

COMPANY NO: 00900240
CHARITY NUMBER 309105

**HOLME GRANGE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

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HOLME GRANGE LIMITED
CONTENTS TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

	Page
Chairman's Report	1 - 2
Directors' Annual Report	3 – 9
Statement of Directors' Responsibilities	10
Independent Auditor's Report	11 – 12
Statement of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Financial Statements	16 - 25

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 AUGUST 2013

2012/13 has been another very successful year for Holme Grange, where pupil numbers have continued to increase and classes in many year groups are full with waiting lists in some areas of the school

Pupil numbers increased from 271 in September 2012 to 288 in July 2013, with a further increase to 295 for the start of the 2013/14 academic year. Advances in the curriculum have included further development of our Outdoor Learning, where a second Forest School site was created, allowing an increasing number of pupils to access the facility on a regular basis.

Investment in IT infrastructure and software has enabled a richer curriculum to be delivered. The School now boasts a faster internet line, wider wireless coverage and the new Google Hub extends further the range of tools which support teaching and learning. iPads, Chromebooks and laptops are being used across the school and the 24 PCs in the ICT suite have also been upgraded.

Sport continues to flourish at Holme Grange, the opportunity to play sport being further strengthened by our rich extra-curricular provision.

Our commitment to Early Years Education saw the completion of a major building project to extend Little Grange – our nursery for children from the age of 3. The spacious, purpose built accommodation offers excellent facilities which support the development of the young people entrusted to our care, providing challenge within a nurturing environment, both in and outdoors.

Scholarships and Awards gained by our pupils to their secondary schools were at a record high and awarded not only for academic achievement but also across all areas of the curriculum.

Our Pre Prep department benefits from the investment in extending classrooms to provide greater light and adequate space to deliver the curriculum in an environment better suited to aid learning. Building on the excellent practice in teaching and learning across the school, staff continue to seek opportunities to enhance their skills, which will ensure that we continue to engage pupils in reflection and develop them as learners for life.

The school made an operating surplus in the year of £319,820. This was particularly creditable, reflecting the tremendous efforts of the Head and her team to present the benefits of the school to potential parents. Enquiries to the school increased. There was, in parallel, a tight control on costs and efficiency.

Total unrestricted funds stood at £5,616,152, of which the bulk is the value of the school's land and buildings, which are owned by the School (subject to a Bank loan raised to pay for the construction of the Little Grange extension). Excluding these, corporate free reserves stood at £674,441. The directors consider that cash balances at year end are sufficient to meet the school's on-going commitments and development plans.

An operating surplus is, of course, essential to enable the school to develop. A large proportion of this surplus has been spent on, or is earmarked for, capital projects to enhance the school's facilities.

Holme Grange is far from being just an 'academic hot-house'. It strives to develop the whole person. Certainly all children are encouraged and supported to attain their maximum academic potential. However, both within the curriculum and at an individual level, each child is encouraged to develop latent sporting, musical, art and drama talent. Holme Grange is particularly focussed on cultivating social skills – by, for example, communication, support, and mentoring both within and between age groups – to equip pupils for the challenges of the future.

Many of our capital projects have been supported by funds raised by the Parents' Amenities Association (PAA). A high proportion of the school's parents support the PAA's functions but, as always, there is a small committee that works very hard to make things happen. Our sincere thanks go out to them.

None of this success could have been achieved without the huge devotion of the school's Head and staff, whether in teaching, administrative or service roles. The Governors join me in giving a huge vote of thanks to all those in the team that has made Holme Grange one of the most sought-after prep schools in the area.

CHAIRMAN'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

Finally may I add a few words about the White House School in Wokingham. We were delighted to be appointed to be the new trustee of the foundation which owned the valuable White House site. After a drawn-out process, its sale has just been completed. The Governors are now able to actively consider how the proceeds may be best used, whilst maintaining the memory of Miss Caudwell, the founder and benefactor of the White House School.

Dennis Eyrey
Chairman

HOLME GRANGE LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2013

The Board of Directors present their Annual Report for the year ended 31 August 2013 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for the year. The Board confirms that the latter comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association and the Charities SORP 2005.

REFERENCE & ADMINISTRATIVE INFORMATION

Holme Grange Limited is a charitable company founded in 1967, Charity registration number 309105, Company registration number 900240 with the liability of its members limited to £1 each by guarantee. The registered office and principal address of the company is Holme Grange School, Heathlands Road, Wokingham, Berkshire, RG40 3AL.

