

ST MICHAEL ASSOCIATES

FINANCIAL STATEMENTS

31 AUGUST 1999

Company number: 3095116

Charity number: 1062584

STEPHEN MICHAEL ASSOCIATES

CHARTERED CERTIFIED ACCOUNTANTS

99-103 Lomond Grove

London SE5 7HN



ST MICHAEL ASSOCIATES  
FINANCIAL STATEMENTS  
for the year ended 31 August 1999

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## ST MICHAEL ASSOCIATES

## CHARITY INFORMATION

31 August 1999

INCORPORATED	England 24 August 1995
COMPANY NUMBER	3095116
CHARITY NUMBER	1062584
PATRON	MR J Fashanu
PRESIDENT	Dr A Bing
DIRECTORS AND TRUSTEES	Mr O Akindayini (Chairman) Mrs T O Bamidele (Vice Chairman) Mrs Y M Aregbesola (Treasurer) Mr S Nejo Mrs G Omololu Mr A Ogunyale Mr R B Oyewole Mr F A Adepoju [Appointed Mr S Olaniran 8 January 1999]
CHIEF EXECUTIVE AND SECRETARY	Mr B A Omotayo
REGISTERED OFFICE	368 Old Kent Road London SE1 5AA
BANKERS	National Westminster Bank plc P O Box 3753 65 Peckham High Street Peckham London SE15 5RZ
AUDITORS	Stephen Michael Associates Chartered Certified Accountants Suite 100 Camberwell Business Centre 99-103 Lomond Grove London SE5 7HN

## ST MICHAEL ASSOCIATES

## DIRECTORS' AND TRUSTEES' REPORT

31 August 1999

The directors and trustees present their report and the audited financial statements for the year ended 31 August 1999.

**Objects of St Michael Associates (SMA) and principal activities**

SMA's object and its principal activity continues to be the promotion of the advancement of education of the public in general.

We have laid out SMA's objectives under three themes:

- \* to promote the advancement of education of the public in general in the understanding of all aspects of education and training in schools and colleges and at all levels of the education system;
- \* to improve the quality of life of disadvantaged pupils and young people thus providing them with tools with which to become a useful and responsible citizen in their adult life;
- \* to improve parental involvement and commitment in education opportunities and for parents and carers to become involved in supporting extra curriculum activities through advice and training.

Our work are increasingly recognised by many bodies as a key part of the community's effort to raise the level of achievement of the children. Our work benefited tremendously from active contributions from sources including parents, pupils, schools, trusts and companies.

Our policy continues to be 'Learning Beyond the Classroom':- the provision of after school classes; revision classes and summer school as part of the means of delivering SMA's services to the community.

**Organisation**

SMA is a registered charity and is constituted as a company, limited by guarantee. Its objects and powers is therefore set by its memorandum and articles of association. It is governed by the Board of Trustees which is responsible for setting the strategic direction of the organisation and for establishing policy.

There is one chief executive who manages the day to day administration of SMA, and organises fundraising initiatives. There is also a voluntary education adviser who monitors the curriculum of SMA to ensure that it is in line with the National Curriculum at all levels. Currently, SMA employs on a weekly basis, nineteen part-time teachers, one escort and one part-time office assistant.

SMA is a happy, friendly, and caring organisation with great resources. The management team and teaching staff are superb and very committed, with high expectation both for children, parents and themselves. As a result SMA is highly successful with an excellent "value added" components.

## ST MICHAEL ASSOCIATES

DIRECTORS' AND TRUSTEES' REPORT  
(continued)

31 August 1999

**Development, activities and achievements this year**

The trustees consider that the performance of SMA this year has been most satisfactory.

During the year, twenty-nine new arrivals either through self-referred or by LEA received our induction course and were helped to access mainstream education. Five pupils who were excluded from schools for fixed term periods were supported and helped back into mainstream education. Five year-6 pupils with reading age of below year-3 benefited from our reading club.

Twenty of our seven-year old children sat KS1 test in May 1999 and they all achieved level 3 and above. Twenty of our year 6 sat KS2 test and all of them achieved level four and above. Twenty of our year-6 pupils gained admission into Schools of their choice, which include Grammar schools and Independent Schools.

