

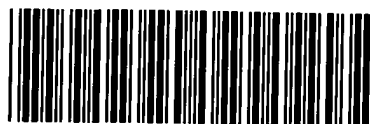
Registered number: 1220993

**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### COMPANY INFORMATION

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<b>Directors</b>	David Harper John Herring Jonathan Leigh William Mills Charlotte Lumsden Suzannah Cryer (Appointed 3 November 2022)
<b>Company secretary</b>	M Harris (resigned 12 April 2023)
<b>Registered number</b>	1220993
<b>Registered office</b>	Highfield School
<b>Independent auditors</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2023

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#### Introduction

The directors present their report for the year ended 31 August 2023.

#### Business review

The principal activity of the group during the year was the running of an independent nursery, pre-preparatory and preparatory school for boys and girls between the ages of 2 and 13. The group also includes a company which produces energy to supply to the school. Brookham School is the Nursery and pre-preparatory, and Highfield School is the preparatory school. The schools aim to offer innovative education to an exceptional standard with a good balance of day and boarding pupils, making full use of its 175-acre site.

The school ended the 2022/23 year with 497 pupils: 228 at Brookham School (an increase of 25 pupils on the prior year) and 269 at Highfield School (a decrease of 13 pupils on the prior year).

Overall revenue generation for 2022/23, including other operating income was £10M, an increase of £0.9M (10%) compared to 2021/22. This percentage increase was driven by higher average pupil numbers and an inflationary increase to school fees.

Overall overhead costs increased by around 12% mainly caused by inflationary increases particularly in utilities and salary costs but also an increase of £90k in refurbishment spend as water systems were upgraded and dormitory refurbishment works were carried out in the year.

#### Principal risks and uncertainties

The greatest risks going forward is of potentially falling pupil numbers resulting from reduced affordability in the schools traditional customer base. Stagnant earnings, increases in personal taxation and in the cost of living, alongside inflation driven increases in school fees all contribute to increased challenges for parents. Were a new government to impose VAT on school fees (as proposed) this challenge would be further exacerbated.

The Directors monitor developments (fiscal and political) on a continuous basis and plan accordingly.

#### Financial risk management objectives and policies

The group's working capital includes cash and liquid resources and various items such as trade debtors and trade creditors that arise directly from its operations. The group's cash flow is 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 cash flow. The Board aims to ensure that the group has sufficient resources to cope with short term fluctuations in working capital and there is an overdraft facility in place to cover potential shortfalls.

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.

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

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

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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#### Financial key performance indicators

The main contributing factor to the financial success of the school is the number of pupils. School fees generated 86% of total revenue. The pupil statistics outlined above give an immediate snapshot of the school's position in 2022/23 in comparison to 2021/22.

This report was approved by the board on 23 February 2024 and signed on its behalf by:



**William Mills**  
Director

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

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The directors present their report and the financial statements for the year ended 31 August 2023.

#### Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Results and dividends

The loss for the year, after taxation, amounted to £5,886 (2022 - profit £137,324).

#### Directors

The directors who served during the year were:

David Harper  
John Herring  
Jonathan Leigh  
William Mills  
Charlotte Lumsden  
Suzannah Cryer (Appointed 3 November 2022)

#### Future developments

Highfield and Brookham started the 2023/24 school year with 470 pupils, 3 pupils more than in September 2022, mainly due to an increased demand in nursery spaces. Investment in the school has continued, a new nursery extension was completed in December 2022 and plans are in place to rebuild the schools grounds yard in the coming year.

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**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**Disclosure of information to auditors**

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

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

This report was approved by the board on 23 February 2024 and signed on its behalf by:

**William Mills**  
Director

Date: .....