Directors

The present Directors of the Company, who are also the Charity Trustees and the Governors of the School, and also any ex-Directors who served during the year as indicated, are -

Mr D G Eyrie – Chairman	1, 3
Mr H M S Bowyer – Vice Chairman (Resigned July 2013)	1
Mr G W P Barber – Vice Chairman Elect	4
Mr P R Brooks	4
Mr A J Finch	2, 3
Mr D A Pedley	1
Mrs S Witts	1
Mr G D Malcolm	4
Dr Joanna Seldon	4
Mr A J Ross	2
Mr Michael Konig (Appointed March 2013)	
Mr David Macken (Appointed March 2013)	1

1 Member of the Finance and Administration Committee

2 Member of the Buildings and Grounds Committee

3 Member of the Marketing Committee

4 Member of the Education Committee

Key Executives and Professional Advisers

Headteacher	Mrs C L Robinson BA PGCE NPQH
School Finance Officer	Mrs J McLaughlin

Bankers National Westminster Bank plc
 5 Broad Street
 Wokingham
 Berkshire
 RG40 1AX

Solicitors Clifton Ingram LLP
 22 Broad Street
 Wokingham
 Berkshire
 RG40 1BA

Auditor Crowe Clark Whitehill LLP
 Aquis House
 49 – 51 Blagrove Street
 Reading
 RG1 1PL

HOLME GRANGE LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by its Memorandum and Articles of Association, last amended on 21st June 2011

Governing Body

The Directors, who are also required under the Articles to serve as members of the Company, are elected at the Annual General Meeting of the Company. They may also be appointed at other full meetings of the Directors but only retain office until the next Annual General Meeting when they shall retire but be eligible for re-election. At every Annual General Meeting, one third of the Directors shall retire from office but be eligible for re-election. Those to retire shall be the Directors who have been longest in office since their last election or appointment.

Trustee-training

New Directors are inducted into the workings of the School, and also of the Company as a registered charity, including Board Policy and Procedures. The Board is a member of the Association of Governing Bodies of Independent Schools (AGBIS) and takes advantage of training sessions provided by the organisation when appropriate, or of others such as the Independent Association of Preparatory Schools (IAPS).

Organisational Management

The Directors meet as a Board at least three times a year to determine the general policy of the Company and review its overall management and control, for which they are legally responsible. The Head and the School Finance Officer also attend these meetings together with the meetings of the Finance and Administration Committee. During the year an Estates and Facilities Manager was appointed to support the school's administrative management.

The Finance and Administrations Committee (FAC), chaired by Mr D A Pedley, meets formally in such a way as to review all financial and business administration aspects of the School, making recommendations to the main Board to consider at their main termly meeting. Individual members take responsibility for specific aspects and less formal meetings take place as the need arises.

The Buildings and Grounds Committee, chaired by Mr A J Finch, meets formally as required but at least termly, to review projects and estates management. It reports directly to the FAC on matters concerning the buildings and grounds with financial implications. It reports to the full Board on development recommendations, priorities and progress. It coordinates action in respect of issues that arise from time to time.

The Marketing Committee, chaired by Mr A J Finch, meets as required to formulate a publicity and marketing strategy for approval by the Governing Body and to oversee its implementation. Its goal is to maintain pupil recruitment, and to present the image and ethos of Holme Grange School appropriately. This Committee also assists the Headteacher in promoting good relationships with parents and the community.

The Education Committee, chaired by Mr G W P Barber, meets as required to approve the school's curriculum policy and to monitor standards and implementation of changes to the School curriculum. During each meeting, members of the school staff report to the committee on various developments and progress within the school. This Committee considers and advises the Governing Body on standards and other matters relating to the School's curriculum and curricular issues which have implications for finance and personnel decisions. It makes appropriate recommendations to the relevant committees or the Governing Body.

The day-to-day running of the School is delegated to the Head. She is supported by a Senior Management Team comprising the Assistant Head (Academic), Assistant Head (Pastoral), Head of Pre Prep, the School Finance Officer and the Estates and Facilities Manager.

HOLME GRANGE LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2013

Group Structure and Relationships

The Head of Holme Grange is an active member of IAPS whose objectives are the promotion and maintenance of preparatory school standards generally

Holme Grange School continues to be involved in the local community and beyond. Details appear in the "Charitable responsibilities" section of this report

The School is supported by the Parents' Amenities Association, which plays a key role in involving parents in the 'Holme Grange family'. It organises regular social events involving all parents, and raises funds for projects chosen in consultation with the Head and Governors

Risk Management

The executive managers of the School and the Governors through their various committees keep the schools activities under constant review, particularly in relation to any significant risks involved. This process continues to be reviewed through the maintenance of a Risk Register, which is kept by the School Facilities and Estates Manager, reviewed regularly by the Finance and Administration committee and overseen by the full governing body. The committee monitors the effectiveness of the systems of internal controls and other means of mitigation, including insurance cover where appropriate. Formal individual Risk Assessments, including mitigation measures, are carried out for specific activities where appropriate

The Head is formally designated as the School's Health and Safety Officer, with the support of the Senior Management Team

