

Registered number 3095116
Charity number 1062584

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012

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ST MICHAEL ASSOCIATES
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2012**

Patron	Mr J Fashanu
President	Dr A Bing
Trustees	Mrs T O Bamidele, Chair Mr O Akindayin Mr F A Adepoju Ms S Alli, Treasurer Mrs A Peat, Vice Chair Mr C Ebie Mrs G Okonkwo Mr A Dike
Company registered number	3095116
Charity registered number	1062584
Registered office	368 Old Kent Road London SE1 5AA
Company secretary	Benn Omotayo
Chief executive officer	Benn Omotayo
Auditors	Stephen Michael Associates Chartered Certified Accountants Statutory Auditors 1st Floor 3 More London Riverside London SE1 2RE
Bankers	Natwest Bank Plc P O Box 3753 65 Peckham High Street Peckham London SE15 5RZ

ST MICHAEL ASSOCIATES
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2012

The Trustees (who are also directors of the charity for the purposes of the Companies Act) submit their annual report and the audited financial statements of St Michael Associates (the charitable company) for the year ended 31 August 2012. The Trustees confirm that the annual report and financial statements of the charitable company comply with current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The charitable company also trades under the name SMA.

Structure, governance and management

a CONSTITUTION

The charitable company is a charitable company limited by guarantee and was set up by a Memorandum of Association on 24 August 1995 and is a registered charity number 1062584.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The charitable company is organised so that the Trustees meet to consider organisational and financial issues relating to the running of the charity. The day-to-day management is delegated to the Chief Executive. The Chief Executive co-ordinates the day-to-day issues of project and the professional support and guidance of all other staff and services users.

d RISK MANAGEMENT

The trustees and partners have been mindful of the risks and contingencies throughout. The risks identified include the loss of key staff and slippage of projects, for example, with practical measures defined to ensure that there is an adequate plan in place to overcome them. Annual basis the trustees actively review the risks that the charity faces in six key areas: strategic direction, finance, reputation, legal and statutory, human resources, and, information and communication technologies (ICT). All identified risks are assessed for both likelihood of occurrence and potential impact, in addition to SMA's attitude to the individual risks being ascertained.

This information is then used to develop a risk management strategy for the organisation, including the identification of existing controls in operation and any new controls the trustees considered necessary. This risk management strategy forms part of the annual planning process, against which the trustees review progress formally every three months. The trustees not only review annual plans but also seek to anticipate future risks by undertaking a regular three year planning programme.

In respect of financial risk, the trustees are satisfied that systems are in place to mitigate our exposure to unplanned adverse conditions.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

Objectives and Activities

a POLICIES AND OBJECTIVES

SMA's object and its principal activity continue to be the promotion and the advancement of education of the public in general. We have laid out our objectives under three themes

- 1 **EDUCATION** 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
- 2 **QUALITY OF LIFE** to improve the quality of life of disadvantaged pupils, young people and families in need, thus providing them with tools with which to become a useful and responsible citizen in their adult life
- 3 **INVOLVEMENT** 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 policies is about potential never explored, lost talent, the inability to live a life free from the chanty of others, to expand opportunities so that nobody whatever their background or circumstance should be left behind, and, about raising achievement and improving the life chances of our children and young people and their families through our 'Learning Beyond the Classroom' and 'Home Prevention and Intervention Services'. Our work with the community revealed that the most socially excluded are the 'hard to reach', families. These groups problems are multiple, entrenched and often passed down the generation

In setting out our objectives and planning our activities we have given careful consideration to the Chanty Commission's general guidance on public benefit and in particular its supplementary public benefit guidance on advancing education and fee-charging

b ACTIVITIES FOR ACHIEVING OBJECTIVES

This year we focused on improving social outcomes and better life chances for our service users. Activities for achieving our objectives include out of school hours learning support, holiday revision classes, summer school, Saturday school, social skills training and support, family school partnership, induction classes on the British Education System for new arrival, career advice, dealing with challenging behaviour (at risk of NEET and anti-social behaviour), survival skills programme (particularly for those new to the country - accompanied or unaccompanied minors), and family support (with special focus on families living with autism and at risk of mental health challenges)

