

COMPANY REGISTRATION NUMBER 1220993

HIGHFIELD SCHOOL (LIPHOOK) LIMITED
FINANCIAL STATEMENTS
31 AUGUST 2013



HIGHFIELD SCHOOL (LIPHOOK) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

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HIGHFIELD SCHOOL (LIPHOOK) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

PGS Evitt
DE Gardiner
JA Herring
J Leigh
WS Mills
JW Wardrobe

Company secretary

M Harris

Registered office

Highfield School
Highfield Lane
Liphook
Hampshire
GU30 7LQ

Auditor

Shipleys LLP
Chartered Accountants
& Statutory Auditor
3 Godalming Business Centre
Woolsack Way
Godalming
Surrey
GU7 1XW

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 AUGUST 2013

The directors present their report and the financial statements of the group for the year ended 31 August 2013

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the parent company during the year was an independent nursery, pre-preparatory and preparatory school for boys and girls between the ages of 2 and 13 Brookham School is the nursery and pre- prep and Highfield School is the preparatory school The schools aim to offer an innovative education to an exceptional standard with a good balance of day and boarding pupils, making full use of the extensive 175 acre site The principal activity of the subsidiary company was production of energy

The results for the year and financial position of the company are as shown in the annexed financial statements

PERFORMANCE AND FINANCIAL REVIEW

The schools ended the 2012/13 year with 473 pupils 216 at Brookham School (a decrease of 11 pupils from the Nursery Years) and 257 at Highfield School (an increase of 5) Boarding numbers have seen an increase and there were 112 pupils boarding at the end of the year in comparison to 94 the previous year

Turnover for the year increased by 7.58%, from £6,068,025 to £6,528,529 Administrative expenses rose by 8.34% from £2,525,979 to £2,789,704 Capital expenditure during the year amounted to £458,531

Brookham Energy Limited the subsidiary company has now installed and commenced operating a Biomass Boiler System, supplying the school

FUTURE DEVELOPMENTS

The Biomass System will begin generate income from feed in tariffs in the year ended 31 August 2014

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £273,683 The directors have not recommended a dividend

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 AUGUST 2013

FINANCIAL INSTRUMENTS

The group's instruments comprise cash and liquid resources and various items such as Trade Debtors, Accrued Income, Trade Creditors and Deferred Income that arise directly from it's operations. The main purpose of these Financial instruments is to raise finance for the group's operations.

The board manages the financial risks of ensuring that there are sufficient funds to meet large payments by producing detailed monthly management accounts and cashflow reports.

In the current market the group is exposed to price risk and it is a difficult climate in which to increase prices as market conditions are holding prices down.

The group is exposed to cashflow risk. Additional working capital in the form of a bank loan was obtained to fund the initial costs of the Biomass System through Brookham Energy Limited.

The group's cashflow is also dependent on fees being paid in advance and if the current economic climate causes a reduction in fees being paid in advance this will impact on the group's cashflow. The company has secured facilities with it's bankers to cover the potential shortfall.

The exposure of the group to credit risk is carefully monitored at finance meetings and legal action is taken where appropriate against outstanding fees to minimise this risk.

The group is exposed to liquidity risk to the extent it's current liabilities exceed it's current assets. The significant current liabilities include deferred income relating to the next terms fees.

The key performance indicators (KPI's) used to determine the progress and performance of the company over time are pupil numbers and profitability ratios.

PRINCIPLE RISKS AND UNCERTAINTIES

The group is concerned about the impact of the Government's austerity measures and continues to monitor both pupil numbers and bad debts very closely.

DIRECTORS

The directors who served the company during the year were as follows:

PGS Evitt
DE Gardiner
JA Herring
J Leigh
WS Mills
JW Wardrobe

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 AUGUST 2013

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 company and the group and of the profit or loss of the group for that year.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Shipleys LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware, and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office
Highfield School
Highfield Lane
Liphook
Hampshire
GU30 7LQ

Signed on behalf of the directors



WS Mills
Director

Approved by the directors on 16th April 2014

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HIGHFIELD SCHOOL (LIPHOOK) LIMITED

YEAR ENDED 31 AUGUST 2013

We have audited the group and parent company financial statements ("the financial statements") of Highfield School (Liphook) Limited for the year ended 31 August 2013 which comprise the Profit and Loss Account, Reconciliation of Group Shareholders' Funds, Group Balance Sheet and Company Balance Sheet, Group Cash Flow 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).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors 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 group's and the parent 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 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.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 August 2013 and of the group's profit 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

