

Registered number: 02677494

HEADINGTON SCHOOL SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018



HEADINGTON SCHOOL SERVICES LIMITED

COMPANY INFORMATION

Directors	R S Shipperley C M Ringham
Company secretary	R C Couzens
Registered number	02677494
Registered office	The Bursary Headington School Headington Road Oxford OX3 0BL
Independent auditor	Crowe U.K. LLP Carrick House Lypiatt Road Cheltenham GL50 2QJ

HEADINGTON SCHOOL SERVICES LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Balance sheet	7
Notes to the financial statements	8 - 12
Detailed profit and loss account and summaries	13 - 14

HEADINGTON SCHOOL SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2018

The directors present their report and the financial statements for the year ended 31 July 2018.

Directors' responsibilities statement

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 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 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 for the Company's financial statements 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 Company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

R S Shipperley
C M Ringham

Disclosure of information to auditor

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's auditor is 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's auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

HEADINGTON SCHOOL SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018

This report was approved by the board on 6.12.2018 and signed on its behalf.



C M Ringham
Director

HEADINGTON SCHOOL SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF HEADINGTON SCHOOL SERVICES LIMITED

Opinion

We have audited the financial statements of Headington School Services Limited (the 'Company') for the year ended 31 July 2018, which comprise the Statement of comprehensive income, the Balance sheet 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 Company's affairs as at 31 July 2018 and of its 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material

HEADINGTON SCHOOL SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF HEADINGTON SCHOOL SERVICES LIMITED (CONTINUED)

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

HEADINGTON SCHOOL SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF HEADINGTON SCHOOL SERVICES LIMITED (CONTINUED)


Auditor's 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 Auditor's 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 financial statements.

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. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's shareholder 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 shareholder 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 shareholder for our audit work, for this report, or for the opinions we have formed.


Guy Biggin

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Carrick House
Lypiatt Road
Cheltenham
GL50 2QJ

Date: 20 December 2018

HEADINGTON SCHOOL SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2018

	2018 £	2017 £
Turnover	682,399	627,097
Gross profit	682,399	627,097
Administrative expenses	(341,232)	(333,621)
Operating profit	341,167	293,476
Interest payable and similar charges	(3,714)	(3,361)
Profit before tax	337,453	290,115
Profit for the financial year	337,453	290,115
Other comprehensive income for the year		
Convenanted payment to Headington School Oxford Ltd	(342,552)	(294,262)
Total comprehensive income for the year	(5,099)	(4,147)

The notes on pages 8 to 12 form part of these financial statements.

HEADINGTON SCHOOL SERVICES LIMITED
REGISTERED NUMBER: 02677494

BALANCE SHEET
AS AT 31 JULY 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible fixed assets			143,281		147,551
			<u>143,281</u>		<u>147,551</u>
Current assets					
Stocks		304		1,070	
Debtors	7	112,702		107,531	
Cash at bank and in hand		48,604		113,870	
		<u>161,610</u>		<u>222,471</u>	
Creditors: amounts falling due within one year	8	(105,315)		(165,347)	
Net current assets			<u>56,295</u>		<u>57,124</u>
Total assets less current liabilities			<u>199,576</u>		<u>204,675</u>
Creditors: amounts falling due after more than one year	9		(191,836)		(191,836)
Net assets			<u>7,740</u>		<u>12,839</u>
Capital and reserves					
Called up share capital			4		4
Profit and loss account			7,736		12,835
			<u>7,740</u>		<u>12,839</u>

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 were approved and authorised for issue by the board and were signed on its behalf on 6.12.2018



C M Ringham
 Director

The notes on pages 8 to 12 form part of these financial statements.

HEADINGTON SCHOOL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

1. General information

Headington School Services Limited is a private company limited by shares, incorporated and domiciled in the UK. The address of its registered office is The Bursary, Headington School, Headington Road, Oxford, OX3 0BL, United Kingdom. The company is registered at Companies House England and Wales. Its registered number is 02677494.