That is, have more family training, workshop, home visit and provide them with support and help they need, which they don't get in a 1-on-1 basis to succeed in living a fulfilled life. By 31 August 2012, SMA has a database of over 8,793 users and organisations. Over 87% (7,649) are adults, young people, refugees, asylum seekers, lone parents, carers and the unemployed. Monthly enquires for support from families living with autism or challenging behaviour increased from 759 in (September 2011) to 1613 (August 2012 (113%))

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

Everything we do is geared to increasing better life chances for our beneficiaries. We achieve this through the following projects:

- Supporting families with children at risk of exclusion and truancy
- Meeting the needs of children left behind, at risk of NEET, mental health difficulties or challenging behaviour
- Meeting the educational and emotional needs of New Arrival children
- Basic/on-line key skills training including financial literacy promoting financial peace in the family
- Supporting self esteem and confidence and well being through adult learning and parenting classes
- Literacy and numeracy recovery and booster classes
- Meeting the needs of families living with autism
- Home visit for advice and information to explore issues and explain what intervention is required

PUBLIC BENEFIT

Our programme seeks to widen access to education and education resources. And also to fill the current gap in provision that have put school children at risk of Not in Education, Employment and Training (NEET) and at risk of exclusion and better life chances. In 2009, the government over £650m in providing financial support for 16-18 year olds, most of which were NEET.

There is a clear social, economic and a moral imperative to do so before they reach the age 16+, before their truancy and academic underperformance becomes entrenched. Not enough resources in schools to give adequate support to those who begin to struggle made worse by poor attendance. Also peer pressure or poor family role models discourage them from aiming higher. The days where one could leave school at sixteen without qualifications and work their way up into a fulfilling and rewarding career are behind us and at SMA, we work towards Sandy Leitch's report (2006) which set out the importance of developing high skills for 2020.

The positive feedback we have received from the regular meetings held with the parents/carers, children, schools and communities we have worked with support our view of the success of our programmes.

Overall the projects broaden the career and educational prospects for the target groups and lessen the negative impact and increased demands that they place on teachers and other children when they do attend school as well as crime and public finance. Youth services analysis points to a clear correlation between truancy and those young people who end needing intervention from the Youth Offending Team so the projects reduce the numbers going through the care or correctional services.

We will continue to liaise closely with our beneficiaries so that the projects continue to meet the needs of those who participate and to deliver success and many other benefits besides, both to our parents/carers, pupils, schools and those in the community or state sector.

c. VOLUNTEERS

We developed and approved volunteering policy covering both volunteering opportunities at SMA and opportunities for our staff to volunteer. The charity is grateful for the unstinting efforts of its volunteers who are involved in service provision, events management, office work and administration. It is estimated that over 2,213 volunteer hours were provided during the 2011-12. If this is valued at £10.00 an hour the volunteer effort amounts to over £22,130.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

Achievements and performance

a. REVIEW OF ACTIVITIES

At the start of the year in September 2011 we aimed to inspire our users to develop their talents, self-esteem and confidence and promote community cohesion. We aim to provide the much needed supports to children, young people and parents living with autism and challenges both socially, academically and mentally. We aim to work with as many agents and organisations to recognise the issues facing our target beneficiaries. The team began working on the referral process and the publicity needed to inform and announce our projects. By the end of August 2012 more than 2,987 children and young people, 893 parents and 701 organisations had accessed our projects. Anyone referred to us were contacted within a week of referral.

During the Summer 2011, a cohort of 69 children and young people on our projects went on educational visits linked to their studies as well as targeted support to meet their needs. Places visited include museums, cinemas, bowling, parks and shopping centres for practical money and financial literacy experiences. We are pleased to state that whilst our Year Six pupils have achieved placements to secondary schools of their choices including grammar, independent and comprehensive schools, 7 Year Six had work placement with us.