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*9/4/2024*

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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#### Opinion

We have audited the financial statements of Highfield School (Liphook) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 August 2023, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 August 2023 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIGHFIELD SCHOOL (LIPHOOK) LIMITED (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

#### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIGHFIELD SCHOOL (LIPHOOK) LIMITED (CONTINUED)

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#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Tax law.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgments made by management in their critical accounting estimates; and
- Identifying and testing journals.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIGHFIELD SCHOOL (LIPHOOK) LIMITED  
(CONTINUED)**

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**Use of our report**

This report is made solely to the 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 Company's members those matters we are required to state to them in an Auditors' 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

*T. W.*

Thomas Wilson (Senior Statutory Auditor)  
for and on behalf of  
**Haysmacintyre LLP**  
10 Queen Street Place  
London  
EC4R 1AG  
09 April 2024

**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £	2022 £
Turnover	4	9,995,744	9,121,439
Cost of sales		(5,076,309)	(4,629,471)
<b>Gross profit</b>		<b>4,919,435</b>	<b>4,491,968</b>
Administrative expenses		(4,894,955)	(4,265,446)
Other operating income	5	124,656	104,091
<b>Operating profit</b>	6	<b>149,136</b>	<b>330,613</b>
Interest payable and similar expenses	10	(62,655)	(19,671)
<b>Profit before taxation</b>		<b>86,481</b>	<b>310,942</b>
Tax on profit	11	(92,367)	(173,618)
<b>(Loss)/profit for the financial year</b>		<b>(5,886)</b>	<b>137,324</b>
<b>Profit for the year attributable to</b>			
Owners of the parent Company		(5,886)	137,324
<b>(Loss)/profit for the financial year</b>		<b>(5,886)</b>	<b>137,324</b>

There was no other comprehensive income for 2023 (2022: £NIL).

The notes on pages 15 to 32 form part of these financial statements.

**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**  
**REGISTERED NUMBER: 1220993**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	12	11,065,246	10,704,299
		<u>11,065,246</u>	<u>10,704,299</u>
<b>Current assets</b>			
Stocks	14	120,337	133,856
Debtors: amounts falling due within one year	15	793,076	737,770
Cash at bank and in hand	16	7,844	462,891
		<u>921,257</u>	<u>1,334,517</u>
Creditors: amounts falling due within one year	17	(3,251,865)	(3,209,797)
<b>Net current liabilities</b>		<u>(2,330,608)</u>	<u>(1,875,280)</u>
<b>Total assets less current liabilities</b>		<u>8,734,638</u>	<u>8,829,019</u>
Creditors: amounts falling due after more than one year	18	(1,041,039)	(1,211,898)
<b>Provisions for liabilities</b>			
Deferred taxation	20	(653,961)	(571,597)
		<u>(653,961)</u>	<u>(571,597)</u>
<b>Net assets excluding pension asset</b>		<u>7,039,638</u>	<u>7,045,524</u>
<b>Capital and reserves</b>			
Called up share capital	21	6,500	6,500
Profit and loss account	22	7,033,138	7,039,024
<b>Equity attributable to owners of the parent Company</b>		<u>7,039,638</u>	<u>7,045,524</u>
		<u>7,039,638</u>	<u>7,045,524</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**William Mills**  
Director

09 April 2024

The notes on pages 15 to 32 form part of these financial statements.

**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**  
**REGISTERED NUMBER: 1220993**

**COMPANY BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	12	9,912,544	9,484,811
Investments	13	100	100
		<u>9,912,644</u>	<u>9,484,911</u>
<b>Current assets</b>			
Stocks	14	53,856	85,511
Debtors: amounts falling due within one year	15	759,000	677,140
Cash at bank and in hand	16	2,301	429,288
		<u>815,157</u>	<u>1,191,939</u>
Creditors: amounts falling due within one year	17	(3,217,204)	(3,180,552)
<b>Net current liabilities</b>		<u>(2,402,047)</u>	<u>(1,988,613)</u>
<b>Total assets less current liabilities</b>		<u>7,510,597</u>	<u>7,496,298</u>
Creditors: amounts falling due after more than one year	18	(1,041,039)	(1,211,898)
<b>Provisions for liabilities</b>			
Deferred taxation	20	(517,411)	(423,818)
		<u>(517,411)</u>	<u>(423,818)</u>
<b>Net assets excluding pension asset</b>		<u>5,952,147</u>	<u>5,860,582</u>
<b>Net assets</b>		<u>5,952,147</u>	<u>5,860,582</u>
<b>Capital and reserves</b>			
Called up share capital	21	6,500	6,500
Profit and loss account brought forward		5,854,082	6,294,588
Profit/(loss) for the year		91,565	(440,506)
Profit and loss account carried forward		<u>5,945,647</u>	<u>5,854,082</u>
		<u>5,952,147</u>	<u>5,860,582</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 February 2024.

