

Charity Registration No. 1118598

Company Registration No. 6067557 (England and Wales)

LALEHAM LEA SCHOOL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020
PAGES FOR FILING WITH REGISTRAR



LALEHAM LEA SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Yvonne Epale - Chair	
	K Barry	
	E O' Domhnaill	
	K Dwyer-Burchill	
	M Barras	(Appointed 16 October 2020)
	S Bignell	(Appointed 16 October 2020)
	M Brunni	(Appointed 16 October 2020)
	S Webb	(Appointed 19 November 2020)
Secretary	E Jones	
Charity number	1118598	
Company number	6067557	
Registered office	29 Peaks Hill	
	Purley	
	Surrey	
	CR8 3JJ	
Independent examiner	Darren Harding ACA FCCA DChA	
	Richard Place Dobson Services Limited	
	1-7 Station Road	
	Crawley	
	West Sussex	
	RH10 1HT	

LALEHAM LEA SCHOOL

CONTENTS

	Page
Trustees report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Statement of cash flows	8
Notes to the financial statements	9 - 18

LALEHAM LEA SCHOOL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to advance the Roman Catholic religion by the conduct of a Roman Catholic School or by any ancillary or religious or educational activities for the benefit of the public.

The charity aims to deliver its objectives by focusing on the following key aims;

- 1, to ensure that all aspects of school life are permeated by the Catholic ethos of respect and love for one's neighbour;
- 2, to provide a first class education for boys and girls aged 3 to 11+;
- 3, to build each pupil's self-confidence so that they are prepared for the opportunities and responsibilities of the secondary curriculum and service to the wider community;
- 4, to provide facilities for local educational, family and catholic child-centred programmes.

Public Benefit

We have referred to the guidance contained in the Charity Commission's general and supplementary guidance on public benefit, the advancement of education and fee-charging when reviewing our aims and objectives and in planning our future activities.

Achievements and performance

Children from all backgrounds are welcomed into the school and pupils benefit from the kind, caring and diverse community. Places are offered following an assessment to ascertain the prospective pupils' pace of learning to ensure that they can benefit from the education provided. Student Reports and Parent Evenings were carried out in the Autumn Term of this year, and while there were no Parents Evenings during the lockdown period extra Reports were provided to the Parents to provide information on all aspects of children's progress and Parent-Class Teacher communications are actively encouraged.

The Independent Schools Inspectorate carried out an inspection of the school from 24 to 27 January 2012 and all recommendations have been followed up. Many features of the school were deemed outstanding and the overall quality of the curriculum, Governance, teaching, and pupils' attainment were good. The quality of Pastoral Care and the Pupils' Personal Development was judged excellent. A strong commitment to safeguarding (and training of all staff and volunteers) is paramount.

The ISI Regulatory Compliance Inspection of May 2017 confirmed that 'The School meets the standards in the schedule to the Education (Independent School Standards) Regulations 2014, the regulatory requirements of the statutory framework for the Early Years Foundation Stage, and associated requirements, and no further action is required as a result of the Inspection.'

~~The Section 48 Denominational Inspection was carried out in October 2019. The Inspector's conclusion is that 'Laleham Lea is an Outstanding Catholic School' and 'Religious Education is exceptionally well led with the partnership between leaders at all levels being highly effective'.~~

Our strong commitment to safeguarding remains paramount and our training of all staff, Governors and volunteers is ongoing.

During the Autumn Term the students enjoyed curriculum lessons, individual instrumental lessons and performance events. All Junior children and their families participated in a prayerful Carol Service in the John Fisher School Chapel as part of the preparation for Christmas. Sport is a highly valued part of both curriculum and extra-curricular activities with football fixtures against other independent schools, cross-country competitions and swimming galas.

LALEHAM LEA SCHOOL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The curriculum was given added breadth by regular library activities and educational visits, including Y3 visit to Fairfield Halls to see Cinderella, Y4 visit to the Tate Modern and Y5 visit to the Whitgift Primary Project Concert. Y6 enjoyed a PGL residential camp in February 2020. There are varied before school, lunch time and after-school club activities - STEM, French, Accelerated Maths, Chess, IT, Latin, Travel the World and Scrabble among others. Tennis, ballet, fencing and soccer are offered at Laleham Lea School as is Drama with LAMDA exams. Reception and Nursery classes performed in Nativity plays.

During the Spring Term, due to the Covid-19 pandemic a lockdown was announced on 23rd March 2020. Our staff cohort were furloughed with the exception of the SMT and one member of staff and together they provided in-class education for the children of keyworkers and remote teaching and learning for students not in class. All wraparound care, clubs, sport, Sports Day, Drama, Choir, Music, Peri lessons, school outings and trips, school assemblies, Liturgies and Mass were suspended.