Staff development takes place as planned and is delivered in four main ways:

- Courses/seminars organised by Southwark, organisations or companies

- Training, seminars and workshops

- Volunteering and shadowing both internally and externally

- The active use of INSET days for teachers and volunteers

- External trainers are often invited to SMA to deliver or facilitate training and development programmes

By 31 August 2012 about 94.7% of our children and young people have English as additional language (EAL). Many of them start with skills below those expected of their age, and for a significant minority, they are well below, some with severe challenging behaviour and therefore at risk of NEET if preventive measure is not taken. The community we serve has a high level of social and economic disadvantage, with associated life challenges for families in health, housing and employment. Well over two third of children between the ages five and eleven are known to be eligible for free school meals and many of them have Special Education Needs (SEN). At the time of this report between 43.4% and 49.1% of our children were admitted to school as mid year admission and were playing catch up in class. Some have attendance record of less than 50% in school.

By 31 August 2012 the number of enquiries and several referrals particularly from parents who have concern about their children and from school that have concerns about pupils and parents living with autism increased to 1,493, 2011 figure was 759, an increase of over 96%. This year the waiting lists of prospective users are in excess of hundred. This is largely due to reduction in the level of our activities as a result of reduction in income compared to the previous year.

SMA placed particular emphasis on children and young people educational achievement, safety and life chances. The Chief Executive has played an outstanding leadership role in representing the interest of the organisation. Even though operating within a tight budget, the trustees consider that the performance of SMA this year has been most satisfactory.

In terms of service delivery, the Year 2011/12 is another excellent year for SMA, a year of development and progress. Our efforts to improve the life of disadvantaged families, young people and children have resulted in a general recognition by several trusts, companies, Local Education Authority, the community, schools and parents at large, with some partnership working with schools.

We continue to work with our partners and hubs of expertise to develop our services and promote and make it more accessible to our users through website, HelpDesk services, free training, workshops and printed materials.

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Our curriculum has been carefully planned taking into consideration the five outcomes of 'Every Child Matters' (ECM), and also the newly emerging "Every Parent Matters" policy. SMA's strengths are evidenced in the number of good courses and membership (including schools) both within and outside the London borough of Southwark.

The table below shows the projects undertaken with the number of days or hours or sessions during the year.

Projects	Time spent
<u>Curriculum support</u>	
Saturday school	38 weeks (6.5 hours a week)
Homework support	130 days (five days a week term time only)
Holiday revision/booster classes	125 hours
Summer school	4 weeks
<u>Attitude and Behavioural support</u>	
Social skills training	Half day bi-weekly, term time only
Behaviour & anger management parents' workshop	3 sessions
NEET / Challenging Behaviour support	24 weeks (2 days for 9 hours a week)
<u>Parental/family support</u>	
Meeting the need of families living with autism	97.5 hours support weekly
Family support school system and transition	1 half day monthly, term time only
Understanding the British Education System	3 sessions
Secondary school transfer	3 sessions
School escort/mediation	12 visits
Literacy and Numeracy Recovery Classes	3 weeks
Leafleting (door to door distribution, postage & email)	5,000 copies

b. FUNDRAISING ACTIVITIES/INCOME GENERATION

SMA continues to look into ways to grow earned income and provide quality value for money services to our users.

We continue to broaden our fundraising activities to enable us explore ways of expanding our portfolio of services and at the same time extend our current services to enable us address and tackle issues of employment, training, development, participation and involvement, self-esteem, self-confidence, the prevention of crime and, reducing the proportion of children and young people at risk of becoming NEET, meeting the needs of families living with autism as well as expanding our fundraising base.

c. INVESTMENT POLICY AND PERFORMANCE

The trustees have decided that at present, funds should be retained in Banks and Building Societies. Any change in such banking arrangements should be agreed by the board. As far as possible, funds will be retained in interest bearing accounts.

d. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

1. Referrals
Our projects receive referrals from different sources including schools, LEA, voluntary organisations, children's services and social services, EPS, CAMHS, Special schools, Children Centres as well as self-referrals. While some service users come from colleagues and families mostly by word of mouth others are self-referred.

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TRUSTEES' REPORT (continued)
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2 Terminology

The use of the term like "special needs" or "at risk" or "hard to reach" or "psychologist" NEET are of concern with some of our parents. This has called for explanation from time to time by some of our parents when in contact with these terms in our parents' information packs.

3 Evaluation

Evaluation systems are embedded in the whole of our projects and a thorough approach has been established via internal and external processes. SMA's continuing critical evaluation constitutes best practice. Monitoring and internal evaluation are undertaken by all the project partners and effective and monitoring arrangements have been put in place. Returns of questionnaires from service users and face to face discussions with service users to evaluate our projects have generated significant feedbacks and responses, one of such summary feedback below.

