HIGHCLARE SCHOOL

England & Wales · Charity number 528940

Details

Other names	HIGHCLARE SCHOOL LIMITED
Status	Registered
Legal form	Charitable company
Company number	01074596
Registered	1973-04-18
Register	View on the Charity Commission register

Contact

Address	Highclare School 241-245 Birmingham Road Sutton Coldfield B72 1EA
Phone	01213737400
Email	enquiries@highclareschool.co.uk
Website	www.highclareschool.co.uk

Activities

Objects: TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION AND IN CONNECTION THEREWITH TO CONDUCT CARRY ON ACQUIRE AND DEVELOP IN THE UNITED KINGDOM OR ELSEWHERE ANY BOARDING OR DAY SCHOOL OR SCHOOLS FOR THE EDUCATION OF CHILDREN OF EITHER SEX OR BOTH SEXES; AND AS ANCILLARY THERETO:- TO ACQUIRE AND TAKE OVER AS A GOING CONCERN AND CARRY ON THE SCHOOL KNOWN AS, 'HIGHCLARE SCHOOL' AT SUTTON COLDFIELD, WARWICKSHIRE; TO CREATE AND ADMINISTER AND TO ASSIST IN THE CREATION AND ADMINISTRATION OF SCHOLARSHIP, EXHIBITIONS AND PRIZES FOR THE ENCOURAGEMENT OF STUDY AND LEARNING AND TO ACT AS TRUSTEES OR MANAGERS OF ANY PROPERTY ENDOWMENT BEQUEST OR GIFT FOR EDUCATIONAL PURPOSES.

Activities: The principal activity of the Group is the provision of tuition and general education facilities to children between two and eighteen years.

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Classification

- **How:** Makes Grants To Organisations, Provides Services
- **What:** General Charitable Purposes, Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

Geography

- Birmingham City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£7,956,651	£8,041,847	£4,960,221	126
2024-08-31	£7,836,431	£7,658,733	£5,045,417	123
2023-08-31	£7,127,282	£7,021,186	£4,867,719	117
2022-08-31	£6,618,206	£6,544,026	£4,761,623	122
2021-08-31	£5,823,551	£5,800,521	£4,687,443	123
2020-08-31	£6,062,324	£5,970,725	£4,664,413	135

Trustees

Name	Role	Appointed
LOUISE ELIZABETH FLOWITH	Chair	
Adrian Davison		2013-11-20
Angie Moore		2024-02-21
IAN HAZEL		
JOHN ARTHUR BARRETT		
JOHN RICHARD BRAIN		
PATRICIA MAYALL		
STEPHANIE WATSON		

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HIGHCLARE SCHOOL

England & Wales - Charity number 528940

Accounts

Highclare School

(A company limited by guarantee)

Governors' Report and Consolidated Financial Statements for the Year Ended 31 August 2025

Registered number: 1074596 (England & Wales)
Registered charity number: 528940

Highclare School

Financial Statements

For the Year Ended 31 August 2025

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Highclare School

Governors and General Information

Governors:	J A Barrett (President) Mrs L E Flowith (Chairman) J R Brain ACA Mrs P A Mayall A I Hazel Mrs S D Watson A B Davison Mrs A Moore
Head:	Miss F Smith, BSc Hons (Brunel), PGCE, FRSA
Educational establishments:	Highclare Preparatory School: Woodfield Pre-Preparatory and Preparatory 241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA Highclare Preparatory School: St.Paul's Pre-Preparatory and Preparatory 88 Lichfield Road Sutton Coldfield West Midlands B71 2SY Highclare: The Abbey Senior School and Sixth Form 10 Sutton Road Erdington Birmingham B23 6QL
Registered office:	241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA
Bankers:	HSBC Bank Plc The Bridge Walsall WS1 1LN
Auditors:	Malcolm Piper & Company Limited Kingsnorth House Blenheim Way Kingstanding Birmingham B44 8LS
Senior management personnel:	Miss F Smith Mrs S Cassell Mrs P Bennett (Resigned 31 December 2024) Mrs M P A McGoldrick Mr M Coles Mrs J Griffiths Mrs H Good (Stood down 1 September 2024)
Charity number:	528940
Company number:	1074596

Strategic Report

Objectives and Activities

The principal activity of the Group remains the provision of tuition and general education facilities to pupils between two and eighteen years.

The objectives of the Charity are:

(a) To promote and provide for the advancement of education and training and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom or elsewhere any boarding or day school or schools for the education of children and young people;

(b) To provide facilities in the interest of social welfare for the recreation and leisure time occupation for children and young people with the object of improving their conditions of life.

For over 90 years, Highclare has been pursuing its policy of encouraging pupils to achieve their full potential within a stimulating academic environment and to pursue excellence. The Highclare philosophy goes much further than educational excellence; we endeavour to work with both pupils and parents to equip our pupils to cope with the pressures of modern society. These skills are encapsulated in 'The Highclare Difference'

The School's focus continues to be on achievement of academic performance by a learning curriculum that is broad and balanced and kept constantly under review, the widening of access to the education provided by the School, enhancing the use of technology in teaching and improving the School's facilities and their access by the local community. Over the period, there was once again extensive refurbishment to continue the rolling programme of essential upgrading of the internal and external infrastructure of all school buildings, including external and internal refurbishment and decoration at our three school locations.

Recruitment and Training of Governors

Governors are familiar with the aims, objectives and practical operation of the School, often either by being parents or grandparents of pupils who are currently being educated at the School or having had pupils attend the School in the past or by virtue of possessing skills which are of specific benefit to the Board of of Governors. New Governors are appointed by the Board of Governors and elected at an Annual General Meeting following completion of 12 months of service.

Additionally, new Governors are provided with a copy of the latest financial statements and Memorandum and Articles of Association as well as a copy of the Charity Commission's guidance, 'The Essential Trustee: What you need to know, what you need to do'.

Governors undertake training as and when required appropriate to their specific needs and responsibilities. We have strengthened our processes with regards to safeguarding training this year,

The Governors determine the strategy and general policies of the School and meet as a Board at least 10 times a year. The implementation of the strategy together with the day-to-day management of the School is delegated to the Head and the Senior Leadership Team.

Group Structure and Relationships

As reported in the financial statements last year and as detailed in note 13 to these financial statements, a simplification of the group structure was legally and formally completed on 3 October 2024, which transferred all assets of the subsidiary undertakings to the School. As the subsidiary undertakings no longer served any purpose, applications to strike the off were submitted to Companies House.

Leadership and Management

Suzanne Cassell became the Designated Safeguarding Lead (DSL) for the School in September 2024 and in January 2025, Joanna Griffiths took up her new role as Head of Highclare Preparatory School. These two internal appointments also resulted in the Senior Leadership Team (SLT) being reduced to 5 permanent positions (Head, Head of Preparatory School, 2 x Senior School Deputy Heads and Business Manager), with Associate Deputy and Assistant Heads joining the Extended SLT once per half term.

Achievements and Performance

The School entered both the ISA Awards and the Independent Schools of the Year Awards in Summer Term 2025, being shortlisted as a finalist in the category for Marketing Communication for Independent Schools of the Year Awards.

The Independent Schools' Inspectorate (ISI) carried out a focussed compliance and educational quality inspection in April 2023. Their judgements were:

1. "The quality of pupils' academic and other achievements is excellent."

2. "Pupils throughout the school display strongly positive attitudes to learning, both independently and collaboratively."

3. "Prep school pupils demonstrate excellent study skills."

4. "The quality of the pupils' personal development is excellent."

5. "Pupils deeply respect and value diversity within their school and show a keen appreciation of their own and other cultures."

6. "Pupils throughout the school demonstrate excellent self-knowledge, self-discipline and resilience in all aspects of their school lives."

7. "Pupils' moral understanding is highly developed and they maturely take responsibility for their own behaviour."

It is anticipated that the next ISI Inspection will take place in Spring of 2026 and preparation for this began in the current academic year.

Academic achievement is a matter of record, with our pupils winning places at top independent and maintained grammar schools at 11+ and gaining their choice of university or apprenticeship after the Sixth Form.

Academic results during the year were once again very good with a 98% pass rate at 'A' Level; and 65% passes at A* - C grades (including EPQ). At GCSE, 72% of the candidates achieving grades 9 to 4 (A* to C equivalent) in five or more subjects, 17% of grades were 9 to 7 and 74% of pupils achieved a grade 4 or higher in Maths and English. These grades were achieved alongside taking part in a full extra-curricular timetable; in keeping with the Highclare ethos of educating the whole person. The strength of teaching, processes and the dedication and continued hard work and application from staff and pupils placed us firmly amongst the top independent schools in the region.

