
THE SCHOOLS HR CO-OPERATIVE LIMITED

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 MARCH 2023



THE SCHOOLS HR CO-OPERATIVE LIMITED
REGISTERED NUMBER: 08004727

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	4		582,602		602,281
Current assets					
Debtors: amounts falling due within one year	5	101,565		79,490	
Cash at bank and in hand	6	618,261		763,024	
			<u>719,826</u>	<u>842,514</u>	
Creditors: amounts falling due within one year	7	(323,819)		(355,665)	
Net current assets			<u>396,007</u>		<u>486,849</u>
Total assets less current liabilities			<u>978,609</u>		<u>1,089,130</u>
Creditors: amounts falling due after more than one year	8		(181,977)		(369,760)
Provisions for liabilities					
Deferred tax	9		(2,428)		(4,089)
Net assets			<u><u>794,204</u></u>		<u><u>715,281</u></u>
Capital and reserves					
Called up share capital	10		51		57
Share option reserve			22,110		27,470
Capital redemption reserve			6		-
Profit and loss account			772,037		687,754
			<u><u>794,204</u></u>		<u><u>715,281</u></u>

THE SCHOOLS HR CO-OPERATIVE LIMITED
REGISTERED NUMBER: 08004727

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2023

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the Statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 November 2023.



M S Charlton
Director

The notes on pages 5 to 12 form part of these financial statements.

THE SCHOOLS HR CO-OPERATIVE LIMITED

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

	Called up share capital	Share option reserve	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2022	57	27,470	-	687,754	715,281
Comprehensive income for the year					
Profit for the year	-	-	-	203,683	203,683
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	203,683	203,683
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(84,400)	(84,400)
Purchase of own shares	-	-	-	(35,000)	(35,000)
Transfer to capital redemption reserve	(6)	-	-	-	(6)
Share option charge	-	(5,360)	-	-	(5,360)
Transfer to capital redemption reserve	-	-	6	-	6
Total transactions with owners	(6)	(5,360)	6	(119,400)	(124,760)
At 31 March 2023	51	22,110	6	772,037	794,204

The notes on pages 5 to 12 form part of these financial statements.

THE SCHOOLS HR CO-OPERATIVE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Share option reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2021	57	20,993	615,027	636,077
Comprehensive income for the year				
Profit for the year	-	-	155,727	155,727
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	155,727	155,727
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(83,000)	(83,000)
Share option charge	-	6,477	-	6,477
Total transactions with owners	-	6,477	(83,000)	(76,523)
At 31 March 2022	57	27,470	687,754	715,281

The notes on pages 5 to 12 form part of these financial statements.

THE SCHOOLS HR CO-OPERATIVE LIMITED

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

1. General information

The Schools HR Co-operative Limited, is a company limited by shares, incorporated in England and Wales. The address of the registered office is Unit 1 Britannia Court, The Green, West Drayton, England, UB7 7PN.

The company specialises in the provision of HR services to schools.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The director notes that the company is trading adequately and if this continues the company will have sufficient working capital to continue for a period of not less than 12 months from the Statement of financial position date. As such the director believes that there are no significant uncertainties in his assessment of whether the business is a going concern and therefore have prepared the accounts on a going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenue is recognised in the period in which the service is provided.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

THE SCHOOLS HR CO-OPERATIVE LIMITED

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

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the Statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Statement of comprehensive income is charged with fair value of goods and services received.

2.10 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.

THE SCHOOLS HR CO-OPERATIVE LIMITED

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

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

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
Other fixed assets	- 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 the Statement of comprehensive income.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 reporting date.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

THE SCHOOLS HR CO-OPERATIVE LIMITED

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

2. Accounting policies (continued)

2.13 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.

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 23 (2022 - 23).

THE SCHOOLS HR CO-OPERATIVE LIMITED

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

4. Tangible fixed assets

	Freehold property £	Other fixed assets £	Total £
Cost			
At 1 April 2022	651,759	157,597	809,356
Additions	-	2,807	2,807
Disposals	-	(5,066)	(5,066)
At 31 March 2023	<u>651,759</u>	<u>155,338</u>	<u>807,097</u>
Depreciation			
At 1 April 2022	65,835	141,240	207,075
Charge for the year	13,035	9,451	22,486
Disposals	-	(5,066)	(5,066)
At 31 March 2023	<u>78,870</u>	<u>145,625</u>	<u>224,495</u>
Net book value			
At 31 March 2023	<u><u>572,889</u></u>	<u><u>9,713</u></u>	<u><u>582,602</u></u>
At 31 March 2022	<u><u>585,924</u></u>	<u><u>16,357</u></u>	<u><u>602,281</u></u>

5. Debtors

	2023 £	2022 £
Trade debtors	101,433	74,569
Other debtors	132	132
Prepayments and accrued income	-	4,789
	<u><u>101,565</u></u>	<u><u>79,490</u></u>

THE SCHOOLS HR CO-OPERATIVE LIMITED

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

6. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	618,261	763,024
	<u>618,261</u>	<u>763,024</u>

Included in cash at bank are restricted funds for the settlement of client fund liabilities included in other creditors. The amounts held in separate bank balances for this purpose was £74,177 (2022 : £165,339).

7. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	42,153	26,400
Trade creditors	57,341	28,681
Corporation tax	51,590	37,679
Other taxation and social security	49,281	52,891
Other creditors	107,354	194,514
Accruals and deferred income	16,100	15,500
	<u>323,819</u>	<u>355,665</u>

Included in other creditors are client fund liabilities of £85,937 (2022 : £175,876).

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

	2023 £	2022 £
Bank loans	181,977	369,760
	<u>181,977</u>	<u>369,760</u>

Bank loans falling due both within one year and after more than one year are secured by way of fixed and floating charges over the company's assets, including its freehold property.

Included in bank loans are amounts totalling £13,365 (2022 - £264,160), which are payable in more than five years.

THE SCHOOLS HR CO-OPERATIVE LIMITED

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

9. Deferred taxation

	2023 £	2022 £
At beginning of year	4,089	1,080
(Credited)/charged to Statement of comprehensive income	(1,661)	3,009
At end of year	<u>2,428</u>	<u>4,089</u>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	2,428	4,089
	<u>2,428</u>	<u>4,089</u>

10. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
510,000 Ordinary shares of £0.0001 each	51	51
Nil (2022- 6) Trust shares of £1 each	-	6
	<u>51</u>	<u>57</u>

The shares rank *pari passu* except that a dividend may be declared on one class of share and not the other.

During the year, the trust shares were repurchased by the company.

11. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £227,834 (2022 - £162,934).

THE SCHOOLS HR CO-OPERATIVE LIMITED

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

12. Related party transactions

Included within other creditors due within one year is an amount of £4,765 (2022 - £2,474) due to the director.

13. Controlling party

The ultimate controlling party is M S Charlton, the director.

14. Employee share scheme

The company has a share option scheme whereby employees are able to subscribe for ordinary shares. The principal terms and conditions of grants are as follows, whereby all options are to be settled by the delivery of ordinary shares.

On 6 July 2019, 51,000 options over £0.0001 shares were granted to eligible employees under the terms of the Enterprise Management Incentive Scheme. 33,000 option has been vested at the vesting date of 31 August 2022 with a final exercise date of 6 July 2029.

A total expense reversal of £5,360 (2022 expense - £6,477) has been recognised in the Statement of comprehensive income based on a fair value of the option spread over the vesting period.