A robust Risk Assessment was put in place for the students, staff and parents at Laleham Lea School.

In the Summer Term after the May half-term our EYFS classes and Year 6 returned to School, followed by a staggered return of all Year grades (from Years 1-5) so that by the end of the term all the students were back in the school and receiving in-person education. Classes were separated though out their school activities into 'Class Bubbles' and wraparound, extra-curricular activities, choir and mixed-age sports were still suspended.

Caring for those less fortunate than ourselves is a recurring theme in the life of the school. Harvest Festival and Christmas gifts were donated to the Purley Food Hub. Other charities that have been supported include almost 100 boxes sent to the Samaritan Purse for the Christmas Shoebox appeal.

The school continues to give access to its premises and facilities to community groups, when not in lockdown.

The school PTA organised a very popular Disco in the Autumn Term, held at a local church hall, for both children and families as part of a programme of building and strengthening the wider school community.

In the summer of 2019 a new kitchen was installed which was operational in September 2019. This has enabled Laleham Lea School to provide hot homemade school lunches, and healthy morning snacks. This has positively enhanced our offering and has been very well received.

These financial statements cover the academic year 2019/2020

- The school broadly maintained pupil numbers during the year exiting with 115 on roll (2019: 134). Nursery applications are now only accepted for three, four or five day enrolments which has changed the numbers of students in Nursery but not the overall profitability.
- Applications for future years are strong with school and nursery applications already received for 2021/22.
- A 50% reduction in school fees was awarded to parents for the Summer Term and fees were not increased going into 2020, consistent with our values as a family-based Catholic School and in acknowledgement of the financial difficulties that may be experienced by our community during lockdown.
- All income and tax exemption savings/business rate reductions are applied for the charitable purposes of the company and indirectly help to support state school and community links. Nevertheless we cannot reclaim VAT input costs and also pay tax as an employer through our share of National Insurance contributions.
- Once again it has been possible to offer some limited bursary provision which was made available to 4 pupils during the year.
- During the course of the year the company employed 25 staff: twelve full time and thirteen part-time. Of the 12 full time 10 were Teachers and Nursery Practitioners and 2 Support staff. Of the 13 part time 2 were Teachers and 11 Teaching Assistants, and support staff, including staff involved in wraparound care. In addition the school used qualified sports coaches for tennis and football, some of whose responsibilities encompassed teaching combined year group classes.
- Ancillary activities including social evenings and children's fun days organized by parents and volunteers continue to provide a substantial input into the life of the school.
- We are an equal opportunity organisation with a working environment free from discrimination of all kinds and a willingness to make reasonable adjustments to working practices to meet the needs of our staff.

LALEHAM LEA SCHOOL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2020**

Financial review

This year the school has recorded an unrestricted deficit of £17,903 (2019: unrestricted surplus of £109,766). The deficit is as a direct result of the discounted school fees in the Summer Term. Unrestricted reserves as planned stood at £537,931 and have been retained for future use as described below.

Reserves policy

The School carries minimal free Reserves with day to day operational costs met through working capital without recourse to borrowings.

It is the intention to retain modest reserves in the order of three to six months of operating costs to provide for contingencies, fiscal demands, the ongoing stability and financial security of the School, its commitments and undertakings.

Budgeting policy

The School Business Manager has prepared a budget for the year ending 31 August 2021 and maintains a careful regular check over the financial situation of the company, monitored by Governors.

Bank account

The Charity's funds are kept in current and deposit accounts in order to maximise returns on cash deposits, even though the deposit account rates are presently very low.

Future plans

Trustees plan to continue growing the school with the same emphasis on the recruitment of new students.

All plans are financed out of income only at the present time with a plan for the slow but steady accumulation of capital to provide a sound infrastructure for the future and widen access to the school.

Spend on IT provision to staff (hardware and software) will be increased in order to assist with remote teaching and learning and on live learning for the long term.

The Head Teacher and Curriculum Sub-Committee have the Curriculum under constant review to ensure the well-rounded development of the pupils with the aim of extending specialist teaching at every opportunity. Gap-analysis will be completed to ensure that students who have had in-person teaching are not impacted by the lockdown.

It is intended to extend charity support through non-financial means, so that the children understand the value of personal commitment alongside that of financial giving.