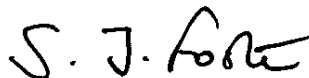
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HIGHFIELD SCHOOL (LIPHOOK) LIMITED *(continued)*

YEAR ENDED 31 AUGUST 2013

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



S J FOSTER (Senior Statutory
Auditor)

For and on behalf of
SHIPLEYS LLP
Chartered Accountants
& Statutory Auditor

3 Godalming Business Centre
Woolsack Way
Godalming
Surrey
GU7 1XW

18th April 2014

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 AUGUST 2013

	Note	2013 £	2012 £
GROUP TURNOVER	3	6,528,529	6,068,025
Cost of sales		<u>3,415,679</u>	<u>3,082,879</u>
GROSS PROFIT		3,112,850	2,985,146
Administrative expenses		<u>2,789,704</u>	<u>2,525,979</u>
Other operating income	4	<u>(55,567)</u>	<u>(56,205)</u>
OPERATING PROFIT	5	378,713	515,372
Interest payable and similar charges	8	<u>24,883</u>	<u>22,922</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		353,830	492,450
Tax on profit on ordinary activities	9	<u>80,147</u>	<u>153,823</u>
PROFIT FOR THE FINANCIAL YEAR	10	<u>273,683</u>	<u>338,627</u>

All of the activities of the group are classed as continuing

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account

The notes on pages 12 to 24 form part of these financial statements

HIGHFIELD SCHOOL (LIPHOOK) LIMITED
RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
YEAR ENDED 31 AUGUST 2013

	2013	2012
	£	£
Profit for the financial year	273,683	338,627
Opening shareholders' funds	<u>3,158,020</u>	<u>2,819,393</u>
Closing shareholders' funds	<u>3,431,703</u>	<u>3,158,020</u>

The notes on pages 12 to 24 form part of these financial statements

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

GROUP BALANCE SHEET

31 AUGUST 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	11	<u>7,282,283</u>	<u>6,033,795</u>
CURRENT ASSETS			
Stocks	12	55,674	56,211
Debtors	13	399,101	448,682
Investments	14	—	100
Cash in hand		<u>155</u>	<u>721</u>
		<u>454,930</u>	<u>505,714</u>
CREDITORS: Amounts falling due within one year	15	<u>2,778,604</u>	<u>2,168,276</u>
NET CURRENT LIABILITIES		(2,323,674)	(1,662,562)
TOTAL ASSETS LESS CURRENT LIABILITIES		4,958,609	4,371,233
CREDITORS: Amounts falling due after more than one year	16	1,358,698	1,073,727
PROVISIONS FOR LIABILITIES			
Deferred taxation	18	<u>168,208</u>	<u>139,486</u>
		<u>3,431,703</u>	<u>3,158,020</u>
CAPITAL AND RESERVES			
Called-up equity share capital	20	6,500	6,500
Profit and loss account	21	3,425,203	3,151,520
SHAREHOLDERS' FUNDS		<u>3,431,703</u>	<u>3,158,020</u>

These accounts were approved by the directors and authorised for issue on 16th April 2014, and are signed on their behalf by


WS Mills

The notes on pages 12 to 24 form part of these financial statements.

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

BALANCE SHEET

31 AUGUST 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	11	<u>6,274,161</u>	<u>6,033,795</u>
CURRENT ASSETS			
Stocks	12	55,674	56,211
Debtors	13	1,515,379	448,682
Investments	14	100	100
Cash in hand		155	721
		<u>1,571,308</u>	<u>505,714</u>
CREDITORS: Amounts falling due within one year	15	<u>2,793,925</u>	<u>2,168,276</u>
NET CURRENT LIABILITIES		(1,222,617)	(1,662,562)
TOTAL ASSETS LESS CURRENT LIABILITIES		5,051,544	4,371,233
CREDITORS. Amounts falling due after more than one year	16	1,358,698	1,073,727
PROVISIONS FOR LIABILITIES			
Deferred taxation	18	<u>111,413</u>	<u>139,486</u>
		<u>3,581,433</u>	<u>3,158,020</u>
CAPITAL AND RESERVES			
Called-up equity share capital	20	6,500	6,500
Profit and loss account	21	3,574,933	3,151,520
SHAREHOLDERS' FUNDS		<u>3,581,433</u>	<u>3,158,020</u>

These accounts were approved by the directors and authorised for issue on 16th April 2014, and are signed on their behalf by



