

Registered number: 2677494

HEADINGTON SCHOOL SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2008

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HEADINGTON SCHOOL SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS

R G Barnes
C S Bevan
G A Paine

COMPANY SECRETARY

M A Clarkson

COMPANY NUMBER

2677494

REGISTERED OFFICE

The Bursary
Headington School
Headington Road
Oxford
OX3 0BL

AUDITORS

Horwath Clark Whitehill LLP
Chartered Accountants
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

HEADINGTON SCHOOL SERVICES LIMITED

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HEADINGTON SCHOOL SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2008

The directors present their report and the financial statements for the year ended 31 July 2008.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

PRINCIPAL ACTIVITIES

The principal activities of the company are the management of a Sports Complex and the commercial letting of Headington School premises throughout the year but mainly during holiday periods.

Turnover for the year was £206,444 compared to £209,979 for the previous year. The accounts show a loss of £24,380 (2007: £21,323).

The company is funded by a long term loan from its parent, Headington School Oxford Limited. After paying interest on this loan, any surplus is covenanted to the School. No corporation tax is payable as the covenant is allowed as a charge against profits.

The loan from the parent company was used to fund development of the pool and sports complex which was completed in September 1995. Any additions to the loan are as a result of development of the new preparatory school library.

DIRECTORS

The directors who served during the year were:

R G Barnes
C S Bevan
G A Paine

HEADINGTON SCHOOL SERVICES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2008**

PROVISION 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 that directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that directors have taken all the steps that ought to have been taken as a directors 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

The auditors, Horwath Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 27 November 2008 and signed on its behalf.



R G Barnes
Director

HEADINGTON SCHOOL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEADINGTON SCHOOL SERVICES LIMITED

We have audited the financial statements of Headington School Services Limited for the year ended 31 July 2008, set out on pages 5 to 10. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

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

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

HEADINGTON SCHOOL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEADINGTON SCHOOL SERVICES
LIMITED

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 July 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.



HORWATH CLARK WHITEHILL LLP

Chartered Accountants

Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

15 December 2008

HEADINGTON SCHOOL SERVICES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2008**

	Note	31 July 2008 £	31 July 2007 £
TURNOVER	1	206,444	209,979
Administrative expenses		<u>(176,538)</u>	<u>(179,358)</u>
OPERATING PROFIT	2	29,906	30,621
Interest payable		<u>(54,286)</u>	<u>(51,944)</u>
LOSS RETAINED FOR THE YEAR		(24,380)	(21,323)
Tax on loss on ordinary activities		<u>-</u>	<u>-</u>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	8	(24,380)	(21,323)

The notes on pages 7 to 10 form part of these financial statements.

HEADINGTON SCHOOL SERVICES LIMITED

BALANCE SHEET AS AT 31 JULY 2008

	Note	£	2008 £	£	2007 £
FIXED ASSETS					
Tangible fixed assets	3		723,518		753,259
CURRENT ASSETS					
Stocks		862		427	
Debtors	4	10,026		12,303	
Cash at bank and in hand		37,494		40,877	
		<u>48,382</u>		<u>53,607</u>	
CREDITORS: amounts falling due within one year	5	<u>(17,588)</u>		<u>(28,174)</u>	
NET CURRENT ASSETS			<u>30,794</u>		<u>25,433</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>754,312</u>		<u>778,692</u>
CREDITORS: amounts falling due after more than one year	6		<u>(953,902)</u>		<u>(953,902)</u>
NET LIABILITIES			<u>(199,590)</u>		<u>(175,210)</u>
CAPITAL AND RESERVES					
Called up share capital	7		4		4
Profit and loss account	8		<u>(199,594)</u>		<u>(175,214)</u>
SHAREHOLDERS' DEFICIT			<u>(199,590)</u>		<u>(175,210)</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on *27 November 2008*.



R G Barnes
Director

The notes on pages 7 to 10 form part of these financial statements.

HEADINGTON SCHOOL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

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

Leasehold Property	-	2% straight line
Fixtures and fittings	-	10-25% straight line or reducing balance

1.5 Stocks

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

1.6 Going concern

At the balance sheet date, the company had net liabilities of £199,590 (2007: £175,210).

The company is relying on the continued support of its parent company, which has expressed its willingness to provide continued financial support.

HEADINGTON SCHOOL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

2. OPERATING PROFIT

The operating profit is stated after charging:

	31 July 2008 £	31 July 2007 £
Depreciation of tangible fixed assets:		
- owned by the company	29,741	32,042
Auditors' remuneration	3,285	3,125
	<u>32,726</u>	<u>35,167</u>

During the year, no director received any emoluments (2007 - £NIL).

3. TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures and Fittings £	Total £
Cost			
At 1 August 2007 and 31 July 2008	943,346	87,321	1,030,667
Depreciation			
At 1 August 2007	220,040	57,368	277,408
Charge for the year	18,867	10,874	29,741
At 31 July 2008	238,907	68,242	307,149
Net book value			
At 31 July 2008	704,439	19,079	723,518
At 31 July 2007	723,306	29,953	753,259

4. DEBTORS

	2008 £	2007 £
Trade debtors	6,373	9,646
Other debtors	3,653	2,657
	<u>10,026</u>	<u>12,303</u>

HEADINGTON SCHOOL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2008

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

	2008 £	2007 £
Amounts owed to group undertakings	15	4,176
Social security and other taxes	10,141	10,707
Other creditors	7,432	13,291
	<u>17,588</u>	<u>28,174</u>

6. **CREDITORS:**
Amounts falling due after more than one year

	2008 £	2007 £
Amounts owed to group undertakings	<u>953,902</u>	<u>953,902</u>

The loan from the parent undertaking is repayable on 31 August 2010. Interest is charged at base rate.
The loan is secured by a debenture over the assets of the company.

7. **SHARE CAPITAL**

	2008 £	2007 £
Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
4 Ordinary shares of £1 each	<u>4</u>	<u>4</u>

8. **RESERVES**

	Profit and loss account £
At 1 August 2007	(175,214)
Loss for the year	(24,380)
At 31 July 2008	<u>(199,594)</u>

HEADINGTON SCHOOL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

9. RELATED PARTY TRANSACTIONS

Under the provision of Financial Reporting Standards No. 8, related party transactions within group entities are exempt from disclosure as all the entities are included within the consolidated financial statements of Headington School Oxford Limited, the ultimate parent undertaking.

10. CONTROLLING PARTY AND ULTIMATE PARENT UNDERTAKING

The directors regard Headington School Oxford Limited (registered charity number 309678, registered company number 141076) as the ultimate parent undertaking and controlling party. A copy of the ultimate parent's consolidated financial statements may be obtained from Headington School Oxford Limited, Headington Road, Oxford, OX3 0BL.