Summary on Feedback evaluation from parents and students on the benefits of the project

Feedback Evaluations received from students

Students were given evaluation forms to fill in 10 weeks into the project and then another at the end of the project. Feedback from the two evaluation forms were very positive. Below are a selection of responses to questions.

- 1 All students said they enjoyed taking part in the project and some of the reasons why were
 - a) "Fun place to work yet still educational"
 - b) "You learn a lot and it helps with my school education"
 - c) "It's not around a lot of people and you get closer to your friends"
 - d) "One to one treatment than in whole class and you get extra attention during classwork"
 - e) "Learn new things"
- 2 When asked what have you found useful? Responses included
 - a) "The social skills"
 - b) "Extra help when I'm stuck on a question"
 - c) "The motivational speaker coming to see us"
 - d) "The advice"
 - e) "It helps me to concentrate and probably would have been excluded if I wasn't here"
- 3 When asked what have you gained so far? Responses included
 - a) "Maturity and behaviour skills"
 - b) "Life skills"
 - c) "Intelligent in topics I did not understand and more knowledge in core subjects and other areas"
 - d) "Ability to control my anger and not to retaliate to teachers"
 - e) "Self confidence"
 - f) "Learnt another ability"
 - g) "Concentration and focus towards my work"
 - h) "Being more socialised"
 - i) "Better in school"
 - j) "Gained a lot from the investigator"

Also, most students said they would recommend the project to others. Lastly, when asked to suggest any improvements to the project a few students commented on getting computers to do activities on, being allowed to go to the shops and also doing work on all the subjects taught at school.

Feedback Evaluations received from Parents

It was important to also get feedback from parents on their views of the project and the progress observed in

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their children. All parents were sent evaluation forms, but 8 out of 11 were filled in. On the whole responses from parents were quite positive. For example the majority of parents stated that they had seen improvements in their children since the start of the project. Some of the improvements noted were

- "Increase in self-confidence and self esteem"
- "Improved behaviour at school"
- "More focused and interested in classwork"
- "Initiative in approach to work"
- "Wider vocabulary"

Based on the in-depth support undertaken with the 205 target NEMFLA beneficiaries, it is clear that families tended to be socially isolated and, in the absence of local support networks, were particularly vulnerable to stresses and pressures which in other circumstances they might have been able to weather. Written and Verbatim feedbacks from beneficiaries' responses include the followings -

When asked 'What do you think about the support you received from the project?'

"feel relieved and more confident anytime I come here you listened and this makes me to have a sense of worth"

When asked 'What improvements have you seen since the start of the project?'

"This is the only project that gives a sense of understanding to families and the community otherwise nowhere to go" "NEMFLA understand the law/system and the trauma faced by parents"

Regarding the workshops and training sessions provided by the project, when asked 'How useful do you think the sessions have been?'

"Although I receive good support with other services, but I have not had the opportunity to talk through issues as NEMFLA does it. You made me to see things and I am now considering taking up some course in autism"

Feedback on our evaluation form from service users confirmed that they would recommend the project to other families.

Regarding the relevance of project to the beneficiaries, all the respondents either agree strongly or agree. The main reason given for this is that the support can be customised to suit any user need depending on their interest. The fact that the service is available to them 7-days a week, in marked contrast to other services demonstrated the fact that the NEMFLA Project is relevant to their needs.

As well as rating the project workers, interviewees' evaluations were carried out to collect qualitative information from parents. Beneficiaries were asked to describe their views of the project on a 5 point Scale (1=poor, 5 =Excellent).

Families were also asked to state what aspects of the service they would like to change. Responses here reflect the high overall ratings for project. Most stated that there was no aspect of the project that they would like to change. However, forty families felt that the project could work more actively with younger family members. This perhaps reflects the difficulties of the beneficiaries referred to the project.