WS Mills

Company Registration Number 1220993

The notes on pages 12 to 24 form part of these financial statements

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

GROUP CASH FLOW

YEAR ENDED 31 AUGUST 2013

	Note	2013 £	2012 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	22	1,188,454	512,809
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	22	(24,883)	(22,922)
TAXATION	22	(145,815)	(94,718)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	22	(1,516,535)	(744,530)
CASH OUTFLOW BEFORE FINANCING		(498,779)	(349,361)
FINANCING	22	518,304	(384,165)
INCREASE/(DECREASE) IN CASH	22	<u>19,525</u>	<u>(733,526)</u>

The notes on pages 12 to 24 form part of these financial statements

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Investments

All investments are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2% Straight Line
Plant & Machinery	-	5% Straight Line & 5% Reducing balance
Fixtures & Fittings	-	25%, 10% & 5% Straight Line
Motor Vehicles	-	20% Straight Line
Computer Equipment	-	33% Straight Line
Swimming Pool Complex	-	10% & 2% Straight Line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES *(continued)*

Pension costs

The group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

The school also contributes to the Teachers' Pension Benefits Scheme at rates set by the scheme actuary and advised to the school by the scheme administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS17 the scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the scheme administrator.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

2. GOING CONCERN

At the year end the group has net current liabilities of £2,323,674 (2012 £1,662,562). The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future as they have reviewed the cashflows and there is bank funding in place where necessary. Therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

3. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	2013 £	2012 £
United Kingdom	<u>6,528,529</u>	<u>6,068,025</u>

4. OTHER OPERATING INCOME

	2013 £	2012 £
Rent receivable	48,547	45,968
Sundry Income	1,170	4,487
Other operating income	5,850	5,750
	<u>55,567</u>	<u>56,205</u>

5. OPERATING PROFIT

Operating profit is stated after charging:

	2013 £	2012 £
Depreciation of owned fixed assets	268,147	217,315
Auditor's remuneration - audit of the financial statements	11,000	11,000
Auditor's remuneration - other fees	7,972	8,080

	2013 £	2012 £
Auditor's remuneration - audit of the financial statements	<u>11,000</u>	<u>11,000</u>

Auditor's remuneration - other fees:

- Taxation services	2,021	2,500
- Accountancy	5,951	5,580
	<u>7,972</u>	<u>8,080</u>

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

6. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2013	2012
	No	No
Number of distribution staff	4	6
Number of administrative staff	11	10
Number of management staff	3	3
Number of other staff - definable	41	42
Number of other staff - definable	35	35
Number of other staff - definable	7	9
Number of other staff - definable	3	3
Number of other staff - definable	9	9
Number of other staff - definable	2	1
	<u>115</u>	<u>118</u>

The aggregate payroll costs of the above were

	2013	2012
	£	£
Wages and salaries	2,668,088	2,408,281
Social security costs	211,940	193,323
Other pension costs	264,102	253,577
	<u>3,144,130</u>	<u>2,855,181</u>

7. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2013	2012
	£	£
Remuneration receivable	171,316	164,325
Value of company pension contributions to money purchase schemes	22,842	21,784
	<u>194,158</u>	<u>186,109</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2013	2012
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Interest payable on bank borrowing	23,940	19,126
Other similar charges payable	943	3,796
	<u>24,883</u>	<u>22,922</u>

9. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013	2012
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 22 50% (2012 - 24 80%)	51,425	145,815
Total current tax	<u>51,425</u>	<u>145,815</u>
Deferred tax		
Origination and reversal of timing differences	28,722	8,008
Tax on profit on ordinary activities	<u>80,147</u>	<u>153,823</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 22 50% (2012 - 24 80%)

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>353,830</u>	<u>492,450</u>
Profit on ordinary activities by rate of tax	79,612	122,128
Expenses not deductible for tax purposes	35,076	460
Capital allowances for period in excess of depreciation	-	24,322
Utilisation of tax losses	(63,895)	-
Tax chargeable at lower rates	-	(2,094)
Sundry tax adjusting items	632	999
Total current tax (note 9(a))	<u>51,425</u>	<u>145,815</u>

10. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £423,413 (2012 - £338,627)

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

11. TANGIBLE FIXED ASSETS

Group	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Other Assets £	Total £
COST						
At 1 Sep 2012	5,283,250	85,049	676,888	1,496,996	400,544	7,942,727
Additions	386,790	999,654	46,821	6,503	76,867	1,516,635
At 31 Aug 2013	5,670,040	1,084,703	723,709	1,503,499	477,411	9,459,362
DEPRECIATION						
At 1 Sep 2012	829,244	37,128	467,175	193,348	382,037	1,908,932
Charge for the year	109,136	54,235	54,302	31,700	18,774	268,147
At 31 Aug 2013	938,380	91,363	521,477	225,048	400,811	2,177,079
NET BOOK VALUE						
At 31 Aug 2013	4,731,660	993,340	202,232	1,278,451	76,600	7,282,283
At 31 Aug 2012	4,454,006	47,921	209,713	1,303,648	18,507	6,033,795