William Mills  
Director



The notes on pages 15 to 32 form part of these financial statements.

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**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2023**

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	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 September 2021</b>	6,500	6,901,700	6,908,200
Profit for the year	-	137,324	137,324
<b>At 1 September 2022</b>	6,500	7,039,024	7,045,524
Loss for the year	-	(5,886)	(5,886)
<b>At 31 August 2023</b>	6,500	7,033,138	7,039,638

The notes on pages 15 to 32 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2023**

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	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 September 2021</b>	6,500	6,294,588	6,301,088
<b>Comprehensive income for the year</b>			
Loss for the year	-	(440,506)	(440,506)
<b>At 1 September 2022</b>	6,500	5,854,082	5,860,582
<b>Comprehensive income for the year</b>			
Profit for the year	-	91,565	91,565
<b>At 31 August 2023</b>	6,500	5,945,647	5,952,147

The notes on pages 15 to 32 form part of these financial statements.

**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2023**

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Loss/(profit for the financial year	(5,886)	137,324
<b>Adjustments for:</b>		
Depreciation of tangible assets	515,953	440,140
Profit on disposal of tangible assets	(18,290)	-
Interest paid	62,655	19,671
Taxation charge	92,367	173,618
Decrease/(increase) in stocks	13,516	(18,493)
(Increase) in debtors	(55,305)	(52,791)
(Decrease)/increase in creditors	(353,346)	835,105
Corporation tax (paid)	(83,458)	(99,428)
<b>Net cash generated from operating activities</b>	<u>168,206</u>	<u>1,435,146</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(906,960)	(1,062,742)
Sale of tangible fixed assets	48,350	-
<b>Net cash from investing activities</b>	<u>(858,610)</u>	<u>(1,062,742)</u>
<b>Cash flows from financing activities</b>		
New secured loans	-	1,000,000
Repayment of loans	(421,731)	(330,686)
Interest paid	(62,655)	(19,671)
<b>Net cash used in financing activities</b>	<u>(484,386)</u>	<u>649,643</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<u>(1,174,790)</u>	<u>1,022,047</u>
Cash and cash equivalents at beginning of year	462,891	(559,156)
<b>Cash and cash equivalents at the end of year</b>	<u>(711,899)</u>	<u>462,891</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	7,844	462,891
Bank overdrafts	(719,743)	-
	<u>(711,899)</u>	<u>462,891</u>



**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 AUGUST 2023**

	At 1 September 2022 £	Cash flows £	Other non- cash changes £	At 31 August 2023 £
Cash at bank and in hand	429,288	(421,444)	7,844	7,844
Bank overdrafts		(719,743)		(719,743)
Debt due after 1 year	(704,427)		101,904	(602,523)
Debt due within 1 year	(516,874)	421,731	(101,904)	(197,047)
	<u>(792,013)</u>	<u>(719,456)</u>		<u>(1,511,469)</u>

The notes on pages 15 to 32 form part of these financial statements.

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## **HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023**

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#### **1. General information**

Highfield School (Liphook) Limited is a private company limited by shares and incorporated in England under registration number 1220993. Its registered office is Highfield School, Highfield Land, Liphook, Hampshire, GU30 7LQ. The principal activities of the group are set out on page 2.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

##### **2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### **2.3 Going concern**

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for a period of at least twelve months from approval of these accounts, 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.

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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#### 2. Accounting policies (continued)

##### 2.4 Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Fees received in respect of future school terms are deferred and included in creditors. Deposits are included in creditors until they are due to be returned.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated.

When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses are recoverable.

Government grant income relates to the Coronavirus Job Retention Scheme (CJRS) and is recognised as receivable in line with the period that the relevant expense has been incurred.

##### 2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

##### 2.6 Pensions

###### Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

The School contributed to the Teachers' Pension Benefits Scheme up until 31 August 2019 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 FRS102 the scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the scheme administrator.