Achievements and Performance (continued)

Academic 'value added', using the CEM Centre's Yellis measures, continues to be indicative of the good progress that the pupils make. This year's average residual is -0.14 which is similar to last year and indicates candidates have achieved expected progress.

The curriculum was reviewed across both The Preparatory School and Senior School. A new Preparatory School English curriculum was introduced focused on dynamic and challenging texts. Staff were supported by an internal English consultant to prepare and deliver the new curriculum to the highest standards and parent workshops were also held. The new KS3 'super-curriculum' was finalised with Heads of Department for implantation from September 2025. Both these initiatives tie into our 'The Highclare Difference' branding.

Throughout the year both the Senior and Preparatory Schools continued to provide a vast range of co-curricular and extra-curricular activity. Highclare School is dedicated to educating the whole person and allowing them to fulfil their potential in so many ways through sport, music, drama, the Duke of Edinburgh Award scheme and the many activities and trips both local and abroad offered to pupils, including in October 2024, a trip to Thailand. These activities complement the learning through the curriculum and enrich personal development. This is what Highclare School is all about, giving the opportunities to pupils to learn important skills such as leadership, time management, teamwork, persistence and to grow in both self-confidence and self-assurance.

In the Senior School, extra-curricular clubs before school, at lunch and after school continued to play a huge part in the development of our pupils. Clubs included: football, netball. table tennis, choir, rock band, current affairs, 'woof Wednesday', board games, drama, chess and science. Highclare Sports Field continues to be used weekly in the double lessons, primarily for football and for cricket, making use of the Astroturf wicket. The pupils in U3/L4 continued to have a weekly swimming lesson at Erdington Leisure Centre, which is a fantastic opportunity for their development. The School won the Society of Heads U16 Football Tournament; the final taking place in May 2025.

Prep School sport is enhanced via the extra-curricular clubs before school, at lunchtime and after school. Clubs included football, netball, hockey, basketball, ballet, tennis, multi-sports and dancing. Highclare Sports Field continues to be used by the Prep School 4 times a week and they also share facilities at the Senior School or across Prep School sites. Swimming is taught weekly for pupils in Reception, Year 1 and Year 2 and then on a half termly basis for pupils in Years 3 to 6. Fixtures take place for all pupils throughout the school (Year 1 upwards) in all sports such as swimming, tri-golf and hockey. Last year we played approximately 65 fixtures against other schools. These were both competitive and friendly.

The Duke of Edinburgh's Award Scheme, which was established at Highclare School in 2013, continues to flourish. The awards involve a wide range of activities including sport, expeditions and volunteering, all of which the pupils have to organise for themselves. This demands a great deal of personal input along with the tremendous support from the teaching staff involved, who also give up their free time to supervise the expeditions and manage the programme. This year saw 11 pupils sign up for Bronze and 9 for Silver, with 15 pupils completing the Bronze Award and 4 completing the Silver Award (signed up in previous years).

Music and drama continue to play an extremely important part in school life. Many events took place and many of the pupils maintained their progress via the interaction with the numerous visiting music teachers who continue to do so much valuable work. The London Academy of Music and Dramatic Arts ("LAMDA") is an extremely popular extra-curricular activity, which allows pupils to grow in confidence and develop their individuality. This has continued to flourish and, once again, many pupils took exams during the year with almost all results being graded as Merit or Distinction.

Achievements and Performance (continued)

We continue to enter external competitions, including the annual ISA Art competition. Although there were no winning entries this year, the standard continues to be high.

The Preparatory School continues to promote the ongoing and all-round development of all pupils in a nurturing and caring environment.

The Governors offer their congratulations to the pupils who participated in these achievements and thank the teachers and parents for their commitment and support.

Pastoral care continues to be a strength of the School with comprehensive policies on Personal, Social, Health and Citizenship Education (PSHCE), Social, Moral, Spiritual and Cultural aspects of Learning (SMSC) and careers guidance, together with an outstanding tutor system. School continues to work within the regulatory framework with regard to relationship and sex education and responded positively to the national initiatives on equity, diversity and equality that schools were asked to implement. The School began a new subscription to 'The Wellbeing Hub' in September 2024 – an online support platform for pupils, parents, schools and teachers. The platform includes resources for lessons in school as well as advice for pupils and parents. It also includes access to live and recorded webinars for parents on a variety of topics and these are advertised in the School's weekly newsletter.

Community Involvement

The School has an on-going commitment to encourage all pupils of every age to engage (at appropriate levels) in community involvement. These include community carol singing, visits to residential and care homes and invitations to members of the community and local schools to attend a number of school events such as concerts and plays. The School gifted a membership subscription to the Wellbeing Hub (an online wellbeing platform for pupils and families) to Edmund Campion School in Erdington.

Charity plays a huge part in both the Senior and Preparatory Schools. The charities chosen by the student councils on each site this year were Canine Partners, St Giles Hospice and the water sanitation project in Chiang Mai (Thailand) which was a focus of the senior school trip to Thailand in October 2024. We also continued to support Shoe Aid, the Erdington Foodbank and Lions International spectacle recycling initiative. During the year the School raised £10,947. A further £2,079 was raised as an individual event for St Giles Hospice with the pupils taking part in their annual Rudolph Run. We supported Comic Relief this year, raising £312.

This year has also seen the School donating gifts of food for the Trussell Trust foodbank operated in Erdington. Pupils have also collected and donated used spectacles to Lions International. The Governors are extremely grateful to the pupils and their parents for these considerable fund-raising efforts, which were even more necessary during the cost-of-living crisis to assist those within the community who are struggling to cope.

The Competitions in art and creative writing for local primary schools again took place this year. The art competition, in the Spring, attracted 153 entries from 8 schools on the theme of a "hero" which could be interpreted in many ways, but was linked to the 80th anniversary of VE Day , whilst the creative writing competition focussed on writing a piece inspired by art work from the National Gallery to celebrate its 100th anniversary and attracted 139 entries from 6 schools. We were able to welcome participants into school for the presentation events.

Neighbouring primary schools and local sporting teams enjoy the use of the School's recreational facilities at both the Senior School and Highclare Sports Field and the Church next door are able to use the car park every weekend when they are open, within current restrictions and able to provide services to the community.

Community Involvement (continued)

The Trustees have considered their response to the change to the law, as embodied in the Charities Act 2011, requiring that public benefit can no longer be presumed but must be demonstrated. In addition, they have had due regard for Charity Commission guidance on the subject. The Governors consider that these wider involvements and contributions to the community clearly demonstrate the greater public benefit requirements are being met.

Scholarship Awards

Academic scholarships are awarded to pupils who perform particularly well in our entrance assessments and have already demonstrated a considerable degree of all round commitment to their current school. Additional specialist scholarships are also awarded for those pupils showing a particular talent in music or sport and the Head's Award recognises those whose contribution to School life is likely to be significant, but not recognised by the existing scholarship framework. Bursaries are offered based on financial needs. The Highclare School Governors' Prize is a means-tested bursary available annually if all the necessary requirements are met to cover up to 100% of school fees for one pupil upon entering Senior School in U3 (Year 7). The School currently has awarded this bursary to eight pupils: ranging from current U3 (Year 7) to L6 (Year 12).

Financial Review

Fee income has fallen slightly this year to £7,211,418 from 2024: £7,290,518, which reflects national economic and inflationary pressures on family incomes and a small fall in overall pupil numbers.

The school continues to make savings in overheads and costs wherever possible.

There was a continued and necessary annual rolling replacement programme of IT facilities, including the replacement of interactive smart boards, computers, servers and Wi-Fi provision to ensure that both pupils and staff continue to benefit from enhanced interactive teaching.

There have been many other significant enhancements this year which included:

- Investment in licences for online platforms including the Wellbeing Hub and Morrisby which supports careers education and guidance.
- The next phase of the school-wide boiler replacement and heating upgrade programme;
- A new telephone system across the whole school, providing simplified access to school departments for parents and staff members.
- Continued upgrades to internal decoration across all sites.
- Further roll out of Paxton security system to entrances and doors.
- The refurbishment of reception facilities at the Senior School.
- Staff professional learning and development has included an external qualification for a School Wellbeing Lead and Level 7 course to ensure our SENCO has the necessary qualifications in line with the maintained sector requirements.