Capital commitments

	2013 £	2012 £
Contracted but not provided for in the financial statements	81,234	-

Company	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Other Assets £	Total £
COST						
At 1 Sep 2012	5,283,250	85,049	676,888	1,496,996	400,544	7,942,727
Additions	386,790	-	46,821	6,503	18,417	458,531
At 31 Aug 2013	5,670,040	85,049	723,709	1,503,499	418,961	8,401,258
DEPRECIATION						
At 1 Sep 2012	829,244	37,128	467,175	193,348	382,037	1,908,932
Charge for the year	109,136	4,253	54,302	31,700	18,774	218,165
At 31 Aug 2013	938,380	41,381	521,477	225,048	400,811	2,127,097
NET BOOK VALUE						
At 31 Aug 2013	4,731,660	43,668	202,232	1,278,451	18,150	6,274,161
At 31 Aug 2012	4,454,006	47,921	209,713	1,303,648	18,507	6,033,795

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

11. TANGIBLE FIXED ASSETS *(continued)*

Capital commitments

	2013 £	2012 £
Contracted but not provided for in the financial statements	<u>81,234</u>	<u>-</u>

12. STOCKS

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Finished goods	<u>55,674</u>	<u>56,211</u>	<u>55,674</u>	<u>56,211</u>

13. DEBTORS

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Trade debtors	85,079	19,554	78,898	19,554
Amounts owed by group undertakings	-	150,126	1,123,805	150,126
Other debtors	-	2,408	-	2,408
Prepayments and accrued income	<u>314,022</u>	<u>276,594</u>	<u>312,676</u>	<u>276,594</u>
	<u>399,101</u>	<u>448,682</u>	<u>1,515,379</u>	<u>448,682</u>

The debtors above include the following amounts falling due after more than one year

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>1,123,805</u>	<u>-</u>

14. INVESTMENTS

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Shares in group undertakings	<u>-</u>	<u>100</u>	<u>100</u>	<u>100</u>

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

15. CREDITORS: Amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	1,066,566	853,324	1,086,788	853,324
Trade creditors	308,402	177,462	305,582	177,462
Other creditors including taxation and social security				
Corporation tax	51,425	145,815	51,425	145,815
Other taxation and social security	69,392	65,544	68,811	65,544
Other creditors	553,142	476,291	553,142	476,291
Accruals and deferred income	729,677	449,840	728,177	449,840
	<u>2,778,604</u>	<u>2,168,276</u>	<u>2,793,925</u>	<u>2,168,276</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	<u>1,086,788</u>	<u>853,324</u>	<u>1,086,788</u>	<u>853,324</u>

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

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	447,222	430,000	447,222	430,000
Other creditors	911,476	643,727	911,476	643,727
	<u>1,358,698</u>	<u>1,073,727</u>	<u>1,358,698</u>	<u>1,073,727</u>

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

16. CREDITORS: Amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	<u>447,222</u>	<u>430,000</u>	<u>447,222</u>	<u>430,000</u>

On 25 November 2011, HSBC Bank Plc issued a first legal charge over the freehold land and buildings known as Highfield School and Brookham School as security for all the company's liabilities due to HSBC Bank Plc

On 25 November 2011, HSBC Bank Plc also issued a debenture over all present freehold and leasehold property as follows First Fixed Charge over book and other debts, chattels, goodwill and uncalled capital, both present and future, And First Floating Charge over all assets and undertaking both present and future

On 8 March 2012, the company guaranteed to HSBC Bank Plc all money and liabilities whatever, whenever and howsoever incurred by William Stabb Mills whether now or in the future The property charged is Highfield School, Highfield Lane, Liphook, Hampshire

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

17. PENSIONS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School.

On 4 July 2012 the Chief Secretary to the Treasury confirmed that the Government will 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 contributions rates up to 2015.

Under the TPS Agreement, employer contribution rates from 1 April 2012 are continuing at 14.1% with employee rates varying between 6.4% and 8.8%. For subsequent years data the information is being collated to inform a government review of the tiering structures in advance of the Department for Education consulting on contribution increases. The Government have set a gross cost ceiling for the main public service pension schemes of 21.7% with a net cost ceiling of 12.1% and an average employee contribution of 9.6%.