Structure, governance and management

Laleham Lea School is a charitable company limited by guarantee governed by its Memorandum and Articles of Association dated 25 January 2007. The school remained dormant until 1st April 2009 when it commenced trading. The school has no share capital and is limited by guarantee. It is registered as a charity with the Charity Commission. All Trustees give their time freely.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Reverend Canon Francis O'Sullivan	(Deceased 22 December 2020)
Yvonne Epale - Chair	
M Ryan	(Resigned 8 July 2020)
K Barry	
E O' Domhnaill	
F P Udotai	(Resigned 12 February 2020)
K Dwyer-Burchill	
M Barras	(Appointed 16 October 2020)
S Bignell	(Appointed 16 October 2020)
M Brunni	(Appointed 16 October 2020)
S Webb	(Appointed 19 November 2020)

LALEHAM LEA SCHOOL

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding-up.

The Board meet in full at least 3 times a year. Currently all governance decisions are referred to the full Board meetings. The Board seek to recruit Governors from within the local community who have an interest in developing the Catholic character of the school, and supporting the education needs of the children at Laleham Lea. Induction and ongoing training is provided by the school.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

As a direct consequence of the Coronavirus (COVID-19) pandemic, and in accordance with UK government guidelines, the school ceased direct teaching contact with pupils on 21 March 2020. Remote teaching was provided to all year groups from this date until the pupils were allowed to return on 1 June 2020. Face to face teaching continued for children of key workers throughout the entire period and a phased return to school for all students was in place from 1 June 2020.

Trustees have given consideration to the Charities SORP ('Statement of Recommended Practice') Committee's advice in its publication 'Implications of COVID-19 Control Measures and Charity Financial Reporting' and to the risks arising as a result of the coronavirus pandemic. The Charity is actively monitoring and managing the situation as it develops. We have adapted our operations and consider that the Charity has adequate reserves.

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

The Trustees report was approved by the Board of Trustees.

Yvonne Epale

Yvonne Epale - Chair

Trustee

Dated:

26/May/2021

LALEHAM LEA SCHOOL

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LALEHAM LEA SCHOOL

I report to the trustees on my examination of the financial statements of Laleham Lea School (the charity) for the year ended 31 August 2020.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

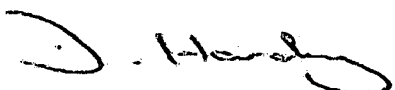
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Darren Harding ACA FCCA DChA
Richard Place Dobson Services Limited
1-7 Station Road
Crawley
West Sussex
RH10 1HT

Dated: 27 May 2021

LALEHAM LEA SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	3	62,860	3,082
Educational activities	4	839,302	915,989
Investments	5	2,010	(13)
Total income		<u>904,172</u>	<u>919,058</u>
<u>Expenditure on:</u>			
Raising funds	6	<u>7,228</u>	<u>6,829</u>
Charitable activities	7	<u>914,082</u>	<u>802,463</u>
Other	11	<u>765</u>	<u>-</u>
Total resources expended		<u>922,075</u>	<u>809,292</u>
Net (expenditure)/income for the year/ Net movement in funds		(17,903)	109,766
Fund balances at 1 September 2019		<u>555,834</u>	<u>446,068</u>
Fund balances at 31 August 2020		<u><u>537,931</u></u>	<u><u>555,834</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LALEHAM LEA SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12		185,021		221,315
Current assets					
Debtors	13	278,935		240,321	
Cash at bank and in hand		474,326		536,907	
		<u>753,261</u>		<u>777,228</u>	
Creditors: amounts falling due within one year	14	<u>(400,351)</u>		<u>(442,709)</u>	
Net current assets			352,910		334,519
Total assets less current liabilities			<u>537,931</u>		<u>555,834</u>
Income funds					
Unrestricted funds			537,931		555,834
			<u>537,931</u>		<u>555,834</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 19th May 2021

Yvonne Epale

Yvonne Epale - Chair
Trustee

Company Registration No. 6067557

LALEHAM LEA SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(64,591)		317,129
Investing activities					
Purchase of tangible fixed assets		-		(95,654)	
Investment income received		2,010		(13)	
		<u>2,010</u>		<u>(95,667)</u>	
Net cash generated from/(used in) investing activities			2,010		(95,667)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			<u>(62,581)</u>		<u>221,462</u>
Cash and cash equivalents at beginning of year			536,907		315,445
Cash and cash equivalents at end of year			<u><u>474,326</u></u>		<u><u>536,907</u></u>

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Laleham Lea School is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Peaks Hill, Purley, Surrey, CR8 3JJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The value of services provided by volunteers is not incorporated into these financial statements.