The Head is the appointed Child Protection Officer, assisted by one full time member of staff, each has undertaken appropriate training from a registered provider. All staff were trained or updated in their knowledge of Child Protection procedures during the year and this forms part of the school staff induction programme for new staff joining the school

Many methods are used in the control of risk including

- Formal written policies and procedures
- Pre-assessments for specific activities
- Vetting and safeguarding procedures required by law for the protection of young people
- Inclusion in committee terms of reference and on formal agendas
- Clear authorisation and approval levels
- A comprehensive system of strategic planning, management accounting and variance analysis
- The continuous review of internal controls, and
- Formal and regular oversight by the Governing Body and its Committees

The Governing Body is satisfied that major risks are clearly identified and, where possible, systems, action and/or contingency plans exist for avoiding risk and/or mitigating its effect

OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The Object of the Company, in accordance with its Memorandum of Association, is to establish a school or schools for the education of boys and girls, to provide instruction of the highest standard and for the school or schools to be carried on as an educational charity

Strategic Aim and Intended Effect

The School's strategy, in pursuit of its object, is the attainment of the highest academic levels in keeping with the ability of each pupil, whilst allowing pupils to benefit from a very full extra-curricular programme, which is available to all. This is intended to challenge and develop their abilities and academic potential, and promote wider interests in life so that they are well motivated and prepared for a successful outcome at their chosen senior school

HOLME GRANGE LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2013

Objectives for the Year

The Board's main objective continued to be to educate all the School's pupils to the consistently high standard achieved by the School in previous years, so that they would be fully able to benefit from their chosen senior school for the continuation of their education in due course. The strategy for achieving this was to maintain a favourable teacher-to-pupil ratio, and structuring the education provided to suit pupils' individual needs and abilities.

Principal Activity

Holme Grange's principal activity continued to be the provision of a Day School for 3-13 year old boys and girls. The autumn term began in September 2012 with 271 pupils on the School roll, made up of 158 boys and 113 girls. In September 2013, the pupil numbers had increased to 295.

Charitable Responsibilities

In agreeing and setting objectives the Holme Grange School Directors, as charity trustees, have continued to comply with their duty in the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

The Board is now able to support some pupils joining the School from elsewhere through its Bursary Scheme. This provision is available on a needs basis with the Head and the School Finance Officer compiling an academic and financial assessment of each case for consideration by the FAC. As in previous years an appropriate amount has been set aside to support children through means tested bursaries.

The School fulfils its charitable responsibilities by

- The Bursary Scheme, as noted above
- Provision of a Community Liaison Officer, who maintains relationships with local state maintained schools to identify where assistance can be provided
- The Provision of specialised teaching and support within local state schools
- Encouraging other schools to use its facilities and providing teaching support where appropriate
- Permitting the use of its grounds and facilities by members of the local community, and
- Providing advice and guidance to other schools in its particular areas of expertise, including Headteacher Performance Management and School Improvement Work undertaken by the Headteacher of Holme Grange in three state primary schools

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational performance of the School

Holme Grange pupils moved successfully to their chosen senior schools. This achievement has been greatly fostered by the selection, retention and personal commitment of high quality teaching staff.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

An operating surplus of £319,820 was made in the year despite a continuing and very difficult economic climate. This reflects the achievement of a substantial increase in the school roll as well as prudent financial management throughout the operation. The surplus has allowed the Board to undertake significant capital projects to enhance and maintain the School's facilities. With the generally held view that growth in the UK economy will continue to be slow for the next year or so, our forecast for 2013/14 indicates that a small surplus will be achieved in the current year enabling further development of the school's facilities. The Board remains optimistic about the medium term outlook.

At the Balance Sheet date corporate free reserves stood at £674,441. As circumstances permit, the Board aims to increase the level of free reserves which are not invested in tangible fixed assets. It is, however, recognised that the priorities during difficult economic times are the provision of excellence in education, improving facilities as required and providing this education at a cost compatible with family circumstances. The Board closely monitors the Company's performance to ensure that free reserves remain adequate to cover the School's working capital requirements and to provide a degree of contingency protection.