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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#### 2. Accounting policies (continued)

##### 2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### 2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Plant and machinery	- 5% straight line
Fixtures and fittings	- 5% to 25% straight line
Freehold improvements	- 2% to 10% straight line
Other fixed assets	- 10%, 20% & 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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#### 2. Accounting policies (continued)

##### 2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### 2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

##### 2.12 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial information.

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**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**4. Turnover**

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Provision of educational services	9,924,137	9,051,036
Grant income	62,651	59,582
Sale of goods	8,956	10,821
	<u>9,995,744</u>	<u>9,121,439</u>

All turnover arose within the United Kingdom.

**5. Other operating income**

	2023 £	2022 £
Other operating income	15,471	14,823
Rental income	109,185	77,339
Management charges receivable		11,929
	<u>124,656</u>	<u>104,091</u>

**6. Operating profit**

The operating profit is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>515,953</u>	<u>440,137</u>

**7. Auditors' remuneration**

During the year, the Group obtained the following services from the Company's auditors:

	2023 £	2022 £
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	15,550	13,600
Other services	<u>9,150</u>	<u>10,025</u>

## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

#### 8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	4,781,222	4,221,244	4,774,942	4,181,439
Social security costs	418,689	387,485	418,598	386,345
Other pension costs	381,169	390,171	381,030	390,001
	<u>5,581,080</u>	<u>4,998,900</u>	<u>5,574,570</u>	<u>4,957,785</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	2022 No.
Activities & sports	17	15
Administrative staff	18	18
Management staff	2	2
Teaching staff	75	64
Teaching assistants	51	48
Domestic catering	36	38
Finance	4	4
Maintenance & Cleaning	21	21
	<u>224</u>	<u>210</u>

The total remuneration for key management personnel (including NI) was £266,176 (2022: £230,237)

#### 9. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	228,419	198,969
Group contributions to defined contribution pension schemes	19,521	8,742
	<u>247,940</u>	<u>207,711</u>

During the year retirement benefits were accruing to 2 directors (2022 - 2) in respect of defined contribution pension schemes.

Directors' remuneration and key management personnel relate to the Heads of the two schools.

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HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

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10. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	62,655	19,671

11. Taxation

	2023 £	2022 £
<b>Corporation tax</b>		
Current tax on profits for the year	10,003	77,666
	10,003	77,666
<b>Total current tax</b>	10,003	77,666
<b>Deferred tax</b>		
Fixed assets timing differences	74,748	95,952
Adjustments in respect of prior periods	7,616	
<b>Total deferred tax</b>	82,364	95,952
<b>Taxation on profit on ordinary activities</b>	92,367	173,618



# HIGHFIELD SCHOOL (LIPHOOK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

### 11. Taxation (continued)

#### Factors affecting tax charge for the year

The current standard rate has been apportioned based on time to 21.52% as the new rate of 25% was effective from April 2023. The tax assessed for the year is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 21.52% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	86,481	310,942
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.52% (2022 - 19%)	18,606	59,079
<b>Effects of:</b>		
Fixed asset differences	51,100	36,184
Expenses not deductible for tax purposes	-	1,635
Marginal relief	(351)	-
Capital allowances for year in excess of depreciation	(2,424)	(253)
Adjustment to tax charge in respect of prior periods	4,690	(5,529)
Remeasurement of deferred tax for changes in tax rates	8,748	77,785
Movement in deferred tax not recognised	11,998	4,717
<b>Total tax charge for the year</b>	<b>92,367</b>	<b>173,618</b>

# HIGHFIELD SCHOOL (LIPHOOK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

### 12. Tangible fixed assets

#### Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Freehold improvement s £	Other fixed assets £
<b>Cost or valuation</b>					
At 1 September 2022	10,404,975	1,198,513	576,695	2,445,411	391,355
Additions	539,836	-	223,802	-	143,322
Disposals	-	-	(60,120)	-	(11,988)
At 31 August 2023	10,944,811	1,198,513	740,377	2,445,411	522,689
<b>Depreciation</b>					
At 1 September 2022	2,439,574	622,299	392,639	582,537	275,601
Charge for the year on owned assets	225,414	59,926	105,569	29,663	95,381
Disposals	-	-	(30,060)	-	(11,988)
At 31 August 2023	2,664,988	682,225	468,148	612,200	358,994
<b>Net book value</b>					
At 31 August 2023	8,279,823	516,288	272,229	1,833,211	163,695
At 31 August 2022	7,965,401	576,214	184,056	1,862,874	115,754