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

School fees provide the most significant income for the school and are recognised where there is an entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

All other income is provided for at the point at which it is received as it is unpredictable and not material.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of educational programmes. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. The trustees have identified two charitable activities.

Governance costs

Support costs now include governance costs which are costs associated with meeting the constitutional and statutory requirements of the charity and include independent examination fees, accountancy fees, legal and professional fees and bank charges.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Allocation and apportionment of costs

Any costs which are not deemed as a direct cost are allocated as support costs which include governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity. All depreciation costs are deemed to be support costs of the provision of school equipment. All other support costs are deemed to be those that support the provision of educational activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	10% Straight Line
Fixtures, fittings & equipment	10% Straight Line
Computer equipment	20% Straight Line
Motor vehicles	33.3% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The charity was granted a 50 year lease at a peppercorn rent and took over the existing building with its assets which were purchased for the nominal sum of £1.

The charity's policy is to capitalise tangible fixed assets which cost over £1,250 per individual asset.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities under Sections 466 to 493 of the Corporation Tax Act 2010 (CTA 2010).

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

1.12 Retirement benefits

The School operates a defined contributions pension scheme for some employees. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

Payments in respect of other post-retirement benefits are charged to the Statement of Financial Activities in the period to which they relate.

1.13 Debtors and creditors

Trade and Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

1.14 Transactions with trustees

When a trustee of the charity is paid remuneration as an employee of the charity, they are excluded from any decisions made regarding their own salary and must leave the meeting at the time when this is discussed.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The main judgement and accounting estimates included in the accounts are:

- Deferred income - income is recognised during the period in which the school is entitled to it, this is based on which school term the fees relate to.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	1,027	3,082
HMRC JRS Grant income	61,833	-
	<u>62,860</u>	<u>3,082</u>

4 Educational activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
School fees	839,302	915,989

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Rental income	-	(60)
Interest receivable	2,010	47
	<u>2,010</u>	<u>(13)</u>

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Advertising	7,228	6,829
	<u>7,228</u>	<u>6,829</u>

7 Charitable activities

	Educational activities	School equipment	Total	Educational activities	School equipment	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Staff costs	647,073	-	647,073	602,820	-	602,820
Rates and water	9,646	-	9,646	17,779	-	17,779
Insurance	4,868	-	4,868	9,383	-	9,383
Light and heat	11,795	-	11,795	11,884	-	11,884
Telephone	822	-	822	4,086	-	4,086
Postage and stationery	12,543	-	12,543	10,473	-	10,473
Sundries	2,415	-	2,415	754	-	754
Repairs and maintenance	32,358	11,669	44,027	26,243	16,639	42,882
Travelling expenses	3,502	-	3,502	1,234	-	1,234
Staff costs	7,130	-	7,130	13,016	-	13,016
Bad debts	16,499	-	16,499	2,215	-	2,215
Subscriptions	4,593	-	4,593	1,013	-	1,013
IT Support	14,094	-	14,094	13,327	-	13,327
Catholicity (Nativity/Easter)	383	-	383	1,180	-	1,180
Club and Outings expenses	16,096	-	16,096	22,326	-	22,326
Catering expenses	51,866	-	51,866	-	-	-
	<u>835,683</u>	<u>11,669</u>	<u>847,352</u>	<u>737,733</u>	<u>16,639</u>	<u>754,372</u>
Share of support costs (see note 8)	2,564	35,528	38,092	2,372	27,696	30,068
Share of governance costs (see note 8)	28,638	-	28,638	18,023	-	18,023
	<u>866,885</u>	<u>47,197</u>	<u>914,082</u>	<u>758,128</u>	<u>44,335</u>	<u>802,463</u>

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Depreciation	35,528	-	35,528	27,696	-	27,696
Bank charges	2,564	-	2,564	2,372	-	2,372
Audit fees	-	3,000	3,000	-	2,400	2,400
Accountancy	-	2,616	2,616	-	1,175	1,175
Legal and professional	-	3,212	3,212	-	2,255	2,255
Consultancy costs	-	19,810	19,810	-	12,193	12,193
	<u>38,092</u>	<u>28,638</u>	<u>66,730</u>	<u>30,068</u>	<u>18,023</u>	<u>48,091</u>
Analysed between Charitable activities	<u>38,092</u>	<u>28,638</u>	<u>66,730</u>	<u>30,068</u>	<u>18,023</u>	<u>48,091</u>

Governance costs includes payments due to the Independent examiners of £3,000 (2019: £2,400).