Reserves Policy

It is the policy of the Charity to maintain separate reserve funds for specific purposes. The Charity aims to retain at a minimum consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets (excluding any unrealised revaluation adjustments), which amount to £5,155,236 as at 31 August 2025 (2024: £5,167,058), as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs. The unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2025 amounted to £4,959,653 (2024: £5,044,813).

Risk Management

The major risks, to which the Charity is exposed, as identified by the Governors, have been reviewed and systems have been established to mitigate those risks. A risk register has been established and is updated throughout the year.

Friends of Highclare School ("FOHS")

The FOHS plays a very important part in the School, organising events for the pupils and parents and raising funds for the School. They are a committed and dedicated group of parents who aim to provide the best they can for the School. They also kindly operate a second-hand School uniform shop that is used by the parent body.

Child Protection Code of Practice

It is the policy of Highclare School to provide a safe and secure environment in which pupils can thrive and develop and where all aspects of their welfare will be safeguarded. The Safeguarding Policy is embedded within School life and is updated annually. This includes additional and necessary considerations for physical as well as psychological health, safety and well-being of all our pupils. Our DSL is also undertaking CPD to gain a Mental Health and Wellbeing Lead Qualification.

Plans for Future Periods

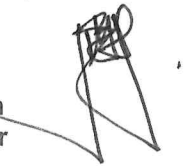
The Governors' plan is to continue to improve the educational and academic achievements of pupils by the provision of enhanced facilities. Constant monitoring of performance, and the potentially changing landscape of rules and requirements, means that the School's medium to long term strategy is kept under review and any changes that are necessary will be considered and implemented.

The School is in the process of achieving an externally accredited Wellbeing Award. We are also developing our School brand, as recognised recently in the Independent School of the Year Awards, around "The Highclare Difference" and investing in resources to support this, e.g. introduction of the Highclare Diploma at Highclare Senior School. This includes one-to-one laptop deployment when pupils join Senior School: this is a rolling programme which will take 4 years to complete (in September 2025, Year 7 and Year 8 will be issued with laptops).

The School continues its major school wide capital investment programme where appropriate. The sites currently occupied by Abbey Fire Ltd and the former Sign Services at the front of the Senior School Site on Birmingham Road are scheduled for demolition in late summer 2026 so that the land can be brought into the Highclare Senior School campus.

Additionally, the School's schedule of rolling maintenance in respect of areas such as roofing, rainwater pipes and fire security continues across all three locations as required, to ensure a high quality-learning environment is maintained for the pupils.

Approved by the Board on 21 January 2026 and signed on its behalf by:



J R Brain
Governor

Governors' Report

The Governors submit their report and the audited consolidated financial statements of the Group for the year ended 31 August 2025.

The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the Annual Report and Financial Statements.

Structure, Governance and Management

The Company is limited by guarantee and is registered as a charitable educational trust. There is no share capital. Its Memorandum and Articles of Association govern the Company.

Governors' responsibilities

The Governors (who are also directors of Highclare School for the purposes of Company Law) are responsible for preparing the Annual Report (including the Strategic Report) and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charitable Company and the Group and of the income and expenditure of the Group and Charitable Company for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Group or charitable company will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Group and Charitable Company and enable them to ensure that the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are also responsible for ensuring that the assets are properly applied in accordance with Charity Law.

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the Group and Charitable Company's auditor is unaware. Each of the Governors have confirmed that they have taken all steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organisational Management

The Directors of the Company are also Charity Trustees for the purposes of Charity Law and under the Company's Articles are known as Governors. The Governors are all members of the Company serving in a non-executive capacity and receive no emoluments. The day-to-day management of the School is delegated to the Head and the Senior Leadership Team.

The Governors who served in the year ended 31 August 2025 were:

J A Barrett (President)
Mrs L E Flowith (Chairman)
J R Brain (Treasurer)
Mrs P A Mayall
A I Hazel
Mrs S D Watson
A B Davison
Mrs A Moore

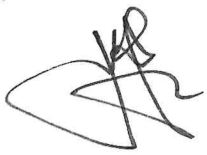
Mr J R Brain, Mrs P A Mayall and Mr A I Hazel retire by rotation at the forthcoming Annual General Meeting and, being eligible; offer themselves for re-election at the Annual General Meeting.

Auditors

Malcolm Piper & Company Limited, as auditors, will be proposed to the Governors for re-election at the Annual General Meeting.

Approved by the Board on 21 January 2026 and signed on its behalf by:

J R Brain
Governor



Opinion

We have audited the financial statements of Highclare School (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 August 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including 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 parent charitable company's affairs as at 31 August 2025, and of the Group's incoming resources and application of resources, including its income and expenditure, 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 Group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Governors' 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 parent charitable 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Governors' annual report, other than the financial statements and our auditor's report thereon. The Governors 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.

[continued ...]

Opinions 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 Governors' Report (incorporating the Strategic Report and the Governors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the Strategic Report and the Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 charitable company, or returns adequate for our audit have not been received from branches not visited by us; or

• the parent charitable company's 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 Governors

As explained more fully in the Governors' responsibilities statement set out on page 8 the Governors (who are also the Directors of the charitable company for the purposes of Company Law) 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 Governors 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 Governors are responsible for assessing the Group's and parent charitable 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 Governors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

[continued ...]

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, including fraud as detailed below:

• We obtained an understanding of the legal and regulatory frameworks that are applicable to Highclare School, ("the Group and Company") and determined that the most significant are those that relate to the UK reporting framework under which the Company prepares its accounts and reports its results and the relevant UK tax compliance regulations. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations include those relating to health and safety, employee matters, environmental, and bribery and corruption practices;

• Having due regard to ISA 240 (Redrafted), The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements, we planned and designed our audit procedures to undertake such enquiry and testing which we deemed necessary to understand how the Company is complying with those frameworks. We made enquiries of the directors, senior management and those responsible for legal and compliance procedures within the "Group and Company" and we corroborated our enquiries by reference to other documentary evidence, where available, or other complimentary or compensating evidence and with other correspondence received and noted that there was no contradictory evidence;

• Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material mis-statements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed any non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these involve collusion, forgery, intentional omissions, misrepresentations, or the over-ride of internal controls. Our audit procedures are designed to detect material mis-statement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

• In designing the scope and depth of our work to assess the likely impact on the financial statements of fraud and other irregularities, we calculate a materiality level which is a percentage based upon turnover, profitability and gross balance sheet assets. This calculation produces a figure against which financial statement errors and irregularities are compared and indicates a level at which, in our opinion and judgement, this would cause transactions and balances within the financial statements to be misleading or materially incorrect.

• We also assessed the susceptibility of the Consolidated Financial Statements of the "Group and Company" to material misstatement using qualitative as well as quantitative factors, including how fraud might occur, and designed our audit testing and enquiries in such a way so as to enable us to identify the fraud risks across various parts of the business. In addition, we utilised internal and external information to perform a fraud risk assessment as part of our audit planning and testing procedures.

• We considered the risk of fraud through management override of controls and systems and, in response, we incorporated testing of large or unusual manual journal entries into our audit approach. We also considered the possibility of fraudulent or corrupt payments made through third parties and conducted detailed analytical review and substantive transaction testing on third party suppliers. Where instances of unusual behaviour patterns were identified through our testing, we performed additional audit procedures to address each identified risk. These procedures included testing of transactions back to source information and were designed to provide reasonable assurance that the financial statements were free from fraud or error. We also conducted specific audit procedures in relation to the risk of bribery and corruption by means of review of any marketing, promotion or discount activity determined by a risk-based process;

• Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. Our procedures involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business and enquiries of "Group and Company" management; and

• If any instances of non-compliance with laws and regulations were identified, the audit team performed sufficient and appropriate audit procedures.

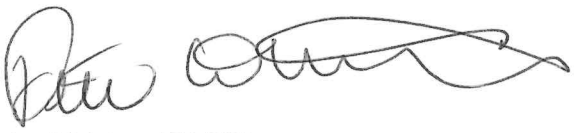
[continued ...]