For most families the support provided was seen as invaluable in changing their lives for the better. Consequently, it was difficult to say precisely what had helped them the most -

"It's kind of hard to explain. I think, the easiest way I could put it is, the NEMFLA project has given us the tools and the know how, to help ourselves. That's the easiest way I can explain it. It's not one thing, it's all collective. I couldn't really point to one single thing and say, you know, that is the one thing that's turned our family"

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around It's a collective thing It's also the other agencies they put us in touch with"

'No, no I couldn't identify just one thing because there have been so many different things that, I had to get told about Like, workshops on toys, communication, managing behaviour etc, There is a lot of different things that they've helped us with You know what I mean?"

Stress, tension and anxiety were common themes amongst many of the families referred to the project Many felt that the project intervention had had a "calming" effect and had helped them address feelings of anger, bereavement and negative emotions Linked to this was the feeling of being "in control again", especially amongst single mothers The ability to start coping with daily life had an enormous impact

"I've started speaking to my partner I've got myself a job I've got my kids in a routine and they are now behaving themselves better I've got a better relationship with my kids There's just loads"

4 What we learn

Beneficiaries (services users) have been placed at the heart of our projects It is therefore considered best practice to engage with beneficiaries An example of best practice for engagement was attendance of beneficiaries at our social skills training Their extensive continuing feedback provided a rich seam of

information with which to fine tune the project, thus providing a service that has been fully tested with the target audience and at the same time meeting their needs

Our experience of participants to date confirmed a whole range of social cultural and economic factors characteristics such as family background, social class, ethnicity, learning disability and the British Education System experiences influences their educational attainments While many children and young people and adults alike are arriving the British Educational System unable speak English, others don't have the basic literacy, numeracy, financial literacy and employability skills to make themselves employable and as result they spend the money they don't have

Our work confirmed that families living with disadvantaged (learning disabilities, autism, at risk of NEET etc) children are on the increase in Southwark compared with other London boroughs Parents (particularly mothers) and other siblings of these children also confirmed that they are over represented in or at risk of mental health institutions due to lack of support, stress, isolation and being ostracised Local data confirmed that poverty and social class have a direct impact on learning achievement and that learning achievement impact in turn upon living standards, health, employment and income, creating a vicious circle that is difficult to break

Unknown to most of our beneficiaries, the British Education System, which is age related is operating on the basis of "one size fits all" approach, as a result always creating sections of students that need support others have taken for granted and therefore require extra support to catch up with their peers in the class

Representatives from key agencies indicated that there would be a reduction in locality/community knowledge if the project didn't exist The following comments are illustrative of those made -

"Information about local resources would be weaker" (ASD Assessment Centre)

"The NEMFLA project has been a useful resource within the community to which we have referred the BME families for support during the last year Without the support from the NEMFLA family support workers, I do not feel I would have had the knowledge and time to effectively provide a comprehensive service to the community members most in need" (School Representative)

It is clear from the above that our project has played a vital role in enhancing family and organisational cohesion across the BME communities and localities within which they operate It is likely that community

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cohesion may weaken in the future in the absence of our community projects. This in turn may well impact on future demands placed on statutory organisations and other key agencies.

Financial review

a. RESERVES POLICY

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by SMA should be 3 months of annual running costs. At this level, the trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. The trustees recognise that the current level of free reserve does not reach the above target and are considering ways in which additional funds will be raised.

b. DEFICIT

In order to have the most impact and addressing the unmet needs of our service users, we continue to develop new activities for children, young people and parents. We recognise that funding at the current level will not give SMA the opportunity to respond to the development on hand. At present, we intend to intensify our local fundraising events. We believe by the year ending 31 August 2013, our efforts would have yielded corresponding income to wipe out the deficit.

c. PRINCIPAL FUNDING

Our projects have been very successful and have attracted funds from trust, companies and government.

This year, our grateful thanks to our founders in helping to support children and young people and families in preventing them from social exclusion and releasing their potentials. Southwark council, Big Lottery Fund (Reaching Communities), Help a London Child, The Foyles Foundation and The Southwark Cathedral.

Plans for the future

a. FUTURE DEVELOPMENTS

SMA is dedicated to improving educational standards and extending opportunities both through its educational and family support initiatives. Our initiatives are designed to engage and motivate, whilst maximising achievement with learners who are unable to access mainstream education or services at first contact or at risk of disengagement / NEET.