HOLME GRANGE LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2013

Notable Achievements

- 1 Capital and revenue development within the plan has resulted in improvements to the fabric of the building including a substantial redecoration programme and repair of facilities, equipment and resources
- 2 A major building project was completed with the extension of Little Grange Nursery providing much needed additional facilities
- 3 The outdoor learning environment has again been further enhanced with the development of an additional Forest School Site
- 4 A comprehensive project for replacement and additional lighting to the School grounds and car park to provide security and maintain safety for users of the site was installed
- 5 An additional Laptop trolley was purchased to support IT in the Pre Prep, all PCs in the ICT suite were upgraded and two trolleys of Chromebooks were purchased to enhance the resource available to support teaching and learning
- 6 Investment in the IT infrastructure to support effective delivery of IT and enable efficient use of hardware around the school (line speed, wireless access etc)
- 7 Small internal works were carried out to the boys changing room to provide storage and an additional classroom was created in Eaton Grange by the simple installation of a solid wall to replace a temporary partition
- 8 A larger building project was successfully completed before the end of the financial year to extend the Pre Prep classrooms and provide more suitable teaching space to cater for the number of pupils in a classroom. Two new substantially larger classrooms and a 'group room' were created and cloakrooms refurbished
- 9 A Sports Office was created inside the main building in order to provide more appropriate working conditions for staff
- 10 A teachers' workroom was created to provide space for teachers to work when classrooms are in use by other staff
- 11 Following the retirement of the long serving catering manager, the School catering was outsourced after a rigorous tendering process. Thomas Franks were successful in securing a contract with the School

The School will continue to strive for excellence and to be recognised as a leader in its field within the local community, aiming to be parents' first preference when seeking a place for their child

FUTURE PLANS

The Board reviews its Strategic Development Plan annually, prioritising and selecting items to be brought forward as part of the current Action Plan. The key objectives within the current Plan are

LEADERSHIP & MANAGEMENT

- To continue to develop staff structure to distribute middle management responsibilities effectively
- To empower heads of department to take a more strategic role within the school, maintain high expectations and drive standards of teaching and learning in their subject
- To further develop the Senior Leadership Team in order to progress the strategic Development of the school and lead the development plan to secure success

POLICIES and COMPLIANCE

- To ensure the health, safety and well-being of pupils is of the highest priority and all regulatory requirements are met fully

HOLME GRANGE LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2013

ACADEMIC STANDARDS

- To provide an academic education that allows each pupil to achieve his or her potential, where teaching is fun, lessons engaging and inspiring, intended as a genuinely educational experience and not just a tool for exam preparation
- We are committed to continued staff development and employing a variety of teaching styles to meet the needs of our pupils as individuals
- Provision for the academically able will be further developed Every child is considered to be gifted and their talents identified and valued
- Building on the excellent practice in Assessment for Learning across the school, we will continue to engage pupils in reflection and develop them as independent learners
- Our curriculum will be continuously reviewed in order to enhance significantly the levels of academic performance, enjoyment and fulfilment of every child
- The school is committed to meeting the needs of children of all academic abilities It is currently working towards NACE accreditation for Able, Gifted and Talented Pupils, recognising our work with this group We are also proud of our unique Accelerated Learning Centre, where any special educational needs are identified and catered for by fully-qualified specialists

PASTORAL CARE

- We aim to maintain a reputation for excellence and seek to develop pastoral care still further, exploring opportunities to develop peer mentoring in school and young leader award schemes

BREADTH OF EDUCATION

- To ensure every child has the opportunity to develop to their physical, creative, academic, social and cultural potential Sport, art, music and drama will continue to enrich the curriculum
- Both team and individual sports are encouraged, where every child is coached to achieve his or her potential No ceiling is put on achievement and every child is viewed as having the potential to be outstanding
- Gifted and talented pupils are identified and every pupil nurtured in all areas of the curriculum

ESTATES MANAGEMENT

- To ensure the physical resources continue to be properly cared for and developed in a way that maximises opportunities open to each pupil in the school
- To provide a safe, secure working environment for staff, pupils and visitors to the school

COMMUNITY PROJECTS

- To widen access to Holme Grange and to continue to engage in multifaceted partnerships with local state schools

WHITE HOUSE SITE

Following the closure of the White House Preparatory School at the end of 2012, Holme Grange was appointed to be the successor Trustee to the White House Foundation under the provisions of the Charities Act As a School, we had concluded that we could make no educational use of the site within the terms of its Trust and therefore the site was put on the open market

The net proceeds of the sale are capital trust funds and the Trustees will be considering how best to use them in accordance with the objectives of the Trust The sale was completed on 21st October 2013

**HOLME GRANGE LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2013**

PROVISION OF INFORMATION TO AUDITORS

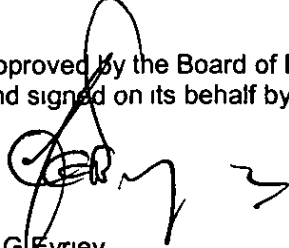
Each of the persons who are Directors at the time when this Report of Directors is approved has confirmed that

- so far as that Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information

AUDITORS

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the reappointment of Crowe Clark Whitehill LLP as auditors to the Company will be put to the Annual General Meeting

Approved by the Board of Directors at its meeting on 25 November 2013
and signed on its behalf by


D G Eyrie
Chairman

HOLME GRANGE LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2013

The Directors are responsible for preparing the Directors report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards)

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLME GRANGE LIMITED

We have audited the financial statements of Holme Grange Limited for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 16.