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

Use of our report

This report is made solely to the charitable 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 Group and charitable company's members 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 Group and charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Whitehead BA FCA
Senior Statutory Auditor
For and on behalf of
Malcolm Piper & Company Limited
Kingsnorth House
Blenheim Way
Birmingham
B44 8LS

Dated: 21 January 2026

Highclare School

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 August 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Charitable activities					
School fees receivable		7,211,418	-	**7,211,418**	7,290,518
Registration fees		10,327	-	**10,327**	13,187
School activities & trips		106,473	-	**106,473**	141,948
Investments					
Rents and lettings		8,250	-	**8,250**	8,250
Other					
Other income	4	428,795	-	**428,795**	382,528
Total income		7,765,263	-	**7,765,263**	7,836,431
Resources expended					
Expenditure on:					
Charitable activities					
School operating costs	5	(7,436,753)	(40)	**(7,436,793)**	(7,282,673)
School activities and trips		(106,473)	-	**(106,473)**	(141,948)
Governance costs	6	(11,425)	-	**(11,425)**	(11,425)
School finance costs	9	(31,907)	-	**(31,907)**	(45,655)
Exceptional Items	10	(263,861)	-	**(263,861)**	(177,032)
Total expenditure		(7,850,419)	(40)	**(7,850,459)**	(7,658,733)
Net Income		(85,156)	(40)	**(85,196)**	177,698
Transfers between funds	20	-	-	-	-
Net movement in funds for year		(85,156)	(40)	**(85,196)**	177,698
Total funds brought forward at 1 September 2024		5,044,813	604	**5,045,417**	4,867,719
Total funds carried forward at 31 August 2025		4,959,657	564	**4,960,221**	5,045,417

All income and expenditure is derived wholly from continuing operations.

The consolidated statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 18 to 32 form an integral part of these financial statements.

Highclare School

Consolidated Balance Sheet at 31 August 2025 (Registration number 1074596)

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	**5,155,236**	5,167,058
		5,155,236	5,167,058
Current assets			
Debtors	14	**161,102**	228,092
Cash at bank and in hand		**2,380,746**	2,927,280
		2,541,848	3,155,372
Creditors: Amounts falling due within one year	15	**(2,353,983)**	(2,808,235)
Net current assets		**187,865**	347,137
Total assets less current liabilities		**5,343,101**	5,514,195
Creditors: Amounts falling due more than one year	16	**(382,880)**	(468,778)
Total net assets		**4,960,221**	5,045,417
Charity Funds			
Restricted Funds	20	**564**	604
Unrestricted Funds			
General unrestricted funds	20	**4,653,884**	4,693,337
Revaluation reserves	20	**305,773**	351,476
		4,960,221	5,045,417

These financial statements were approved and authorised for issue by the Board on 21 January 2026 and signed on its behalf by:

Louise Flowith

Mrs L E Flowith — Governor

J R Brain — Governor

The notes on pages 18 to 32 form an integral part of these financial statements

Highclare School

Balance Sheet at 31 August 2025 (Registration number 1074596)

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	**7,407,347**	7,464,872
Investment	13	**-**	1
		7,407,347	7,464,873
Current assets			
Debtors	14	**161,102**	228,092
Cash at bank and in hand		**2,380,746**	2,927,280
		2,541,848	3,155,372
Creditors: Amounts falling due within one year	15	**(2,353,983)**	(2,808,240)
Net current assets		**187,865**	347,132
Total assets less current liabilities		**7,595,212**	7,812,005
Creditors: Amounts falling due after more than one year	16	**(382,880)**	(468,778)
Total net assets		**7,212,332**	7,343,227
Charity Funds			
Restricted Funds	20	**564**	604
Unrestricted Funds			
General unrestricted funds	20	**7,127,738**	7,258,593
Revaluation reserves	20	**84,030**	84,030
		7,212,332	7,343,227

These financial statements were approved and authorised for issue by the Board on 21 January 2026 and signed on its behalf by:

Louise Flowith

Mrs L E Flowith — Governor

J R Brain — Governor

The notes on pages 18 to 32 form an integral part of these financial statements

Highclare School

Consolidated Cash Flow Statement for the Year Ended 31 August 2025

	Note	2025 £	2024 £
Net cash inflow from operating activities	22	**(307,950)**	1,192,423
Cash flow from investing activities			
Payments to acquire tangible fixed assets		**(134,467)**	(305,400)
Receipts from sale of tangible fixed assets		**5,438**	-
Rents received from investment properties		**8,250**	8,250
Net cash flow from investing activities		**(120,779)**	895,273
Cash flow from financing activities			
Repayment of loans		**(85,898)**	(85,897)
Loan interest paid		**(31,907)**	(45,622)
Net cash flow from financing activities		**(117,805)**	(131,519)
Net increase (decrease) in cash and cash equivalents		**(546,534)**	763,754
Cash and cash equivalents at 1 September 2024		**2,927,280**	2,163,526
Cash and cash equivalents at 31 August 2025		2,380,746	2,927,280
Cash and cash equivalents consist of:			
Cash at bank and in hand		2,380,746	2,927,280

1. Accounting Policies

General Information and Basis of Accounting

The Charity is a Company Limited by Guarantee in the United Kingdom. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of the financial statements. The nature of the Charity's operations and principal activities are detailed in the Strategic Report on page 2.

The Company has taken advantage of section 62 of the Companies Act 2006 and deleted the word "Limited" from its name.

The Charity constitutes a Public Benefit Entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The consolidated financial statements have been prepared under the historical cost accounting convention, other than in the case of certain freehold properties and investment properties, which are stated at valuation. The consolidated financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest pound. There are no discontinued operations.

The significant accounting policies applied in the preparation of these financial statements for the Group and Charitable Company ("Charity") are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of Consolidation

The Group financial statements consolidate the financial statements of the company and its subsidiary undertakings, Highclare Investments Limited (company registered number 02963934) and Highclare Limited (company registered number 02963938). Intra-group transactions and profits are eliminated on consolidation.

No separate statement of financial activities is presented for the Company as permitted by section 408 of the Companies Act 2006. The Company had total income from charitable activities of £7,328,218 (2024: £7,445,653), income from investments of £8,250 (2024: £1,174,120) and other income of £428,795 (2024: £382,528). Total expenditure on charitable activities was £7,588,965 (2024: £7,424,591), governance and finance costs of £43,332 (2024: £57,080) and exceptional items of £263,861 (2024: £177,032). The net loss for the year amounted to £130,895 (net income 2024: £1,343,598).

Funds

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted funds is set out in the notes to the financial statements.

Income Recognition

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met; the amount can be quantified with reasonable accuracy; and it is probable that the income will be received.

1. Accounting Policies (continued)

Donations
For donations to be recognised the Charity will have been notified of the amounts and settlement date in writing. If there are conditions attached to the donation, and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled. Donations receivable for the general purposes of the school are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to relevant restricted funds.

Charitable Income
Fees receivable and charges for services are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the school.

Investment Income
Investment income is earned through holding assets for investment purposes such as property. It includes interest earned and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest and rental income are recognised as the charity's right to receive payment is established.

Expenditure Recognition
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties; it is probable that the settlement will be required; and the amount of the obligation can be measured reliably. All costs are incurred in the furtherance of the charitable activities.

Costs of Raising Funds
Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable Activities
Charitable activities include expenditure on providing education and include both direct costs and support costs relating to the activity.

Support Costs
Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include central functions and governance costs. They are incurred directly in support of expenditure on the objectives of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources e.g. staff costs by the time spent and other costs by their usage.

Governance Costs
Governance costs comprise the costs of running the Charity, including strategic planning for its future development, external audit, any legal advice for the Governors and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Leases
Rentals paid under operating leases are charged to income in the period to which they relate.

1. Accounting Policies (continued)

Tangible Fixed Assets

Tangible fixed assets acquired are capitalised in the balance sheet at their original cost or valuation. Items costing less than £750 are written off as an expense in the period in which they are acquired.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold properties	up to 50 years straight line
Leasehold improvements	up to 50 years straight line
Fixtures, fittings and equipment	between 2 and 5 years straight line
Computer equipment (teaching)	a maximum of 4 years straight line
Motor vehicles	a maximum of 5 years straight line
Investment properties	not depreciated

Assets under Construction

Costs incurred in fixed assets under construction are capitalised as they are incurred. The total cost of the project will be assessed against its realisable value upon completion of the project and it will then be transferred to the appropriate asset category. No depreciation is charged during the project construction. Where a project is aborted, the costs are immediately written off to the Statement of Financial Activities ("SOFA").

Investment Properties

Investment properties are accounted for in accordance with FRS 102, which provides that these should not be subject to periodic depreciation charges (unless held on lease), but should be shown at fair value. This is contrary to the Companies Act 2006, which states that, subject to any provision for depreciation or diminution in value, fixed assets are normally to be stated at purchase price or production cost. Current cost accounting or the revaluation of specific assets to fair value, as determined at the date of their last valuation, is also permitted.

The treatment of investment properties under the Companies Act does not give a true and fair view, as these assets are not held for consumption but as investments, the disposal of which would not materially affect the operations of the Group. In such a case, it is the current value of these investments, and changes in that current value, which are of prime importance. Consequently, for the proper appreciation of the financial position, the accounting treatment required by FRS 102 is considered appropriate for investment properties.