The future plan of St Michael Associates is to continue creating ambition and aspiration in people of all ages. We intend to combine aspects of cognitive behavioural therapy, counselling, anger management counselling and mentoring to understand the needs and barriers for each individual. This will be fused with life experiences themed around each individual's needs and their potential employment, enterprise, education and training opportunities. When delivered in the right environment, by our team of experts, having the 5 outcomes of Every Child Matters (ECM) outcomes and better life chances for their parents, the result will be amazing.

In 2011-12, we planned to increase the number of beneficiaries of our project by 30%. This we hope will reduce exclusion, disaffection, under achievement and reduce the number of children at risk of NEET and families at risk of mental health, stress, isolation and being ostracised. This was partly achieved.

In 2011-12, we planned to improve on our projects: 1) Supporting Families living with autism, 2) Supporting Boys Left Behind and at risk of NEET, and at the same time source for funding to start: 1) Educational Internet Resource Centre/Basic Skills Training, 2) Financial Literacy. These were more than 100% achieved with families living with autism and were less than 39% achieved in all other areas due to lack of fund.

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Research has confirmed the strategic importance of family in the society and has identified five pathways to poverty as family breakdown, educational failure, economic dependence, indebtedness and addictions. Research also confirmed that children growing up in fatherless family are more likely to suffer from stress, depression, and other emotional, mental and psychological problems including health problem and engaging in high risk behaviour.

Studies confirmed that personal debt is the most serious social problem facing UK. A Bank of England survey estimated that nearly 6 million people felt they were currently struggling with their finances. Another studies suggested that the actual figure may be higher, the number of adults who claim to have had a serious debt problem is between 7 and 9 million. If we include the children of these adults then these numbers rise to between 9 and 12 million. We aim to reduce the impact of debt on families through financial education to enable families manage their finances well. This was less than 10% achieved due to lack of fund.

In 2011-12 we intend also to introduce "Parent Support Adviser" project. This project will focus on the 'three Es' empowering parents to become more effective parents, establishing relationships through agency working, and encouraging parents to take an active part in their children learning'. The main focus here is to give strong effective relationships between learners, school, community and parents, whatever their circumstances, thus creating effective parental engagement. This was less than 5% achieved due to lack of fund.

For 2012-13 we will continue to actively source for fund to enable us operate the above projects to nearing 100%.

MEMBERS' LIABILITY

The Trustees of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of St Michael Associates for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year 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 Trustees are required to

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (continued)
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PROVISION OF INFORMATION TO AUDITORS

So far as each of the Trustees is aware at the time the report is approved

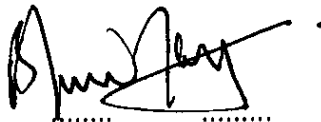
- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

AUDITORS

The charitable company's auditors, Stephen Michael Associates have indicated their willingness to continue in office and offer themselves for re-appointment at the next Annual General Meeting

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the Trustees on 07/02/2013 and signed on its behalf, by



.....
Benn Omotayo

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MICHAEL ASSOCIATES

We have audited the financial statements of St Michael Associates for the year ended 31 August 2012 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [(APB's)] Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

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 2012 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MICHAEL ASSOCIATES

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Mr Stephen Oladapo Odeleye
Senior Statutory Auditor

For and on behalf of

STEPHEN MICHAEL ASSOCIATES
Chartered Certified Accountants
Statutory Auditor
1st Floor
3 More London Riverside
London
SE1 2RE

Date *08 February 2013*

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 AUGUST 2012

	Note	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	140,025	1,411	141,436	160,620
Incoming resources from charitable activities	3	-	850	850	9,165
TOTAL INCOMING RESOURCES		140,025	2,261	142,286	169,785
RESOURCES EXPENDED					
Charitable activities	8	133,584	216	133,800	167,999
Governance costs	5	6,441	-	6,441	6,657
TOTAL RESOURCES EXPENDED		140,025	216	140,241	174,656
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR					
		-	2,045	2,045	(4,871)
<i>Total funds at 1 September 2011</i>		2,569	(4,031)	(1,462)	3,409
TOTAL FUNDS AT 31 AUGUST 2012		2,569	(1,986)	583	(1,462)