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)

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Directors and Auditor

As explained more fully in the Statement of Governors' Responsibilities, the Governors (who are also the directors of the charitable company for the purpose 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 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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Chairman's Annual 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLME GRANGE LIMITED (CONTINUED)

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 2013 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

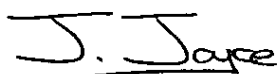
Opinion on other matter prescribed by the Companies Act 2006

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

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
- 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



Janette Joyce
Senior Statutory Auditor
for and on behalf of Crowe Clark Whitehill LLP
Statutory Auditor

Aquis House
49-51 Blagrove Street
Reading
RG1 1PL

Date 25 November 2013

HOLME GRANGE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2013

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
INCOMING RESOURCES					
Income from charitable activities:					
School fees receivable	2a	2,900,611	-	2,900,611	2,608,684
Other income	2b	195,701	-	195,701	158,418
Income from generated funds:					
Donations		-	36,857	36,857	30,327
Rent and other income		21,752	-	21,752	23,932
Investment income		<u>943</u>	<u>-</u>	<u>943</u>	<u>704</u>
Total incoming resources		<u>3,119,007</u>	<u>36,857</u>	<u>3,155,864</u>	<u>2,822,065</u>
RESOURCES EXPENDED					
Charitable activities:					
School operating costs		2,750,186	11,359	2,761,545	2,571,109
Governance costs		16,709	-	16,709	13,708
Cost of generating funds:					
Fund raising cost		3,623	-	3,623	3,120
Financing costs		<u>28,669</u>	<u>-</u>	<u>28,669</u>	<u>13,611</u>
Total resources expended	4a	<u>2,799,187</u>	<u>11,359</u>	<u>2,810,546</u>	<u>2,601,548</u>
NET INCOMING RESOURCES AND MOVEMENT IN FUNDS					
		319,820	25,498	345,318	220,517
Introduction of reserves	2c	-	2,993,569	2,993,569	-
<i>Funds brought forward 1 September 2012</i>		<u>5,296,332</u>	<u>4,609</u>	<u>5,300,941</u>	<u>5,080,424</u>
Funds carried forward at 31 August 2013		<u>5,616,152</u>	<u>3,023,676</u>	<u>8,639,828</u>	<u>5,300,941</u>

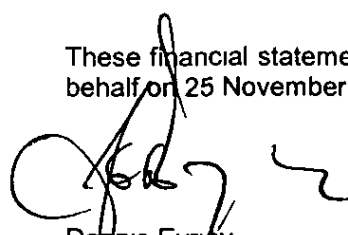
All incoming resources and resources expended are derived from continuing operations

The notes on pages 16 to 25 form part of these financial statements

HOLME GRANGE LIMITED
REGISTERED NUMBER: 900240
BALANCE SHEET
31 AUGUST 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Tangible assets	5	8,306,699	5,198,085
CURRENT ASSETS			
Stocks		7,740	8,188
Debtors	6	80,813	96,253
Cash		<u>1,145,494</u>	<u>967,262</u>
		1,234,047	1,071,703
CREDITORS Amounts falling due within one year	7	<u>(623,703)</u>	<u>(660,098)</u>
NET CURRENT ASSETS		<u>610,344</u>	<u>411,605</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,917,043	5,609,690
CREDITORS Amounts falling due after more than one year	8	<u>(277,215)</u>	<u>(308,749)</u>
TOTAL NET ASSETS		<u>8,639,828</u>	<u>5,300,941</u>
Unrestricted funds - (including a revaluation reserve of £2,734,624 (2012 £2,734,624))		5,616,152	5,296,332
Restricted funds	9	<u>3,023,676</u>	<u>4,609</u>
TOTAL FUNDS	10	<u>8,639,828</u>	<u>5,300,941</u>

These financial statements were approved and authorised for issue by the Board and were signed on its behalf on 25 November 2013


Dennis Eyre
Chairman

The notes on pages 16 to 25 form part of these financial statements

HOLME GRANGE LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013

	Notes	2013 £	2012 £
Net cash inflow from operating activities	13	440,720	474,891
Returns on investments and servicing of finance			
Bank interest paid		(17,869)	(5,675)
Finance lease interest paid		-	-
Interest received		<u>943</u>	<u>704</u>
Net cash outflow from returns on investments and servicing of finance		(16,926)	(4,971)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		<u>(176,082)</u>	<u>(431,494)</u>
Net cash outflow from capital expenditure and financial investment		(176,082)	(431,494)
Financing			
Net (outflow)/inflow from bank loans		(69,480)	297,651
Capital element of finance lease rental payments		<u>-</u>	<u>(2,567)</u>
		<u>(69,480)</u>	<u>295,084</u>
INCREASE IN CASH IN THE YEAR	14	<u>£ 178,232</u>	<u>£ 333,510</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH FUNDS			
Increase in cash in the year		178,232	333,510
Cash outflow/(inflow) from decrease in debt and lease financing		<u>69,480</u>	<u>(295,084)</u>
Movement in net cash funds in the year		247,712	38,426
Net cash funds at 1 September 2012		<u>575,567</u>	<u>537,141</u>
Net cash funds at 31 August 2013	14	<u>£ 823,279</u>	<u>£ 575,567</u>