Details of the current value and historical cost information for investment properties are given in the Tangible Fixed Asset note.

Investments

Fixed asset investments in subsidiaries are measured at historical cost less provision for any permanent diminution in value.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the SOFA.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction, it is measured at present value.

1. Accounting Policies (continued)

Impairment
Assets not measured at fair value are reviewed for indications that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying value. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SOFA.

Provisions
Provisions are recognised when the Charity has an obligation at the balance sheet date because of a past event; it is probable that an outflow of economic benefits will be required in settlement; and the amount can be reliably estimated.

Employee Benefits
When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed to the SOFA as they become payable in accordance with the rules of the scheme.

Taxation
The Company is registered as a Charitable Educational Trust and, under the provisions of Section 505, Income and Corporation Taxes Act 1988, is exempt from liabilities to taxation on its charitable activities. No corporation tax liability arises on the results of the subsidiary undertakings for the year.

Government Grants
The company receives government grants in respect of the HM Job Retention Scheme and other local government support initiatives. Income from government and other grants are recognised at fair value when the company has entitlement after any performance conditions are met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, these amounts are deferred.

Going concern
Having reviewed the cash position, the Governors consider that the Group has adequate resources to continue its current operations and pursue its Long Term Strategy, as they believe it has the ability to meet its debts as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2. Income from Charitable Activities

During the year, no donations were received and classified as restricted funds. All charitable income for the current and prior year is attributable to unrestricted funds.

3. Income from Investments

All investment income for the current and prior year is attributable to unrestricted funds.

4. Income from Other Activities

	2025 £	2024 £
Other Income	**428,795**	382,528

Other Income is attributable to unrestricted funds.

5. School Operating Costs

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Salaries	5,108,314	-	**5,108,314**	4,965,169
Teaching materials	278,267	-	**278,267**	215,940
Kitchen expenses	564,290	-	**564,290**	548,618
Rent, rates and insurance	163,091	-	**163,091**	109,001
Heat and light	223,154	-	**223,154**	215,003
Cleaning	189,806	-	**189,806**	213,072
Training	11,048	-	**11,048**	13,049
Repairs and maintenance	268,535	-	**268,535**	396,966
Motor and transport	48,528	-	**48,528**	43,892
School activities and trips	106,473	-	**106,473**	141,948
Unrecoverable VAT	45,824	-	**45,824**	-
Depreciation:				
Fixtures, vehicles and equipment	110,433	-	**110,433**	134,193
Freehold buildings	30,418	-	**30,418**	40,438
Profit on disposal of fixed assets	5,438	-	**5,438**	-
Support costs:				
Printing and stationery	167,560	-	**167,560**	198,762
Advertising	29,557	-	**29,557**	18,234
Sundry expenses	78,368	40	**78,408**	78,233
Professional charges	101,246	-	**101,246**	67,368
Bank charges and interest	56,208	-	**56,208**	81,815
	7,586,558	40	**7,586,598**	7,481,701

All expenditure for the current and prior year is in respect of the furtherance of the charitable activities of which £40 (2024 - £30) was attributable to restricted funds and £7,586,558 (2024 - £7,481,671) was attributable to unrestricted funds.

Included within school operating costs are school activities and trips, governance costs (note 6) and school finance costs (note 9), which have been disclosed separately on the Statement of Financial Activities.

6. Governance Costs

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Auditors' remuneration (note 11)	11,425	-	**11,425**	11,425

7. Staff Costs

The average monthly number of employees and full-time equivalents (FTE) during the year was as follows:

	2025		2024	
	Number	FTE	Number	FTE
Teachers	**108**	**90**	106	88
Administration	**30**	**23**	27	22
Auxiliary staff	**21**	**13**	20	12
	159	**126**	153	123

	2025	2024
	£	£
Staff costs for above persons:		
Wages and salaries	**4,452,535**	4,371,883
Social security costs	**411,352**	359,910
Other pension costs	**244,427**	233,376
	5,108,314	4,965,169

There were five (2024: five) employees whose emoluments as defined for taxation purposes amounted to over £60,000. Their emoluments fell within the following bands: three £60,000 - £70,000 (2024: three) one £70,001 - £80,000 (2024: one), nil £80,001 - £90,000 (2024: one) and one £100,000 - £110,000 (2024: nil).

Pension costs in respect of the above employees totalled £32,974 (2024: £31,689).

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in independently administered funds. Five (2024: four) higher paid employees are accruing benefits under the group defined contribution pension scheme. The total pension costs charge to all schemes represents contributions payable by the Group and amounted to £244,427 (2024: £233,376).

8. Trustees' and Key Management Personnel Remuneration and expenses

The Governors do not receive any remuneration from the School, have no accruing pension arrangements and had no expenses reimbursed in either the year to 31 August 2025 or the previous financial year.

The total amount of employee benefits received by key management personnel is £426,076 (2024: £505,392). The Charity considers its key management personnel are the Senior Leadership Team.

9. School finance costs

	2025 £	2024 £
Bank loan Interest	**31,907**	45,622

10. Exceptional items

Exceptional items relate to amounts incurred during the year, which are not of a recurring nature. These are as follows:

	2025 £	2024 £
VAT recovered on registration	**191,388**	-
VAT on school fees borne by school	**(455,249)**	-
Legal and professional fees in respect of various planning and other strategic related work	**-**	(177,032)
	(263,861)	(177,032)

11. Total Resources Expended

	2025 £	2024 £
Total resources expended on charitable activities includes:		
Depreciation of tangible fixed assets	**125,567**	177,491
Surplus on disposal of tangible fixed assets	**5,438**	-
Auditor's remuneration in respect of non-audit services	**6,300**	5,670

Governance costs includes:	2025 £	2024 £
Auditors' remuneration in respect of audit services		
- for audit services	**11,425**	11,425
- for other services	**6,300**	5,670
	17,725	17,095

12. Tangible Fixed Assets

Group	Investment properties £	Freehold properties £	Fixtures, fittings, vehicles & equipment £	Total £
Cost or valuation				
At 1 September 2024	219,162	6,167,680	2,136,838	8,523,680
Additions	-	-	134,467	134,467
Disposals	-	-	(18,355)	(18,355)
At 31 August 2025	219,162	6,167,680	2,252,950	8,639,792
Depreciation				
At 1 September 2024	-	1,727,658	1,628,964	3,356,622
Charged in the year	-	30,418	110,433	140,851
Disposals	-	-	(12,917)	(12,917)
At 31 August 2025	-	1,758,076	1,726,480	3,484,556
Net Book Value				
At 31 August 2025	**219,162**	**4,409,604**	**526,470**	**5,155,236**
At 31 August 2024	219,162	4,440,022	507,874	5,167,058
Company				
Cost or valuation				
At 1 September 2024	219,162	7,360,909	2,136,841	9,716,912
Additions	-	-	134,467	134,467
Disposals	-	-	(18,355)	(18,355)
At 31 August 2025	219,162	7,360,909	2,252,953	9,833,024
Depreciation				
At 1 September 2024	-	623,076	1,628,964	2,252,040
Charged in the year	-	76,121	110,433	186,554
Disposals	-	-	(12,917)	(12,917)
At 31 August 2025	-	699,197	1,726,480	2,425,677
Net Book Value				
At 31 August 2025	**219,162**	**6,661,712**	**526,473**	**7,407,347**
At 31 August 2024	219,162	6,737,833	507,877	7,464,872

12. Tangible Fixed Assets (continued)

i) On an historical cost basis the freehold property would be included at:

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Cost	5,638,202	5,638,202	7,309,374	7,309,374
Depreciation	(1,726,031)	(1,695,613)	(697,646)	(621,525)
	3,912,171	3,942,589	6,611,728	6,687,849

Freehold land and buildings at 241 Birmingham Road, Wylde Green were re-valued during the year ended 31 August 1995 at open market value with vacant possession by Weatherall, Green & Smith, independent chartered surveyors. The Governors are satisfied that this valuation remains appropriate, and currently have no intention to perform further revaluations.