Ten of our 13-years old students sat KS3 test and achieved higher level five and above while Eight year-11 students achieved five A-C grades in GCSE examinations, This is made possible by the one week intensive Easter revision classes. The homework club project provides access to the internet facilities to enable the children learn and research school work and to appreciate the power of Information Communication Technology (ICT).

In addition, sixty-five parents received training and advice to empower them to understand and access the education system so that they can support their children at home. SMA provided training in:

- \* understanding the education system;
- \* helping your children literacy training;
- \* involvement in school activities;
- \* secondary school transfers;
- \* exclusion from school.
- \* school attendance
- \* school admission

SMA liaised with more and more schools both primary and secondary where the majority of our pupils attend in order to monitor the progress of the pupils and ensure consistency in the support provided by SMA. Seven of our volunteer teachers gained admission into colleges and the University of Cambridge for further studies in Education.

**Transaction and financial position**

The board notes that SMA completed the year with a deficit, and look forward to increasing its fund raising efforts in the following year. A number of staff, parents and pupils, actively worked throughout the year in a spirit of committed goodwill to see that the objectives and goals set for SMA are realised.

The Statement of Financial Activities shows net outgoing resources of £(4,621) for the year, and our reserves stand at £2,789 in total.

**DIRECTORS' AND TRUSTEES REPORT**  
(continued)

**31 August 1999**

**Transaction and financial position**

Important transactions in the year include securing grants totalling £21,241 from Southwark Council. Although the number of pupil and young people supported during the year increased contribution from parents decreased due to their inability to pay particularly by new arrivals.

**Tangible fixed assets for use by SMA**

Details of movements in fixed assets are set out in note 8 to the accounts.

**Future development**

In our effort to increase our pupils and young people attainment in national examination and life chances, ICT awareness and an increased parental support, SMA intends to recruit two full-time co-ordinators, four project support workers, and increase the current number of computers from three to ten. SMA also plan to expand its project to include Young People Care:- Literacy and Numeracy Club, the British Education System Club, Job club, Web-Page design and Basic Skills for Work.

**Funding available**

SMA is looking outside the Borough of Southwark for funding in order to continue to give quality resourceful education to our children and young people.

**Subsequent Events**

After the year end, SMA secured a grant of £8,958 from North Southwark Education Action Zone to be received over two school terms and £5,655 from the New Opportunities fund over one year.

**Directors and trustees**

All directors of the company are also trustees of the charity, and there are no other trustees. Unless otherwise stated, all the trustees named on page 1 served throughout the year. In addition, Mr Benn Omotayo and Mr Kole Omololu resigned as directors on 8 January 1999. The Board has the power to appoint additional trustees as it considers fit to do so.

**Auditors**

The Auditors Stephen Michael Associates will be proposed for re-appointment in accordance with Section 386 of Companies Act 1985.

## ST MICHAEL ASSOCAITES

DIRECTORS' AND TRUSTEES REPORT  
(continued)

31 August 1999

## Approvals

This report was approved by the board of directors and trustees on  
and signed on its behalf by:

16/03/2000



Mr B A Omotayo  
Secretary and Chief Executive

## ST MICHAEL ASSOCIATES

## STATEMENT OF DIRECTORS' AND TRUSTEES RESPONSIBILITIES

31 AUGUST 1999

The trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with Companies Act 1985 and with applicable accounting standards and statement of recommended practice, 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 operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

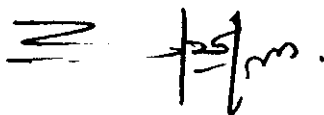
Approved on behalf of the board of directors and trustees on  
and signed on its behalf by:

16/03/2000


Mr O Akindayini  
Chairman and Trustee



Mr F A Adepoju  
Director and Trustee



Mrs Y M Aregbesola  
Director and Trustee





**ST MICHAEL ASSOCIATES****AUDITORS' REPORT****Auditors' report to the members of  
St Michael Associates**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3, the charity's trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**


We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 August 1999 and of its incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with Companies Act 1985.