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**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**12. Tangible fixed assets (continued)**

	Total £
<b>Cost or valuation</b>	
At 1 September 2022	15,016,949
Additions	906,960
Disposals	(72,108)
At 31 August 2023	<u>15,851,801</u>
<b>Depreciation</b>	
At 1 September 2022	4,312,650
Charge for the year on owned assets	515,953
Disposals	(42,048)
At 31 August 2023	<u>4,786,555</u>
<b>Net book value</b>	
At 31 August 2023	<u>11,065,246</u>
At 31 August 2022	<u>10,704,299</u>

**HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**Company**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Freehold improvement s £	Other fixed assets £
<b>Cost or valuation</b>					
At 1 September 2022	9,759,650	85,049	576,695	2,445,411	313,905
Additions	530,207	-	223,802	-	143,322
Disposals	-	-	(60,120)	-	(11,988)
At 31 August 2023	10,289,857	85,049	740,377	2,445,411	445,239
<b>Depreciation</b>					
At 1 September 2022	2,410,105	79,652	392,639	582,537	230,966
Charge for the year on owned assets	209,496	4,252	105,569	29,663	90,558
Disposals	-	-	(30,060)	-	(11,988)
At 31 August 2023	2,619,601	83,904	468,148	612,200	309,536
<b>Net book value</b>					
At 31 August 2023	7,670,256	1,145	272,229	1,833,211	135,703
At 31 August 2022	7,349,545	5,397	184,056	1,862,874	82,939

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HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023

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12. Tangible fixed assets (continued)

	Total £
<b>Cost or valuation</b>	
At 1 September 2022	13,180,710
Additions	897,331
Disposals	(72,108)
At 31 August 2023	<u>14,005,933</u>
<b>Depreciation</b>	
At 1 September 2022	3,695,899
Charge for the year on owned assets	439,538
Disposals	(42,048)
At 31 August 2023	<u>4,093,389</u>
<b>Net book value</b>	
At 31 August 2023	<u>9,912,544</u>
At 31 August 2022	<u>9,484,811</u>

For the company, freehold improvements comprise the swimming pool complex with a net book value of £975,910 (2022: £1,005,573) and sports pitch of £873,796 (2022: £929,139)

For the company, other assets comprise computer equipment with a net book value of £125,707 (2022: £82,939) and motor vehicles with net book value of £9,996 (2022: £Nil).

Freehold property with a carrying amount of £7,670,256 (2022: £7,349,545) have been pledged to secure borrowings of the group.

## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

#### 13. Fixed Asset Investments

##### Company

Investments  
in subsidiary  
companies  
£

##### Cost or valuation

At 1 September 2022

100

At 31 August 2023

100

##### Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Brookham Energy Limited	Highfield School, Liphook, GU30 7LQ	Energy Supplier	Ord	100%

#### 14. Stocks

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Finished goods and goods for resale	120,337	133,856	53,856	85,511
	<u>120,337</u>	<u>133,856</u>	<u>53,856</u>	<u>85,511</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stock includes wood chippings of £66,481 (2022 - £48,343) and stationery and school inventory amounting £53,856 (£85,511).

# **HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023**

### **15. Debtors**

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	77,106	75,952	63,960	70,772
Amounts owed by group undertakings	-	-	40,408	-
Other debtors	22,030	32,345	14,096	27,825
Prepayments and accrued income	693,940	629,473	640,536	578,543
	<u>793,076</u>	<u>737,770</u>	<u>759,000</u>	<u>677,140</u>

### **16. Cash and cash equivalents**

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	7,844	462,891	2,301	429,288
Less: bank overdrafts	(719,743)	-	(719,743)	-
	<u>(711,899)</u>	<u>462,891</u>	<u>(717,442)</u>	<u>429,288</u>

### **17. Creditors: Amounts falling due within one year**

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank overdrafts	719,743	-	719,743	-
Bank loans	197,047	516,874	197,047	516,874
Trade creditors	381,739	425,475	356,616	405,680
Corporation tax	10,003	83,459	10,003	83,459
Other taxation and social security	175,634	158,937	175,496	158,937
Other creditors	496,762	355,098	496,762	355,098
Accruals and deferred income	1,270,937	1,669,954	1,261,537	1,660,504
	<u>3,251,865</u>	<u>3,209,797</u>	<u>3,217,204</u>	<u>3,180,552</u>

Refer to note 19 and 18 for a detailed splits on Bank loans.