The transitional rules set out in FRS 102 – 'Financial Reporting Standards applicable in the UK and Republic of Ireland' were applied on implementation of FRS 102. Accordingly, the book values at implementation have been retained as deemed cost. The Governors are aware of their responsibilities to ensure that there has been no impairment to the value at which the properties are included in the financial statements. Based on advice and enquiry of appropriate professionals the Governors are confident that the value of the freehold properties at the date of transition to FRS 102 is not impaired and the ultimate market value exceeds the book values retained at implementation of FRS 102.

ii) On a historical cost basis the investment property would be included at:

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Cost	219,162	219,162	219,162	219,162
Depreciation	-	-	-	-
	219,162	219,162	219,162	219,162

In accordance with the requirements of FRS 102, but contrary to the requirements of the Companies Act 2006, investment properties are not depreciated. Instead, their ongoing current value is reviewed annually, which the Governors consider necessary in order to show a true and fair view.

The property was acquired in 2005 and is stated at cost. The Governors consider that its current market value at 31 August 2025 is in excess of its accounts carrying value.

iii) Included in Group freehold land and buildings is land with a total cost or valuation of £1,027,500 (2024: £1,027,500) which is not depreciated.

iv) All fixed assets other than the investment properties are used for direct charitable purposes.

13. Investment

The On 3 October 2024 the company completed the legal formalities for simplification of the group structure which involved the reduction of share capital in the subsidiary undertaking, Highclare Investments Limited (company registered number 02963934) whereby 949,999 ordinary shares of £1 each were extinguished reducing the cost of investment to £1. As part of the group reconstruction on 3 October 2024 the investment of 1 Ordinary £1 share in Highclare Limited (company registered number 02963938) was transferred to the company.

Due to the material nature of the transaction this was treated as an adjusting post balance sheet event and reflected in the accounts to 31 August 2024 leaving the investment of 1 Ordinary Share (2024:1) of £1 in Highclare Investments Limited and 1 Ordinary Share (2024: 1) of £1 in Highclare Limited. Both companies are wholly owned subsidiaries. The principle activity of both subsidiaries was property ownership and management and both are incorporated in England. Neither company traded in the current or previous financial year. As they no longer served any purpose to the group, applications to strike them off were submitted to Companies House.

On 4 November 2025 the application to strike off Highclare Limited was granted and the company was dissolve. The application to strike off Highclare Investments Limited is still in progress. The investment of £2 was therefore written off in these financial statements to reflect this post balance sheet event.

	Highclare Investments Limited		Highclare Limited	
	2025 £	2024 £	2025 £	2024 £
Summary profit and loss account				
Turnover	-	-	-	-
Administrative expenses	-	-	-	-
Exceptional items	-	1,304,122	-	993,692
Net profit for the year	-	1,304,122	-	993,692
The assets and liabilities of the subsidiaries were:				
Current assets	-	1	-	1
Total net assets	-	1	-	1
Aggregate share capital and reserves	-	1	-	1

14. Debtors

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Due within one year:				
Outstanding fees	**30**	5	**30**	5
VAT recoverable	**65,897**	-	**65,897**	-
Other debtors	**33,162**	144,190	**33,162**	144,190
Prepayments	**62,013**	83,897	**62,013**	83,897
	161,102	228,092	**161,102**	228,092

15. Creditors: Amounts falling due within one year

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Bank loans	**85,898**	85,898	**85,898**	85,898
Trade creditors	**385,041**	495,938	**385,041**	495,938
Fees in advance	**887,147**	646,709	**887,147**	646,709
Other taxation and social security	**87,103**	82,005	**87,103**	82,005
Other creditors	**339,302**	455,571	**339,302**	455,575
Accruals	**106,675**	188,354	**106,675**	188,354
Deferred income	**456,342**	849,234	**456,342**	849,234
Friends of Highclare School Fund	**6,475**	4,526	**6,475**	4,526
Amounts owed to group	-	-	-	1
	2,353,983	2,808,235	**2,353,983**	2,808,240

Bank loans and overdrafts are secured by a fixed charge over book debts and a floating charge over all other assets of the Group, together with mortgages over certain freehold properties.

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

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Bank loans	**382,880**	468,778	**382,880**	468,778

See Maturity of borrowings note.

17. Maturity of Borrowings

	Group		Company	
	2025	2024	2025	2024
Bank loans	£	£	£	£
Amounts fall due on the bank loans as follows:				
Within one year	**85,898**	85,898	**85,898**	85,898
Between one and two years	**85,897**	85,898	**85,897**	85,898
Between two and five years	**257,693**	257,693	**257,693**	257,693
Over five years	**39,290**	125,186	**39,290**	125,186
	468,778	554,676	**468,778**	554,676

Bank loans for the group and company include the following:

(a) A mortgage loan which had a remaining balance at the year-end of £368,778 (2024: £438,009) carries interest at the Bank's Sterling Base Rate plus 1%. This loan is repayable by termly instalments of £23,077 which commenced September 2013 and ends in 2028.

(b) A second loan with a remaining balance at the year-end of £100,000 (2024: £116,667), which is repayable by termly capital instalments of £5,556 payable on 1 September, 2 January and 1 May commencing on 1 September 2013 and ends in 2033. The loan carries interest at the Bank's Sterling Base Rate plus 3.00% and is paid monthly.

18. Operating leases

At 31 August 2025, the School was committed to making the following payments under non-cancellable operating leases. These commitments are analysed as follows:

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Other				
Within one year	**51,088**	51,088	**51,088**	51,088
Between one and five years	**74,066**	114,154	**74,066**	114,154
Over five years	**143,000**	154,000	**143,000**	154,000
	268,154	319,242	**268,154**	319,242

Included in the operating leases disclosure above is a twenty-five year tenancy lease with Birmingham City Council signed on 6 September 2018 over land referred to as "Highclare Sports Field". Under this agreement, there is a five yearly rent review.

19. Contingent liabilities

In the event that bank borrowings arise, the Company has guaranteed by a fixed and floating charge the bank borrowing of other Group undertakings which totalled £468,778 at the year-end (2024 £554,676). This charge was satisfied in full after the year-end and the cross guarantee released.

20. Funds Reconciliation

Group

	As at 1 September 2024 £	Income £	Expenditure £	Transfers £	As at 31 August 2025 £
Restricted funds	604	-	(40)	-	564
Unrestricted funds	4,693,337	7,765,263	(7,850,419)	45,703	4,653,884
Revaluation reserve	351,476	-	-	(45,703)	305,773
Total funds	**5,045,417**	**7,765,263**	**(7,850,459)**	**-**	**4,960,221**

Company

	As at 1 September 2024 £	Income £	Expenditure £	Transfers £	As at 31 August 2025 £
Restricted funds	604	-	(40)	-	564
Unrestricted funds	7,258,593	7,765,263	(7,896,118)	-	7,127,738
Revaluation reserve	84,030	-	-	-	84,030
Total funds	**7,343,227**	**7,765,263**	**(7,896,158)**	**-**	**7,212,332**

Fund descriptions

a) Unrestricted funds

The unrestricted funds are retained as necessary to meet the general requirements of the School. The Charity aims to retain consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets (excluding any unrealised revaluation adjustments), which amount to £5,155,236 as at 31 August 2025 (2024: £5,167,058) as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs. The unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2025 amounted to £4,959,657 (2024: £5,044,813), as shown in the notes above.

b) Restricted funds

During the year, prizes of £40 (2024: £30) were awarded. The remaining restricted funds £564 (2024: £604) relate to donations received for prize funds at Seniors Speech Day and for use by the Music, Modern Foreign Language and Physical Education departments.

c) Revaluation reserve

The revaluation reserve represents unrealised surpluses on the revaluation of fixed assets to market value in prior years. An amount is transferred to the unrestricted fund each year on the same basis that the asset is depreciated.

21. Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2025 are represented by:			
Tangible fixed assets	5,155,236	-	5,155,236
Current assets	2,541,284	564	2,541,848
Current liabilities	(2,353,983)	-	(2,353,983)
Long term liabilities	(382,880)	-	(382,880)
Total net assets	**4,959,657**	**564**	**4,960,221**
Unrealised gains included above on tangible fixed assets	-	-	-

Company

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2025 are represented by:			
Tangible fixed assets	7,407,347	-	7,407,347
Investment	-	-	-
Current assets	2,541,284	564	2,541,848
Current liabilities	(2,353,983)	-	(2,353,983)
Long term liabilities	(382,880)	-	(382,880)
Total net assets	**7,211,768**	**564**	**7,212,332**
Unrealised gains included above on tangible fixed assets	-	-	-

22. Reconciliation of net income to net cash flow from operating activities

	2025 £	2024 £
Net income for year	(85,196)	177,698
Rents received from Investment properties	(8,250)	(8,250)
Depreciation of tangible fixed assets	140,851	177,491
Surplus on disposal of tangible fixed assets	-	-
Amortisation of intangible fixed assets	-	-
Interest payable	31,907	45,622
(Increase) in debtors	66,989	(88,973)
Increase in creditors	(454,251)	887,835
Net cash flow from operating activities	**(307,950)**	1,192,423

23. Transactions involving Governors

Governors' interests in contracts.