Suite 100  
Camberwell Business Centre  
99 - 103 Lomond Grove  
London  
SE5 7HN

  
Stephen Michael Associates  
Registered Auditors  
Chartered Certified Accountants

Date: 17 March 2000

ST MICHAEL ASSOCIATES

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 August 1999

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Restricted	Unrestricted	Total 1999	1998
		£	£	£	£
<b>INCOMING RESOURCES</b>					
Grants received	2	43,462	-	43,462	25,630
Parental contributions	3	-	16,680	16,680	19,080
		<hr/>	<hr/>	<hr/>	<hr/>
Total Income		43,462	16,680	60,142	44,710
		<hr/>	<hr/>	<hr/>	<hr/>
<b>RESOURCES EXPENDED</b>					
<b>Direct charitable expenditure</b>					
Classroom running costs	5	35,046	13,248	48,294	32,651
Outreach work	6	8,416	-	8,416	-
<b>Other expenditure</b>					
Administrative expenditure	4	-	8,053	8,053	7,198
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		43,462	21,301	64,763	39,849
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET OUTGOING RESOURCES FOR THE YEAR</b>					
		-	(4,621)	(4,621)	4,861
Fund balances brought forward at 1 September 1998		-	7,410	7,410	2,549
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances carried forward at 31 August 1999		-	2,789	2,789	7,410
		<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 7 to 12 form part of these accounts.

## ST MICHAEL ASSOCIATES

## BALANCE SHEET

at 31 August 1999

		1999		1998	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		6,864		6,928
<b>Current assets</b>					
Debtors	10	4,223		3,776	
Bank		40		-	
		<u>4,263</u>		<u>3,776</u>	
<b>Creditors:</b> amounts falling due within one year	11	<u>(8,338)</u>		<u>(3,294)</u>	
<b>Net current (liabilities)/assets</b>			<u>(4,075)</u>		<u>482</u>
<b>Total assets less current liabilities</b>			<u>2,789</u>		<u>7,410</u>
<b>Funds</b>					
Unrestricted			<u>2,789</u>		<u>7,410</u>
<b>Total funds</b>	15		<u>2,789</u>		<u>7,410</u>

The financial statements on pages 5 to 12 were approved by the board of directors on 16/03/2000 and signed on its behalf by:

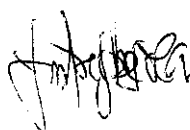
Mr O Akindayini  
Chairman and Trustee



Mr F A Adepoju  
Trustee



Mrs Y M Aregbesola  
Treasurer and Trustee



The notes on page 7 to 12 form part of these accounts.

## ST MICHAEL ASSOCIATES

## NOTES ON FINANCIAL STATEMENTS

31 August 1999

**1 Accounting policies****Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules and include the results of the company's operations which are described in the Directors' and Trustees' Report and all of which are continuing.

The accounts have been prepared in compliance with Statement of Recommended Practice on Charity Accounts.

The charity has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less any residual value over their estimated useful lives as follows:

Teaching and office equipment	20% reducing balance method
Computer equipment	33% straight line method

**Incoming resources**

Grants and parental contributions are accounted for as received by the company.

**Leases and hire purchase contracts**

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

**Operating leases**

Rentals applicable to operating leases where substantially all benefits and risks of ownership remain with the lessor are reflected in the statement of financial activities as incurred.

## ST MICHAEL ASSOCIATES

## NOTES ON FINANCIAL STATEMENT

31 AUGUST 1999

**Accounting policies (continued)****Value added tax**

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

**Expenditure on management and administration of the company**

Administration expenditure includes all expenditure not directly related to the charitable activity. This includes costs of renting and running office premises, salaries for administrative staff and auditors fees.

**2. Grants received**

During the year grants totalling £21,241 was received from Southwark Council for salaries, resources, rent and administration costs. In addition SMA also received grant of £2,500 from Carlton Television and £5,625 from Trust for London for additional teachers costs and £14,096 from National Lottery Board for salaries.

The balance of the expenditure was funded directly from unrestricted funds.

	1999 £	1998 £
<b>3. Parental contributions</b>	16,680	19,080

This is a voluntary contribution received from parents in support of the running costs of the school.