The notes on pages 17 to 25 form part of these financial statements

ST MICHAEL ASSOCIATES
(A company limited by guarantee)
REGISTERED NUMBER 3095116

BALANCE SHEET
AS AT 31 AUGUST 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible fixed assets	11		6,627		9,632
CURRENT ASSETS					
Debtors	12	3,184		3,164	
Cash at bank		14,451		10,470	
		<u>17,635</u>		<u>13,634</u>	
CREDITORS amounts falling due within one year	13	(23,679)		(24,728)	
NET CURRENT LIABILITIES			<u>(6,044)</u>		<u>(11,094)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>583</u>		<u>(1,462)</u>
CHARITY FUNDS					
Restricted funds	14		2,569		2,569
Unrestricted funds	14		(1,986)		(4,031)
			<u>583</u>		<u>(1,462)</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the Trustees on 07/02/2013 and signed on their behalf, by


Mrs A Peat, Vice Chair


Ms S Alli, Treasurer

The notes on pages 17 to 25 form part of these financial statements

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The charitable company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charitable company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

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

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

1 ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

S/Term Leasehold Property	-	10%	straight line
Office equipment	-	25%	straight line
Computer equipment	-	25%	straight line

1.7 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term

2 VOLUNTARY INCOME

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Grants	123,555	1,411	124,966	103,536
Government grants	16,470	-	16,470	57,084
Voluntary income	140,025	1,411	141,436	160,620

	2012 £	2011 £
Grants		
The Foyle Foundation	14,000	-
Southwark Cathedral	1,411	-
Help the London Child	3,000	4,960
Big Lottery Fund - Reaching Communities	106,555	98,576
Total	124,966	103,536

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

	2012 £	2011 £
LOCAL AND NATIONAL GOVERNMENT GRANTS		
London Borough of Southwark - Main	16,470	30,391
London Borough of Southwark - OOSH	-	1,250
London Borough of Southwark - Small Grants	-	443
GOL NEET Fund	-	25,000
Total	16,470	57,084

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Parental Voluntary Contribution	-	850	850	1,740
In School Support	-	-	-	7,425
	-	850	850	9,165

4. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Family Support, Supplementary education and social skills	133,584	216	133,800	167,999

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2012 £	Depreciation 2012 £	Other costs 2012 £	Total 2012 £	Total 2011 £
Family Support, Supplementary education and social skills	53,857	3,524	76,419	133,800	167,999

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

5 GOVERNANCE COSTS

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Auditors' remuneration	2,984	-	2,984	2,646
Auditors' remuneration non audit costs	2,012	-	2,012	2,150
MC/Staff/Parent Meetings & pupils' presentation	1,445	-	1,445	1,861
	6,441	-	6,441	6,657

6. DIRECT COSTS

	Basis of Allocation	Family Support, Supplement ary educati on and social skills £	Total 2012 £	Total 2011 £
Learning and teaching materials	Actual	16,554	16,554	10,851
Canteen	Actual	1,112	1,112	934
Project/subcontract costs	Actual	1,996	1,996	6,734
Health and safety	Actual	601	601	294
Learning and behaviour support	Actual	17,893	17,893	31,962
Wages and salaries	Actual	49,720	49,720	71,938
National insurance	Actual	4,137	4,137	5,689
Depreciation	Actual	3,524	3,524	4,750
		95,537	95,537	133,152

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

7 SUPPORT COSTS

	Basis of Allocation	Family Support, Supplement ary educati on and social skills £	Total 2012 £	Total 2011 £
Volunteer expenses	Actual	199	199	91
Software	Actual	1,344	1,344	1,443
Property repairs and maintenance	Actual	3,689	3,689	3,324
Advertising	Actual	274	274	300
Telephone	Actual	3,444	3,444	1,810
Rent and rates	Actual	12,535	12,535	13,155
Heat and light	Actual	707	707	1,606
Sundry expenses	Actual	2,847	2,847	2,135
Printing and stationery	Actual	2,341	2,341	3,876
Fund raising expenses	Actual	8,635	8,635	5,536
Insurance	Actual	2,121	2,121	1,455
Parking fines	Actual	30	30	-
Bank charges	Actual	97	97	116
		38,263	38,263	34,847