The notes on pages 16 to 25 form part of these financial statements

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of certain fixed assets, which are included at market value. The financial statements have been prepared in accordance with applicable accounting standards and comply with the current Statement of Recommended Practice "Accounting and Reporting by Charities" (the Charities SORP) issued in March 2005. The financial statements also comply with the accounting provisions of the Companies Act 2006.

The financial statements present information about the school and its new linked charity White House Preparatory School foundation. The foundation will be accounted for as a restricted fund within the school's accounts until it ceases to be a linked charity.

b) Going concern

After making enquiries, the Directors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Directors Responsibilities.

c) Company status

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

d) Fund accounting

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

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

e) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

f) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Expenditure in respect of the Governance of the Charity includes Governors' expenses, audit and certain legal costs.

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

g) Tangible fixed assets

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows -

Freehold buildings	- 2% per annum (straight line)
Fixtures, fittings and equipment	- 10% per annum (straight line)
Motor vehicles	- 25% per annum (reducing balance)
Computer equipment	- 10% - 33% per annum (straight line)

Assets under £1,000 are not capitalised

Until the balance sheet dated 31 August 1999, freehold property was not depreciated as required by Standard Accounting Practice 12 on the grounds that, in the opinion of the Directors, the market value of the property was in excess of the value incorporated in the financial statements. Following the introduction of FRS 15 the Directors decided to adopt the policy of revaluing its land and buildings on a regular basis with the first revaluation reflected in the balance sheet dated 31 August 2000. The property was again revalued at 31 August 2002, 31 August 2004, 31 August 2006 and 31 August 2011.

h) Fees

Fees consist of charges for the School year ending 31 August 2013

i) Stocks

These are valued at the lower of cost and net market value

j) Expenditure

Resources expended are accounted for on an accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

k) Pension costs

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS17 therefore, the scheme is accounted for as a defined contribution scheme. The School also operates a defined contribution group personal pension scheme for non-teaching staff.

l) Operating leases

Rentals payable under operating leases are charged to the income and expenditure account as incurred.

m) Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

2a. FEES RECEIVABLE

	2013 £	2012 £
Fees Nursery	200,941	207,837
Fee Pre-prep	856,808	787,304
Fees Prep	1,816,529	1,553,153
Schools After Care	21,268	23,844
Learning support fees	77,703	73,496
Music tuition	<u>80,303</u>	<u>63,432</u>
Gross Fees receivable	3,053,552	2,709,066
Less Bursaries, scholarships and allowances	<u>(152,941)</u>	<u>(100,382)</u>
Net Fees receivable	<u>2,900,611</u>	<u>2,608,684</u>

2b. OTHER INCOME

Registration fees	15,450	12,300
Sundry income	<u>180,251</u>	<u>146,118</u>
	<u>195,701</u>	<u>158,418</u>

2c. WHITE HOUSE PREPARATORY SCHOOL

White House Preparatory School	<u>2,993,569</u>	-
	<u>2,993,569</u>	-

During the year Holme Grange Limited became sole corporate trustee of the White House Preparatory School foundation which owns the Land and Buildings of the former White House Preparatory School. The value of the land and buildings is included in the financial statements at fair value. Fair value was determined to be the anticipated sale price of the land and buildings, net of future sale costs. The sale completed on 21 October 2013.

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

3. STAFF COSTS

	2013 £	2012 £
Wages and salaries	1,577,794	1,474,904
Social security costs	120,557	111,193
Pension contributions	<u>145,980</u>	<u>137,809</u>
	<u>1,844,331</u>	<u>1,723,906</u>

The average number of employees in the year was -

	No.	No
Teaching - full time	36	28
- part time	23	25
Domestic	5	10
Administration	<u>4</u>	<u>5</u>
	<u>68</u>	<u>68</u>

The number of employees whose remuneration exceeded £60,000 was -

	No.	No
Between £60,000 - £70,000	-	1
Between £70,000 - £80,000	<u>1</u>	<u>-</u>

In connection with the higher paid employee, retirements benefits are accruing for the employee under a multi-employer defined benefit scheme. Total employer contributions in the year to the scheme were £9,338 (2012 - £5,805)