**4. Administrative expenditure**

	1999 £	1998 £
Legal and professional fees	1,143	-
Advertising	498	-
Rent and rates	1,702	1,820
Management meetings	311	345
Repairs and depreciation	845	546
Other administrative expenses	3,554	4,487
	<u>8,053</u>	<u>7,198</u>

## ST MICHAEL ASSOCIATES

## NOTES ON FINANCIAL STATEMENTS

31 AUGUST 1999

## 5. Classroom running costs:

	1999 £	1998 £
Salaries	24,178	17,965
Volunteers	840	-
Staff training	542	386
Advertising	420	-
Curriculum and teaching materials	4,932	2,279
Student awards and presents	2,188	1,268
Rent and rates	8,907	7,283
Heating and lighting	230	48
Telephone	736	344
Printing postage and Stationery	840	170
Insurance	543	726
Cleaning	557	-
Repairs and depreciation	3,381	2,182
	<u>48,294</u>	<u>32,651</u>

## 6. Outreach work

Salaries	<u>8,416</u>	<u>-</u>
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This involves meetings and forging links with schools and the community to raise awareness of education and the production of translation materials.

## 7. Surplus for the year

	1999 £	1998 £
The surplus of income over expenditure is stated after charging:		
Depreciation of tangible fixed assets		
- owed by the company	3,551	2,235
Operating lease rentals	8,225	8,225
Audit fees	529	450
Auditors remuneration - other services	763	943
	<u></u>	<u></u>

## 8. Staff costs

	1999 £	1998 £
Wages and salaries	31,206	17,965
Social security costs	1,388	-
	<u>32,594</u>	<u>17,965</u>

## ST MICHAEL ASSOCIATES

## NOTES ON FINANCIAL STATEMENTS

31 AUGUST 1999

**Staff costs** (continued)

The average weekly number of staff employed by the company during the year was as follows:

	1999	1998
Teachers	19	17
Administrative	1	1
Escort	1	1
	<u>          </u>	<u>          </u>

**9. Tangible fixed assets**

Cost	Teaching and office Equipment	Computers	Total
	£	£	£
1 September 1998	7,852	5,028	12,880
Additions	1,783	1,704	3,487
	<u>          </u>	<u>          </u>	<u>          </u>
31 August 1999	9,635	6,732	16,367
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>			
1 September 1998	2,991	2,961	5,952
Charge for year	1,329	2,222	3,551
	<u>          </u>	<u>          </u>	<u>          </u>
31 August 1999	4,320	5,183	9,503
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>			
31 August 1999	5,315	1,549	6,864
	<u>          </u>	<u>          </u>	<u>          </u>
31 August 1998	4,861	2,067	6,928
	<u>          </u>	<u>          </u>	<u>          </u>

Included in the above net book value are assets held under finance leases or hire purchase contracts as follows:

	1999 £	1998 £
Teaching and office equipment	-	555
Computers	-	1,950
	<u>          </u>	<u>          </u>

All fixed assets are used directly for charitable purposes and were not financed from restricted funds.

## ST MICHAEL ASSOCIATES

## NOTES ON FINANCIAL STATEMENTS

31 AUGUST 1999

	1999 £	1998 £
<b>10. Debtors</b>		
Amounts falling due within one year		
Prepayments	774	1,570
Other debtors	3,449	2,206
	<u>4,223</u>	<u>3,776</u>
	1999 £	1998 £
<b>11. Creditors: amounts falling due within one year</b>		
Bank overdraft	-	94
Accruals	2,557	1,095
Other creditors	5,781	2,105
	<u>8,338</u>	<u>3,294</u>
<b>12. Commitments</b>		

At 31 August 1999 the company had the following annual commitments under non cancellable operating leases as follows:

	1999 Land and Buildings £	1998 Land and Buildings £
Expiring: After five years	<u>8,225</u>	<u>8,225</u>



## ST MICHAEL ASSOCIATES

## NOTES ON FINANCIAL STATEMENTS

31 AUGUST 1999

13. Analysis of fund balances  
between the net assets

	Restricted	Unrestricted	1999 Total	1998 Total
	£	£	£	£
Tangible fixed assets	-	6,864	6,864	6,928
Net current liabilities	-	(4,075)	(4,075)	482
	<u>-</u>	<u>2,789</u>	<u>2,789</u>	<u>7,410</u>
	<u>-</u>	<u>2,789</u>	<u>2,789</u>	<u>7,410</u>