During the financial year ending 31 August 2025, £nil (2024: £90,848) was invoiced by Jon Flowith & Partners. The fees relate to building, planning and other complex strategic property matters for the school. Mrs Louise Flowith, the Chair of Governors and a partner in that consulting practice, absented herself from discussions and instructions to the partnership, which were given expressly to her husband Jon Flowith, a Chartered Surveyor, by designated Governors. All transactions were provided on an arm's length basis and appropriate safeguards and governance processes observed. This amount was paid in the year ending 31 August 2025. No amounts have been accrued in respect of the work done prior to the year end but not yet invoiced (2024: £6,000).

As part of its insurances the Group maintains cover for the Governors and officers against liabilities in relation to their duties to the School. The cost for 2025 was £3,080 (2024: £3,080).

24. Related party transactions

There is no controlling party. The Company has taken advantage of the exemptions not to disclose intra-group transactions on the basis that all subsidiaries are 100% owned and all transactions with other Group companies are eliminated in the consolidated financial statements.

HIGHCLARE SCHOOL

England & Wales - Charity number 528940

Accounts

Highclare School

(A company limited by guarantee)

Governors' Report and Consolidated Financial Statements
for the Year Ended 31 August 2024

Registered number: 1074596 (England & Wales)
Registered charity number: 528940

Highclare School

Financial Statements

For the Year Ended 31 August 2024

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Highclare School

Governors and General Information

Governors:	J A Barrett (President) Mrs L E Flowith (Chairman) J R Brain ACA Mrs P A Mayall A I Hazel Mrs S D Watson A B Davison Mrs A Moore (appointed 21 February 2024)
Head:	Mrs S Cassell BA (Hons) PGCE (Acting Head until 31 December 2023) Miss F Smith, BSc Hons (Brunel), PGCE, FRSA (Head from 01 January 2024)
Educational establishments:	Highclare Preparatory School: Woodfield Pre-Preparatory and Preparatory 241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA Highclare Preparatory School: St.Paul's Pre-Preparatory and Preparatory 88 Lichfield Road Sutton Coldfield West Midlands B71 2SY Highclare: The Abbey Senior School and Sixth Form 10 Sutton Road Erdington Birmingham B23 6QL
Registered office:	241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA
Bankers:	HSBC Bank Plc The Bridge Walsall WS1 1LN
Auditors:	Malcolm Piper & Company Limited Kingsnorth House Blenheim Way Kingstanding Birmingham B44 8LS
Senior management personnel:	Miss F Smith (Appointed 01 January 2024) Mrs S Cassell Mrs P Bennett (Resigned 31 December 2024) Mrs M P A McGoldrick Mr M Coles Mrs J Griffiths Mrs H Good
Charity number:	528940
Company number:	1074596

Objectives and Activities

The principal activity of the Group remains the provision of tuition and general education facilities to children between rising three and eighteen years.

The objectives of the Charity are:

(a) To promote and provide for the advancement of education and training and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom or elsewhere any boarding or day school or schools for the education of children and young people of both sexes;

(b) To provide facilities in the interest of social welfare for the recreation and leisure time occupation for children and young people with the object of improving their conditions of life.

For over 90 years, Highclare has been pursuing its policy of encouraging pupils to achieve their full potential within a stimulating academic environment and to pursue excellence. The Highclare philosophy goes much further than educational excellence; we endeavour to work with both students and parents to equip our young people to cope with the pressures of modern society.

The School's focus continues to be on achievement of academic performance by a learning curriculum that is broad and balanced and kept constantly under review, the widening of access to the education provided by the School, enhancing the use of technology in teaching and improving the School's facilities and their access by the local community. Over the period, there was once again extensive refurbishment to continue the rolling programme of essential upgrading of the internal and external infrastructure of all school buildings, including external and internal refurbishment and decoration at three school locations plus access improvements at the sports field.

Recruitment and Training of Governors

Governors are familiar with the aims, objectives and practical operation of the School, often either by being parents or grandparents of children who are currently being educated at the School or having had children attend the School in the past or by virtue of possessing skills which are of specific benefit to the Board of of Governors. New Governors are appointed by the Board of Governors and elected at an Annual General Meeting following completion of 12 months of service.

Additionally, new Governors are provided with a copy of the latest financial statements and Memorandum and Articles of Association as well as a copy of the Charity Commission's guidance, 'The Essential Trustee: What you need to know, what you need to do'.

Governors undertake training as and when required appropriate to their specific needs and responsibilities.

The Governors determine the strategy and general policies of the School and meet as a Board at least 10 times a year. The implementation of the strategy together with the day-to-day management of the School is delegated to the Head and the Senior Leadership Team.

Group Structure and Relationships

The School has a wholly owned non-charitable subsidiary, Highclare Investments Limited. Highclare Investments Limited also has a wholly owned non-charitable subsidiary, Highclare Limited. The principal activity of both subsidiaries is property ownership and management although both subsidiary companies were non-trading throughout the current financial year. As detailed in the post balance sheet events note to the financial statements, the subsidiaries transferred all of their assets up to Highclare School with effect from 31 August 2024 as part of a re-organisation of the subsidiary undertakings to simplify the Group structure.

Leadership and Management

The new Head, Francine Smith, took up post in January 2024.

Achievements and Performance

The Independent Schools' Inspectorate (ISI) carried out a focussed compliance and educational quality inspection in April 2023. Their judgements were:

1. "The quality of pupils' academic and other achievements is excellent."
2. "Pupils throughout the school display strongly positive attitudes to learning, both independently and collaboratively."
3. "Prep school pupils demonstrate excellent study skills."
4. "The quality of the pupils' personal development is excellent."
5. "Pupils deeply respect and value diversity within their school and show a keen appreciation of their own and other cultures."
6. "Pupils throughout the school demonstrate excellent self-knowledge, self-discipline and resilience in all aspects of their school lives."
7. "Pupils' moral understanding is highly developed and they maturely take responsibility for their own behaviour."

Academic achievement is a matter of record, with our pupils winning places at top independent and maintained grammar schools at 11+ and gaining their choice of university or apprenticeship after the Sixth Form.

Academic results during the year were once again excellent with a 100% pass rate at 'A' Level; and 88% passes at A* - C grades (including EPQ). At GCSE an impressive 98% of the candidates achieving grades 9 to 4 (A* to C equivalent) in five or more subjects, 29% of grades were 9 to 7 and 90% attaining a grade 4 or higher in Maths and English. These grades were achieved alongside taking part in a full extra-curricular timetable, in keeping with the Highclare ethos of educating the whole person. The strength of teaching, processes and the dedication and continued hard work and application from staff and students placed us firmly amongst the top independent and maintained schools in the region.

Academic 'value added', using the CEM Centre's measures of MidYIS and Yellis, continues to be indicative of the good progress that the pupils make. This year's average residuals for MidYIS and Yellis (-0.14 and -0.13 respectively) which is lower than last year, but indicates candidates have around expected progress.

Throughout the year both the Senior and Preparatory Schools continued to provide a vast range of co-curricular and extra-curricular activity. Highclare School is dedicated to educating the whole person and allowing them to fulfil their potential in so many ways through sport, music, drama, the Duke of Edinburgh Award scheme and the many activities and trips both local and abroad offered to pupils. These activities complement the learning through the curriculum and enrich personal development. This is what Highclare School is all about, giving the opportunities to pupils to learn important skills such as leadership, time management, teamwork, persistence and to grow in both self-confidence and self-assurance.

Achievements and Performance (continued)

In the Senior School, extra-curricular clubs before school, at lunch and after school continued to play a huge part in the development of sport. Clubs included: football, netball. table tennis, choir, rock band, current affairs, 'woof Wednesday', board games, drama, chess and Science. Highclare Sports Field continues to be used weekly in the double lessons for football and for cricket, making use of the Astroturf wicket. The pupils in U3/L4 continued to have a weekly swimming lesson at Erdington Leisure Centre, which is a fantastic opportunity for their development.