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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#### 18. Creditors: Amounts falling due after more than one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	602,523	704,427	602,523	704,427
Other creditors	438,516	507,471	438,516	507,471
	<u>1,041,039</u>	<u>1,211,898</u>	<u>1,041,039</u>	<u>1,211,898</u>

Other creditors include fees deposits of £189,814 (2022 - £173,020) and fees paid in advance of £248,702 (2022 - £334,451).

The school had two flexible business loan facilities. £800,000 was drawdown in 2020/21 and monthly repayments were made with final payment in May 2023. £1,000,000 was drawdown in 2021/22 with a final repayment date of June 2026. The loan facilities have an interest rate of 1.800% above the Bank of England base rate.

#### Securities held

First Legal Charge dated 25 November 2011 over Freehold Property known as Highfield School, Highfield Lane, Liphook, Hampshire, GU30 7LQ

Debenture including Fixed Charge over all present freehold and leasehold property; 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 dated 25 November 2011.



# HIGHFIELD SCHOOL (LIPHOOK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

### 19. Loans

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
<b>Amounts falling due within one year</b>				
Bank loans	197,047	516,874	197,047	516,874
	<u>197,047</u>	<u>516,874</u>	<u>197,047</u>	<u>516,874</u>
<b>Amounts falling due 1-2 years</b>				
Bank loans	197,047	221,302	197,047	221,302
	<u>197,047</u>	<u>221,302</u>	<u>197,047</u>	<u>221,302</u>
<b>Amounts falling due 2-5 years</b>				
Bank loans	405,476	483,125	405,476	483,125
	<u>405,476</u>	<u>483,125</u>	<u>405,476</u>	<u>483,125</u>
	<u>799,570</u>	<u>1,221,301</u>	<u>799,570</u>	<u>1,221,301</u>

# **HIGHFIELD SCHOOL (LIPHOOK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023**

### **20. Deferred taxation**

#### **Group**

	2023 £
At beginning of year	(571,597)
Charged to profit or loss	(82,364)
<b>At end of year</b>	<b>(653,961)</b>

#### **Company**

	2023 £
At beginning of year	(423,818)
Charged to profit or loss	(93,593)
<b>At end of year</b>	<b>(517,411)</b>

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Accelerated capital allowances	(653,961)	(571,597)	(517,411)	(423,818)
	(653,961)	(571,597)	(517,411)	(423,818)

### **21. Share capital**

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
6,500 (2022 - 6,500) Ordinary shares shares of £1.00 each	6,500	6,500

### **22. Reserves**

#### **Profit and loss account**

The profit and loss account records retained earnings and accumulated losses.

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## HIGHFIELD SCHOOL (LIPHOOK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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#### 23. Pension commitments

Pension contributions in the year for the provision of the defined contribution schemes were £381,169 (2022: £390,171). As at 31 August 2023, there was £54,902 (2022: £55,150) outstanding in respect of the current reporting period that had not been paid over to the scheme.

#### 24. Related party transactions

S Mills paid rent of £7,800 (2022: £11,700) to the company for renting a property within the school grounds.

During the year W.S Mills a director of the company did not supply any timber to the subsidiary(Brookham Energy Limited). In prior year this totalled £5,067. £5,225 (2022: £2,497) of chippings were purchased at market rate by W S Mills from the company's subsidiary, Brookham Energy, the balance is still outstanding at year end.

During the year, the company paid recoverable invoices of £47,439 (2022: £41,969) on behalf of W S Mills. £2,793 of this amount was still outstanding at year end.

During the year the company paid invoices amounting to £18,689 which are recoverable from the Sue Mills Estate. These balances were outstanding at the year end and will be cleared once probate is settled.

#### 25. Controlling party

The company was under the control of W S Mills.