9 Trustees

One Trustee, Karen Barry was paid for her role as the Headteacher of the school. Total costs of employment were £108,181 (2019: £100,436).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Teaching	20	24
Support	5	4
Total	<u>25</u>	<u>28</u>
Employment costs	2020 £	2019 £
Wages and salaries	525,145	509,215
Social security costs	44,175	41,196
Other pension costs	77,753	52,409
	<u>647,073</u>	<u>602,820</u>

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Employees

(Continued)

Key Management Personnel

The trustees consider three (2019 - four) members of staff to be key management personnel. The total employment benefits of key management personnel were £193,760 (2019 - £214,904).

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
Between £70,001 and £80,000	1	1

11 Other

	Unrestricted funds	Total £
	2020	2019
Net loss on disposal of tangible fixed assets	765	-

12 Tangible fixed assets

	Land and buildings £	Fixtures, fittings & equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2019	20,736	203,760	29,056	24,120	277,672
Disposals	-	(1,530)	-	(1,860)	(3,390)
At 31 August 2020	20,736	202,230	29,056	22,260	274,282
Depreciation and impairment					
At 1 September 2019	8,296	26,271	7,565	14,226	56,358
Depreciation charged in the year	2,074	20,223	5,811	7,420	35,528
Eliminated in respect of disposals	-	(765)	-	(1,860)	(2,625)
At 31 August 2020	10,370	45,729	13,376	19,786	89,261
Carrying amount					
At 31 August 2020	10,366	156,501	15,680	2,474	185,021
At 31 August 2019	12,440	177,490	21,491	9,894	221,315

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Trade debtors	228,725	231,774
Other debtors	40,686	-
Prepayments	9,524	8,547
	<u>278,935</u>	<u>240,321</u>

14 Creditors: amounts falling due within one year

	Notes	2020	2019
		£	£
Other taxation and social security		8,569	11,006
Deferred income	15	284,970	320,326
Trade creditors		23,908	44,849
Other creditors		68,473	57,435
Accruals		14,431	9,093
		<u>400,351</u>	<u>442,709</u>

15 Deferred income

	2020	2019
	£	£
Arising from School fees received in advance	<u>284,970</u>	<u>320,326</u>

16 Retirement benefit schemes

Pension Schemes

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff and the TPT Pension scheme for non-teaching staff. The pension charge for the year includes contributions payable to the TPS of £70,238 (2019: £46,436) and contributions totalling £7,504 (2019: £582) were payable to the fund at the year end and are included in creditors. The pension charge for the year includes contributions payable to the TPT scheme of £7,515 (2019: £5,973) and contributions totalling £664 (2019: £nil) were payable to the fund at the year end and are included in creditors.

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Retirement benefit schemes

(Continued)

The Teachers' Pension Scheme budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

A copy of the valuation report and supporting documentation can be found on the Teachers' Pension website.

Teachers' Pension Scheme changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

17 Financial commitments, guarantees and contingent liabilities

During the year the school opened it's kitchen for meals. A contract was formed with Nourish Contract Catering Limited to supervise and manage the catering services. The term of this contract is six years from 1 September 2019. If the school decides to terminate the contract before this date they will be liable to re-imburse Nourish Contract Catering Limited for any un-depreciated investment remaining. At 31 August 2020 the value of this liability is £6,500, this value will depreciate on a straight line basis in line with the term of the contract.

LALEHAM LEA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

19 Impact of COVID-19

As a direct consequence of the Coronavirus (COVID-19) pandemic, and in accordance with UK government guidelines, the school ceased direct teaching contact with pupils on 21 March 2020. Remote teaching was provided to all year groups from this date until the pupils were allowed to return on 1 June 2020. Face to face teaching continued for children of key workers throughout the entire period and a phased return to school for all students was in place from 1 June 2020.

At the date of the approval of these accounts it has not been possible to quantify or ascertain with any certainty the financial impact of COVID-19. No adjustments have been made to any figures in the accounts as a result of the pandemic.

20	Cash generated from operations	2020 £	2019 £
	(Deficit)/surplus for the year	(17,903)	109,766
	Adjustments for:		
	Investment income recognised in statement of financial activities	(2,010)	13
	Loss on disposal of tangible fixed assets	765	-
	Depreciation and impairment of tangible fixed assets	35,528	27,696
	Movements in working capital:		
	(Increase)/decrease in debtors	(38,613)	177,515
	(Decrease) in creditors	(7,002)	(34,184)
	(Decrease)/increase in deferred income	(35,356)	36,323
	Cash (absorbed by)/generated from operations	<u>(64,591)</u>	<u>317,129</u>