None of the Governors, or any person connected with them, received any remuneration during the year (2012 £Nil). During the year 1 (2012 2) Governors were reimbursed travelling expenses totalling £40 (2012 £132)

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

4a EXPENDITURE – Analysis of total resources expended

	Staff costs £	Other £	Depreciation £	2013 £	2012 £
Charitable activities.					
Teaching costs	1,611,279	287,813	43,215	1,942,307	1,713,886
Welfare costs	-	161,396	2,280	163,676	122,889
Premises costs	89,069	327,223	58,956	475,248	553,753
Support costs	<u>143,983</u>	<u>36,331</u>	<u>-</u>	<u>180,314</u>	<u>180,581</u>
	1,844,331	812,763	104,451	2,761,545	2,571,109
Governance costs	-	16,709	-	16,709	13,708
Cost of generating funds.					
Fund raising costs	-	3,623	-	3,623	3,120
Finance costs	<u>-</u>	<u>28,669</u>	<u>-</u>	<u>28,669</u>	<u>13,611</u>
TOTAL RESOURCES EXPENDED	<u>1,844,331</u>	<u>861,764</u>	<u>104,451</u>	<u>2,810,546</u>	<u>2,601,548</u>

4b NET INCOMING RESOURCES

		2013 £	2012 £
These are stated after charging			
Auditors' remuneration	for audit	10,300	10,300
	for other services	2,400	1,205
Depreciation on tangible fixed assets	owned assets	104,451	83,001
	held under finance lease	<u>-</u>	<u>1,416</u>

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

5. TANGIBLE FIXED ASSETS

	Freehold land & buildings	Asset held for sale	Assets under the course of construction	Furniture & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost or valuation							
1 September 2012	4,600,000	-	287,027	304,867	273,824	44,368	5,510,086
Additions	62,611	3,042,773	73,697	34,980	-	4,794	3,218,855
Disposals	-	-	-	(17,449)	-	(1,000)	(18,449)
Transfers	<u>360,724</u>	<u>-</u>	<u>(360,724)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
31 August 2013	<u>5,023,335</u>	<u>3,042,773</u>	<u>-</u>	<u>322,398</u>	<u>273,824</u>	<u>48,162</u>	<u>8,710,492</u>
Depreciation							
1 September 2012	36,000	-	-	71,078	169,673	35,250	312,001
Charge for the year	43,215	-	-	26,161	32,795	2,280	104,451
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,758)</u>	<u>-</u>	<u>(901)</u>	<u>(12,659)</u>
31 August 2013	<u>79,215</u>	<u>-</u>	<u>-</u>	<u>85,481</u>	<u>202,468</u>	<u>36,629</u>	<u>403,793</u>
Net book values							
31 August 2013	<u>4,944,120</u>	<u>3,042,773</u>	<u>-</u>	<u>236,917</u>	<u>71,356</u>	<u>11,533</u>	<u>8,306,699</u>
31 August 2012	<u>4,564,000</u>	<u>-</u>	<u>287,027</u>	<u>233,789</u>	<u>104,151</u>	<u>9,118</u>	<u>5,198,085</u>

Following the introduction of FRS 15 the Directors decided to adopt the policy of revaluing its land and buildings on a regular basis with the first revaluation reflected in the balance sheet dated 31 August 2000. The property was again revalued at 31 August 2002, 31 August 2004, 31 August 2006 and 31 August 2011. The last valuation was carried out independently on 31 August 2011 by Vail Williams LLP, a firm of Chartered Surveyors. The valuation was made in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors at depreciated replacement cost value. Had an Open Market Value basis of valuation been undertaken, the directors consider the valuation would have been higher.

If freehold land and buildings had not been revalued, they would have been included at the following amounts -

	2013 £	2012 £
Cost	1,995,464	1,995,464
Aggregate depreciation	<u>(365,345)</u>	<u>(355,597)</u>
Net book value	<u>1,630,119</u>	<u>1,639,867</u>

All assets are used for direct charitable purposes

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

6. DEBTORS

	2013 £	2012 £
Fees and disbursements	47,988	53,596
Prepayments	<u>32,825</u>	<u>42,657</u>
	<u>80,813</u>	<u>96,253</u>

7. CREDITORS: Amounts falling due within one year

	2013 £	2012 £
Bank loan	45,000	41,251
Other loans	-	41,695
Trade creditors	233,131	268,932
Other taxes and social security	36,138	31,976
Other creditors	142,748	146,897
Accruals and deferred income	<u>166,686</u>	<u>129,347</u>
	<u>623,703</u>	<u>660,098</u>

Included within accruals and deferred income are tuition fees received in advance for future terms

8. CREDITORS: Amounts falling due after more than one year

Loans falling due in more than 1 year are repayable as follows

	2013 £	2012 £
In more than one year but less than two years		
Bank loan	45,000	45,000
In more than two years but less than five years		
Bank loan	135,000	135,000
After more than five years		
Bank loan	<u>97,215</u>	<u>128,749</u>
	<u>277,215</u>	<u>308,749</u>

The bank loan is with Natwest and secured by legal charges over the freehold properties. It has an interest rate of 5.26% p.a. fixed for five years which is repayable by monthly instalments. A further five years of monthly instalments will then be made at 3.75% over the base rate. After the initial five years additional repayments can be made with no additional early repayment charge.