The company's principal activity continues to be the provision of lettings and other trading activities on behalf of its immediate parent company, Headington School Oxford Limited.

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

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Directors' Responsibilities on page 1.

2.3 Turnover

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

2.4 Tangible fixed assets and depreciation

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.

HEADINGTON SCHOOL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation (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:

Leasehold property	- 2%
Fixtures & fittings	- 10-25% straight line or reducing balance

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.

2.5 Stocks

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

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

2.8 Creditors

Short term creditors are measured at the transaction price.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3. Auditor's remuneration

	2018 £	2017 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>4,650</u>	<u>4,500</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

HEADINGTON SCHOOL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2017 - 1).

5. Taxation

Factors affecting tax charge for the year

On the basis of these financial statements no provision has been made for corporation tax, as all the taxable profit has been paid under Deed of Covenant.

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

6. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 August 2017	196,774	1,768	198,542
Disposals	-	(425)	(425)
At 31 July 2018	196,774	1,343	198,117
Depreciation			
At 1 August 2017	50,354	637	50,991
Charge for the year on owned assets	3,935	335	4,270
Disposals	-	(425)	(425)
At 31 July 2018	54,289	547	54,836
Net book value			
At 31 July 2018	142,485	796	143,281
At 31 July 2017	146,420	1,131	147,551

HEADINGTON SCHOOL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

7. Debtors

	2018 £	2017 £
Trade debtors	<u>112,702</u>	<u>107,531</u>

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	27,780	13,892
Amounts owed to group undertakings	42,552	120,261
Other taxation and social security	5,340	8,951
Accruals	29,643	22,243
	<u>105,315</u>	<u>165,347</u>

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

	2018 £	2017 £
Amounts owed to group undertakings	<u>191,836</u>	<u>191,836</u>

The intercompany loan relates to the library and is repayable on demand before 31 July 2030. Interest is charged at the Bank of England base rate.

10. Related party transactions

The company undertook the following transactions with its immediate parent company Headington School Oxford Limited during the year. Income of £26,250 was received for library rental (2017: £26,250). Administrative expenses includes rent of £6,800 (2017: £6,800) and other costs of £5,000 (2017: £5,000). Interest of £3,715 (2017: £3,361) was paid. The company made a gift aid donation of £300,000 (2017: £294,262) to the School.

At the year end the company owed its immediate parent company Headington School Oxford Limited £-(2017: £120,261).

HEADINGTON SCHOOL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

11. Controlling party and immediate parent undertaking

The directors regard Headington School Oxford Limited (registered charity number 309678, registered company number 00141076) as the immediate parent undertaking and controlling party.

The largest and smallest group in which the results of the company are consolidated is headed by the immediate parent undertaking, Headington School Oxford Limited. A copy of the immediate parent's consolidated financial statements may be obtained from Headington School Oxford Limited, Headington Road, Oxford, OX3 OBL.

HEADINGTON SCHOOL SERVICES LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2018

	Note	2018 £	2017 £
Turnover		682,399	627,097
Less: overheads			
Administration expenses		(341,232)	(333,621)
Operating profit		341,167	293,476
Interest payable		(3,714)	(3,361)
Profit for the year		337,453	290,115

HEADINGTON SCHOOL SERVICES LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2018

	2018 £	2017 £
Turnover		
Rent receivable	516,716	476,728
Other income	23,112	32,705
Commissions receivable	142,571	117,664
	<u>682,399</u>	<u>627,097</u>
	2018 £	2017 £
Administration expenses		
Commissions payable	142,571	117,664
Centenary expenses	-	10,465
Legal and professional	923	313
Auditors' remuneration	4,650	4,500
Letting expenses	151,062	155,380
Bank charges	380	345
Rent - operating leases	5,900	5,900
Theatre expenses	24,016	22,976
Coffee shop expenses	7,459	11,931
Depreciation	4,271	4,147
	<u>341,232</u>	<u>333,621</u>
	2018 £	2017 £
Interest payable		
Other loan interest payable	3,714	3,361