The Government Actuary's Department has in a report dated 9 March 2012 concluded that the TPS Agreement scheme design is within this required cost ceiling. This conclusion is dependent on and sensitive to data, methodology and assumptions adopted and further details on these are available in the full Government Actuary's report which is available on the Department for Education website.

The pension charge for the period includes contributions payable of £277,470 (2012 - £265,595) and the outstanding contributions at the year end were £35,282 (2012 - £32,473). Of this, £31,117 (2012 - £28,088) relates to the Teachers Pension Scheme.

18. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Provision brought forward	139,486	131,478	139,486	131,478
Increase/(Decrease) in provision	28,722	8,008	(28,073)	8,008
Provision carried forward	<u>168,208</u>	<u>139,486</u>	<u>111,413</u>	<u>139,486</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of

Group	2013		2012	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>168,208</u>	<u>-</u>	<u>139,486</u>	<u>-</u>

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

The company's provision for deferred taxation consists of the tax effect of timing differences in respect of

Company	2013		2012	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>111,413</u>	<u>-</u>	<u>139,486</u>	<u>-</u>

19. RELATED PARTY TRANSACTIONS

W S Mills, a director of the company, had children being educated at the school during the year

At the balance sheet date the group owed £154,657 (2012 - £175,941) to S Mills, mother of W S Mills

During the year the group paid loan interest of £943 (2012 - £959) on the balance of the loan due to S Mills

The company has taken advantage of the exemption available under FRS8 not to disclose transactions and balances with 100% owned subsidiary companies

20. SHARE CAPITAL

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
Ordinary shares of £1 each	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>

21. RESERVES

Group	Profit and loss account £
Balance brought forward	3,151,520
Profit for the year	<u>273,683</u>
Balance carried forward	<u>3,425,203</u>

Company	Profit and loss account £
Balance brought forward	3,151,520
Profit for the year	<u>423,413</u>
Balance carried forward	<u>3,574,933</u>

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

22. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating profit	378,713	515,372
Depreciation	268,147	217,315
Decrease/(increase) in stocks	537	(7,261)
Decrease/(increase) in debtors	49,581	(153,198)
Increase/(decrease) in creditors	491,476	(59,419)
Net cash inflow from operating activities	<u>1,188,454</u>	<u>512,809</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2013 £	2012 £
Interest paid	<u>(24,883)</u>	<u>(22,922)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(24,883)</u>	<u>(22,922)</u>

TAXATION

	2013 £	2012 £
Taxation	<u>(145,815)</u>	<u>(94,718)</u>

CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2013 £	2012 £
Payments to acquire tangible fixed assets	(1,516,635)	(744,430)
Acquisition of current asset investments in group undertakings	<u>100</u>	<u>(100)</u>
Net cash outflow for capital expenditure and financial investment	<u>(1,516,535)</u>	<u>(744,530)</u>

HIGHFIELD SCHOOL (LIPHOOK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

22. NOTES TO THE CASH FLOW STATEMENT *(continued)*

FINANCING

	2013 £	2012 £
Increase in/(repayment of) bank loans	250,555	(570,000)
Net inflow from other long-term creditors	267,749	185,835
Net cash inflow/(outflow) from financing	<u>518,304</u>	<u>(384,165)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2013 £	2012 £
Increase/(decrease) in cash in the period	19,525	(733,526)
Net cash (inflow) from/outflow from bank loans	(250,555)	570,000
Net cash (inflow) from other long-term creditors	<u>(267,749)</u>	<u>(185,835)</u>
	(498,779)	(349,361)
Change in net debt	(498,779)	(349,361)
Net debt at 1 September 2012	(1,926,330)	(1,576,969)
Net debt at 31 August 2013	<u>(2,425,109)</u>	<u>(1,926,330)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2012 £	Cash flows £	At 31 Aug 2013 £
Net cash			
Cash in hand and at bank	721	(566)	155
Overdrafts	<u>(853,324)</u>	<u>20,091</u>	<u>(833,233)</u>
	(852,603)	19,525	(833,078)
Debt			
Debt due within 1 year	–	(233,333)	(233,333)
Debt due after 1 year	<u>(1,073,727)</u>	<u>(284,971)</u>	<u>(1,358,698)</u>
	(1,073,727)	(518,304)	(1,592,031)
Net debt	<u>(1,926,330)</u>	<u>(498,779)</u>	<u>(2,425,109)</u>