE

	2023 £	2022 £
Gross school fees	1,874,527	1,710,726
Less: Total Scholarships, sibling and other discounts	<u>(27,004)</u>	<u>(21,045)</u>
	<u>1,847,523</u>	<u>1,689,681</u>

#### 3. DONATIONS AND LEGACIES

	2023 £	2022 £
Sundry donations	<u>100</u>	<u>1,294</u>

## SEATON HOUSE SCHOOL LIMITED

### NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

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#### 4. TRANSACTIONS WITH RELATED PARTIES

The Governors received no remuneration or other benefits during the year.

The following Governors and Key Management Personnel were parents of pupils attending the school during the year: Mr M Alidina, Mr O Saeed and Mrs Smith for whom fees were payable to the school.

Members of the close family of Governors and Key Management Personnel received remuneration of £33,606 (2022: £31,936) and employers pension contributions of £7,245 (2022: £7,120).

There were no other related party transactions in the year.

#### 5. GOVERNORS' EXPENSES

Governors incurred other various sundry costs of £nil (2022: £776). No reimbursements were made to any Governors. Other than incidental costs of travel to Governors meetings no expenses were waived by Governors (2022: £nil). £1,669 was paid to third parties on behalf of Governors (2022: £nil).

#### 6. STAFF COSTS

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,090,680	1,019,463
Social security costs	89,829	96,978
Pension contributions	142,407	133,106
	<u>1,322,916</u>	<u>1,249,547</u>
	<b>No.</b>	<b>No.</b>
The average number of employees in the year:		
Teaching	30	30
Administration	9	8
	<u>          </u>	<u>          </u>
The following number of employees received:		
£60,000-£70,000 emoluments	-	1
£70,000-£80,000 emoluments	1	1
£80,000-£90,000 emoluments	1	-
	<u>          </u>	<u>          </u>

The retirement benefits for the above employees are accruing under a defined benefits scheme for which employer contributions in the year amounted to £25,613 (2022: £20,060).

The aggregate employee-benefits of key management personnel were £342,481 (2022: £315,057).

**SEATON HOUSE SCHOOL LIMITED**

**NOTES TO THE ACCOUNTS** (continued)  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

7 (a) EXPENDITURE	Staff costs	Other	Depreciation and loss on disposal	2023	2022
	£	£	£	£	£
<b>Charitable Expenditure</b>					
<i>School operating costs:</i>					
Teaching costs	1,322,916	73,842	-	1,396,758	1,334,870
Premises	-	152,174	33,655	185,829	161,096
Support costs (b)	-	195,520	-	195,520	152,851
<i>Governance costs</i>	-	5,400	-	5,400	4,968
	<u>1,322,916</u>	<u>426,936</u>	<u>33,655</u>	<u>1,783,507</u>	<u>1,653,785</u>

7 (b) EXPENDITURE - Other disclosures	2023	2022
	£	£
Support costs include:		
Outings	100,635	58,996
Advertising and printing	44,807	34,922
Insurance	21,153	16,966
Office expenses	5,908	5,463
Other expenses	9,685	24,410
Other legal and professional costs	9,911	6,051
Auditor's remuneration: for other services	3,421	6,043
	<u>195,520</u>	<u>152,851</u>

Governance costs include:		
Auditor's remuneration: for audit	<u>5,400</u>	<u>4,968</u>

**8. TAXATION**

The company is an Educational Trust and as such is a recognised charity registered in England and Wales, number 800673. It is therefore not subject to corporation tax on its charitable activities for the year.

**SEATON HOUSE SCHOOL LIMITED**

**NOTES TO THE ACCOUNTS** (continued)  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

**9. TANGIBLE FIXED ASSETS**

	Freehold land	Assets in course of construction	Freehold buildings	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£	£
<b>Cost</b>						
1 <sup>st</sup> September 2022	275,000	340,691	612,453	138,403	99,646	1,466,193
Additions	-	1,153,180	-	48,279	19,022	1,220,481
Disposals	-	-	( 385)	( 14,493)	( 7,694)	( 22,572)
Transfers	-	(1,493,871)	1,493,871	-	-	-
31 <sup>st</sup> August 2023	<u>275,000</u>	<u>-</u>	<u>2,105,939</u>	<u>172,189</u>	<u>110,974</u>	<u>2,664,102</u>
<b>Depreciation</b>						
1 <sup>st</sup> September 2022	-	-	201,845	122,254	90,598	414,697
Charge for the year	-	-	12,241	8,657	12,342	33,240
Released on disposal	-	-	( 46)	( 14,417)	( 7,694)	( 22,157)
31 <sup>st</sup> August 2023	<u>-</u>	<u>-</u>	<u>214,040</u>	<u>116,494</u>	<u>95,246</u>	<u>425,780</u>
<b>Net book value</b>						
31 <sup>st</sup> August 2023	<u>275,000</u>	<u>-</u>	<u>1,891,899</u>	<u>55,695</u>	<u>15,728</u>	<u>2,238,322</u>
31 <sup>st</sup> August 2022	<u>275,000</u>	<u>340,691</u>	<u>410,608</u>	<u>16,149</u>	<u>9,048</u>	<u>1,051,496</u>

All fixed assets are used for charitable purposes.