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

9. RESTRICTED FUNDS

Fund name	At 1 September 2012	Incoming Resources	Resources expended	Reserves Intro- duction	At 31 August 2013
	£	£	£		£
Parent Amenities Association	4,609	36,857	(11,359)	-	30,107
White House Preparatory School Foundation	-	-	-	2,993,569	2,993,569
Total	£ 4,609	£ 36,857	£ (11,359)	2,993,569	£ 3,023,676

Parent amenity fund

The parent amenity fund relates to income received for specific projects or fundraising. The closing balance on this restricted fund at 31 August 2013 relates to library and other books and a mini bus.

White House Preparatory School Foundation

This fund represents the fair value of Land and Buildings of the former White House Preparatory School.

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	5,263,926	3,042,773	8,306,699
Current assets/(liabilities)	629,441	(19,097)	610,344
Long term liabilities	(277,215)	-	(277,215)
Total	£ 5,616,152	£ 3,023,676	£ 8,639,828

11. OTHER FINANCIAL COMMITMENTS

At 31 August, the following annual commitments existed in respect of non-cancellable operating leases expiring -

	Other operating leases	
	2013	2012
	£	£
Within one year	1,595	-
Between one and five years	-	3,191

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

12. COMMITMENTS

At the year end, the school had a contracted capital commitment of £Nil (2012 £82,974)

13. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Net incoming resources	345,318	220,517
Interest receivable	(943)	(704)
Interest payable	17,869	5,675
Loss on disposal of fixed assets	5,790	36,117
Depreciation	104,451	84,417
Decrease in stocks	448	2,489
Decrease/(Increase) in debtors	(33,764)	(39,850)
Increase in creditors	<u>1,551</u>	<u>166,230</u>
Net cash inflow from operating activities	<u><u>440,720</u></u>	<u><u>474,891</u></u>

14. ANALYSIS OF NET CASH AND LOAN MOVEMENTS

	At 1 September 2012 £	Cash Flow £	Other non cash movements £	At 31 August 2013 £
Cash at bank	967,262	178,232	-	1,145,494
Debt due within one year	(82,946)	37,946	-	(45,000)
Debt due after one year	<u>(308,749)</u>	<u>(31,534)</u>	<u>-</u>	<u>(277,215)</u>
Net funds	<u>£ 575,567</u>	<u>£ 247,712</u>	<u>£ -</u>	<u>£ 823,279</u>

HOLME GRANGE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

15. PENSION SCHEME

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the School. As required by FRS17 "Retirement Benefits", the School accounts for this scheme as if it were a defined contribution scheme.

The pension charge for the year includes contributions payable to the TPS of £138,451 (2012 £133,361). At the year-end £19,856 (2012 - £16,970) was accrued in respect of contributions to this scheme.

On 4 July 2012 the Chief Secretary to the Treasury confirmed that the Government would be taking forward legislation based on the reformed scheme design for the Teachers' Pension Scheme to be introduced in 2015 as set out in the Teachers' Pension Scheme – Proposed Final Agreement ("the TPS Agreement"). The TPS Agreement sets out the main parameters for both the provision of future pension benefits and the structuring of the future contributions to the TPS including the basis for increasing average employee contribution rates up to 2015.

On 31 January 2013, the Department for Education published the outcome of the consultation on further contributions increases that will apply to members of the TPS in financial year 2013-14 as well as the removal of provisions governing scheme valuations and cap and share arrangements. A revised eight tier salary and employee contribution rate structure has been introduced from 1 April 2013 with employee rates varying between 6.4% and 11.2%. Employer contributions will continue for this period at the current rate 14.1%.

On 25 April 2013 the Public Service Pensions Act 2013 was enacted and provides the arrangements for managing the future TPS costs, including a requirement for scheme regulations which must set an employer cost cap which will be required to be in accordance with Treasury directions.

In light of the new arrangements for setting contribution rates the Government has concluded that there is now no need to carry out the currently suspended TPS actuarial review or the cap and share processes.

16. RELATED PARTY TRANSACTIONS

Until April 2012 Mr A J Finch was a Director of Fiesta Marquee & Catering Hire Ltd. During the year the Company invoiced the School £Nil (2012 £5,047).