ST MICHAEL ASSOCIATES
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

8. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2012 £	Support costs 2012 £	Total 2012 £	Total 2011 £
Family Support, Supplementary education and social skills	95,537	38,263	133,800	167,999

9. NET INCOME / (EXPENDITURE)

This is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets - owned by the charity	3,523	4,750
Auditors' remuneration	2,984	2,646
Auditors' remuneration non audit costs	2,012	2,150

During the year, no Trustees received any remuneration (2011 - £NIL)

During the year, no Trustees received any benefits in kind (2011 - £NIL)

During the year, no Trustees received any reimbursement of expenses (2011 - £NIL)

10 STAFF COSTS

Staff costs were as follows

Wages and salaries	49,720	71,938
Social security costs	4,137	5,689
	53,857	77,627

The average monthly number of employees during the year was as follows

	No.	No
Staff	4	6
Management and administration	1	1
	5	7

No employee received remuneration amounting to more than £60,000 in either year

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

11 TANGIBLE FIXED ASSETS

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost			
At 1 September 2011	7,065	52,914	59,979
Additions	-	518	518
At 31 August 2012	<u>7,065</u>	<u>53,432</u>	<u>60,497</u>
Depreciation			
At 1 September 2011	3,535	46,812	50,347
Charge for the year	706	2,817	3,523
At 31 August 2012	<u>4,241</u>	<u>49,629</u>	<u>53,870</u>
Net book value			
At 31 August 2012	<u>2,824</u>	<u>3,803</u>	<u>6,627</u>
At 31 August 2011	<u>3,530</u>	<u>6,102</u>	<u>9,632</u>

12. DEBTORS

	2012 £	2011 £
Other debtors	2,056	2,056
Prepayments and accrued income	1,128	1,108
	<u>3,184</u>	<u>3,164</u>

**13. CREDITORS:
Amounts falling due within one year**

	2012 £	2011 £
Trade creditors	39	-
Social security and other taxes	6,139	6,303
Accruals and deferred income	17,501	18,425
	<u>23,679</u>	<u>24,728</u>

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

DEFERRED INCOME ANALYSIS

	Big Lottery Fund - Reaching Communitie s £	2012 £	2011 £
Balance as at 01 September 2011	13,865	13,865	14,010
Received in the year	105,195	105,195	128,823
Income for the year	(106,555)	(106,555)	(128,968)
Balance as at 31 August 2012	<u>12,505</u>	<u>12,505</u>	<u>13,865</u>

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Unrestricted funds				
General Funds	<u>(4,031)</u>	<u>2,261</u>	<u>(216)</u>	<u>(1,986)</u>
Restricted funds				
LBS - Main Grant	-	16,470	(16,470)	-
Help London Child	-	3,000	(3,000)	-
Reaching Communities	-	106,555	(106,555)	-
Reaching Communities - Capital	2,569	-	-	2,569
The Foyle Foundation	-	14,000	(14,000)	-
	<u>2,569</u>	<u>140,025</u>	<u>(140,025)</u>	<u>2,569</u>
Total of Funds	<u>(1,462)</u>	<u>142,286</u>	<u>(140,241)</u>	<u>583</u>

Reaching Communities Capital fund is the future depreciation charge on computers to support families living with autism

ST MICHAEL ASSOCIATES
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General funds	(4,031)	2,261	(216)	(1,986)
Restricted funds	2,569	140,025	(140,025)	2,569
	<u>(1,462)</u>	<u>142,286</u>	<u>(140,241)</u>	<u>583</u>

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Tangible fixed assets	2,569	4,058	6,627	9,632
Current assets	-	17,635	17,635	13,634
Creditors due within one year	-	(23,679)	(23,679)	(24,728)
	<u>2,569</u>	<u>(1,986)</u>	<u>583</u>	<u>(1,462)</u>

16 OPERATING LEASE COMMITMENTS

At 31 August 2012 the charitable company had annual commitments under non-cancellable operating leases as follows

	2012 £	2011 £
Expiry date:		
Within 1 year	11,880	11,880
Between 2 and 5 years	11,880	11,880
After more than 5 years	11,880	11,880
	<u>11,880</u>	<u>11,880</u>