The freehold property above is used as security for the overdraft facility. The overdraft facility has not been used for a number of years.

**10. DEBTORS**

	2023	2022
	£	£
Due within one year:		
Fees	4,409	6,807
Other	2,993	-
Prepayments	68,123	68,630
	<u>75,525</u>	<u>75,437</u>

## SEATON HOUSE SCHOOL LIMITED

### NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

#### 11. CREDITORS: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	112,030	65,248
Other taxation and social security costs	22,021	32,321
Accruals and deferred income	260,834	116,525
Fee deposits (see note 13)	20,000	20,000
Other creditors	17,494	17,897
	<u>432,379</u>	<u>251,991</u>

#### 12. CREDITORS: amounts falling due after more than one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fee deposits (see note 13)	<u>138,500</u>	<u>142,000</u>

#### 13. DEFERRED INCOME – FEE DEPOSITS

	<b>2023</b>	<b>2022</b>
	<b>Fee</b>	<b>Fee</b>
	<b>Deposits</b>	<b>deposits</b>
	<b>£</b>	<b>£</b>
Balance at 1 <sup>st</sup> September	162,000	151,000
Amount received during the year	5,500	37,500
Amount returned during the year	-	(17,500)
Amount released to the Statement of Financial Activities	(9,000)	(9,000)
Balance at 31 <sup>st</sup> August	<u>158,500</u>	<u>162,000</u>
Due within one year	20,000	20,000
Due between two and five years	74,500	79,000
Due after more than five years	64,000	63,000
	<u>158,500</u>	<u>162,000</u>

#### 14. PENSION SCHEMES

##### 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 £131,698 (2022: £124,151) and at the year-end £15,477 (2022: £14,778) was accrued in respect of contributions to this scheme.

#### 14. PENSION SCHEMES (continued)

##### Teachers' Pension Scheme (continued)

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 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions, the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

## SEATON HOUSE SCHOOL LIMITED

### NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2022

#### 14. PENSION SCHEMES (continued)

##### Other schemes

The company also made contributions to other defined contribution pension schemes totalling £10,709 (2022: £8,955) and at the year-end £2,017 (2022: £3,120) was accrued in respect of contributions to this scheme.

#### 15. FUNDS

	Balance at 01.09.2022 £	Income £	Expenditure £	Balance at 31.08.2023 £
General fund	2,175,424	1,974,567	(1,783,507)	2,366,484
School Bursary fund	98,350	5,000	-	103,350
	<u>2,273,774</u>	<u>1,979,567</u>	<u>(1,783,507)</u>	<u>2,469,834</u>
	Balance at 01.09.2021 £	Income £	Expenditure £	Balance at 31.08.2022 £
General fund	2,062,604	1,766,605	(1,653,785)	2,175,424
School Bursary fund	89,350	9,000	-	98,350
	<u>2,151,954</u>	<u>1,775,605</u>	<u>(1,653,785)</u>	<u>2,273,774</u>

The designated "School Bursary Fund" represents unrestricted funds retained to finance a Bursary Scheme.

#### 16. CONTRACTS AND COMMITMENTS

At 31<sup>st</sup> August 2023 the charity had capital commitments of £nil (2022: £25,460) under contract in respect of the build of the Pavilion.

**SEATON HOUSE SCHOOL LIMITED**

**DETAILED INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2023

	<b>2023</b>		<b>2022</b>	
	£	£	£	£
<b>Fees receivable</b>		1,847,523		1,689,681
<b>Other income</b>				
Rent		1,160		1,260
Registration fees		3,355		4,015
Donations		100		1,294
Bank interest receivable		13,683		3,836
Miscellaneous		113,746		75,519
		<u>1,979,567</u>		<u>1,775,605</u>
<b>Expenses</b>				
<b>Teaching costs</b>				
Salaries and pension costs	1,322,916		1,249,547	
Teaching aids, supplies and training	60,741		64,406	
Swimming and sports transportation	6,401		10,829	
Telephone	2,506		4,291	
ISA	3,369		2,981	
Hire of equipment	825		2,816	
	<u>1,396,758</u>		<u>1,334,870</u>	
<b>Premises</b>				
Repairs and renewals	61,101		55,101	
Cleaning	47,221		45,323	
Utilities	43,765		33,727	
Ground maintenance	87		319	
Building project - professional fees	-		3,360	
Loss on disposal of fixed assets	415		904	
Depreciation	33,240		22,362	
	<u>185,829</u>		<u>161,096</u>	
<b>Administration of the school</b>				
Advertising, printing & subscriptions	44,807		34,922	
Insurance	21,153		16,966	
Legal and professional	13,332		12,094	
Audit fee	5,400		4,968	
Postage and stationery	5,908		5,463	
Other expenses	117,014		74,191	
Bank charges	306		876	
Bad debts	(7,000)		8,339	
	<u>200,920</u>		<u>157,819</u>	
		1,783,507		1,653,785
<b>Net income for the year</b>		<u><u>196,060</u></u>		<u><u>121,820</u></u>