Prep School sport is enhanced via the extra-curricular clubs before school, at lunchtime and after school. Clubs included football, netball, hockey, basketball, ballet, tennis, multi-sports and dancing. Highclare Sports Field continues to be used by the Prep School 4 times a week and we also share facilities at the Senior School or across Prep School sites. Swimming is taught weekly for children in Reception, Year 1 and Year 2 and then on a half termly basis for children in Years 3 to 6. Fixtures take place for all children throughout the school (Year 1 upwards) in all sports such as swimming, tri-golf and hockey. Last year we played approximately 65 fixtures against other schools. These were both competitive and friendly.

The Duke of Edinburgh's Award Scheme, which was established at Highclare School in 2013, continues to flourish. The awards involve a wide range of activities including sport, expeditions and volunteering all of which the students have to organise for themselves and which demands a great deal of personal input along with the tremendous support from the teaching staff involved, who also give up their free time to supervise the expeditions and manage the programme. This year saw 11 pupils sign up for Bronze and 9 for Silver, with 15 pupils completing the Bronze Award and 4 completing the Silver Award (signed up in previous years).

Music and drama continue to play an extremely important part in school life. Many events took place and many of the pupils maintained their progress via the interaction with the numerous visiting music teachers who continue to do so much valuable work. The London Academy of Music and Dramatic Arts ("LAMDA") is an extremely popular extra-curricular activity, which allows pupils to grow in confidence and develop their individuality. This has continued to flourish and, once again, many pupils took exams during the year.

In the annual ISA National Art Competition we celebrated significant success with a 1st place, 2nd place and Highly Commended.

The Preparatory School continues to promote the ongoing and all-round development of all the children in a nurturing and caring environment.

The Governors offer their congratulations to the girls and boys who participated in these achievements and thank the teachers and parents for their commitment and support.

Pastoral care continues to be a strength of the School with comprehensive policies on Personal, Social, Health and Citizenship Education (PSHCE), Social, Moral, Spiritual and Cultural aspects of Learning (SMSC) and careers guidance, together with an outstanding tutor system. School continues to work within the regulatory framework with regard to relationship and sex education and responded positively to the national initiatives on equity, diversity and equality that schools were asked to implement.

Community Involvement

The School has an on-going commitment to encourage all pupils of every age to engage (at appropriate levels) in community involvement. These include community carol singing, personal visits to residential and care homes and a local special needs school. Invitations are extended to these residents to attend a number of school events such as concerts and plays.

Charity plays a huge part in both the Senior and Preparatory Schools. The charities chosen by the student councils on each site this year were Shoe Aid, the Erdington Foodbank and The Sebbie Hall Kindness Foundation, plus The Red Movement (SA) and Rhino Art (students on the senior school visit to South Africa in October 2022 were able to work with these last two charities as part of their expedition). During the year the School raised £11,979. In addition £1,072 was raised for Children in Need. In the summer term, Senior School also raised money and awareness for the Hollie Gazzard Trust, this included the filming of a piece for ITV local news programming shown in the South West and West Midlands regions;

This year has also seen the School donating gifts of food for the Trussell Trust foodbank operated in Erdington. Students have also collected and donated used spectacles to Lions International. The Governors are extremely grateful to the pupils and their parents for these considerable fund raising efforts, which were even more necessary during the cost of living crisis to assist those within the community who are struggling to cope.

The Competitions in art and creative writing for local primary schools took place. The art competition, in the spring, attracted 153 entries from 8 schools on the theme of idols, whilst the creative writing competition focussed on writing a diary entry focused on the Windrush generation and attracted 167 entries from 10 schools. We were able to welcome participants into school for the presentation events.

Neighbouring primary schools and local sporting teams enjoy the use of the School's recreational facilities at both the Senior School and Highclare Sports Field and the Church next door are able to use the car park every weekend when they are open, within current restrictions and able to provide services to the community.

The Trustees have considered their response to the change to the law, as embodied in the Charities Act 2011, requiring that public benefit can no longer be presumed but must be demonstrated. In addition, they have had due regard for Charity Commission guidance on the subject. The Governors consider that these wider involvements and contributions to the community clearly demonstrate the greater public benefit requirements are being met.

Scholarship Awards

Academic scholarships are awarded to pupils who perform particularly well in our entrance assessments and have already demonstrated a considerable degree of all round commitment to their current school. Additional specialist scholarships are also awarded for those pupils showing a particular talent in music, sport or art. Bursaries are offered based on financial needs. The Highclare School Governors' Prize is a means-tested bursary available annually if all the necessary requirements are met to cover up to 100% of school fees for one pupil upon entering Senior School in U3 (Year 7). The School currently has awarded this bursary to eight pupils: ranging from current U3 (Year 7) to L6 (Year 12).

Financial Review

Fee income has increased this year to £7,290,518 from 2023: £6,642,916.

The school continues to make savings in overheads and costs wherever possible.

There was a continued and necessary annual rolling replacement programme of IT facilities, including the replacement of interactive smart boards, computers, iPads, servers and Wi-Fi provision to ensure that both pupils and staff continue to benefit from enhanced interactive teaching.

There have been many other significant enhancements this year which included:

- *The completion of the first phase of development of the outside space at Woodfield;*
- *The commencement of the school-wide boiler replacement and heating upgrade programme;*
- *The upgrading of security and fencing at St Paul's;*
- *The relocation and refurbishment of reception facilities and offices at the Senior School and Woodfield.*

Reserves Policy

It is the policy of the Charity to maintain separate reserve funds for specific purposes. The Charity aims to retain at a minimum consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets, which amount to £5,167,058 as at 31 August 2024 (2023: £5,039,149) as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs. The unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2024 amounted to £5,044,813 (2023: £4,867,085).

Risk Management

The major risks, to which the Charity is exposed, as identified by the Governors, have been reviewed and systems have been established to mitigate those risks. A risk register has been established and is updated throughout the year.

Friends of Highclare School ("FOHS")

The FOHS plays a very important part in the School, organising events for the children and parents and raising funds for the School. They are a committed and dedicated group of parents who aim to provide the best they can for the School. They also kindly operate a second-hand School uniform shop that is used by the parent body.

Child Protection Code of Practice

It is the policy of Highclare School to provide a safe and secure environment in which children can thrive and develop and where all aspects of their welfare will be safeguarded. The Safeguarding Policy is embedded within School life and is updated on a regular basis. This includes additional and necessary considerations for physical as well as psychological health, safety and well-being of all our pupils. Our DSL is also undertaking CPD to gain a Mental Health and Wellbeing Lead Qualification.

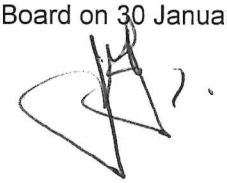
Plans for Future Periods

The Governors' plan is to continue to improve the educational and academic achievements of pupils by the provision of enhanced facilities. Constant monitoring of performance, and the potentially changing landscape of rules and requirements, means that the School's medium to long term strategy is kept under review and any changes that are necessary will be considered and implemented.

The use of Highclare Sports Field continues to evolve and expand and has been a significant contributing factor to the tremendous sporting success that both the Preparatory and Senior School have seen over the past year. Highclare Sports Field is also available to the local community and has seen a considerable increase in usage by a number of local schools and clubs during the year and this increase has continued into the following academic year.

The School continues its major school wide capital investment programme, which includes further developments in the landscaping and administration provision at Highclare Woodfield. This year we have begun a programme of boiler replacement at the Senior School site which will take a further two years to complete. Office moves and improvement of staff areas also upgraded facilities at all three sites with further plans to develop 'front of house' at Highclare St Pauls and Highclare Senior School. Additionally, the School's schedule of rolling maintenance in respect of areas such as roofing, rainwater pipes and fire security continues across all three locations, to ensure a high quality-learning environment is maintained for the pupils.

Approved by the Board on 30 January 2025 and signed on its behalf by:



J R Brain
Governor

Highclare School

Governors' Report

The Governors submit their report and the audited consolidated financial statements of the Group for the year ended 31 August 2024.

The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the Annual Report and Financial Statements.

Structure, Governance and Management

The Company is limited by guarantee and is registered as a charitable educational trust. There is no share capital. Its Memorandum and Articles of Association govern the Company.

Governors' responsibilities

The Governors (who are also directors of Highclare School for the purposes of Company Law) are responsible for preparing the Annual Report (including the Strategic Report) and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charitable Company and the Group and of the income and expenditure of the Group and Charitable Company for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Group or charitable company will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Group and Charitable Company and enable them to ensure that the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are also responsible for ensuring that the assets are properly applied in accordance with Charity Law.

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the Group and Charitable Company's auditor is unaware. Each of the Governors have confirmed that they have taken all steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organisational Management

The Directors of the Company are also Charity Trustees for the purposes of Charity Law and under the Company's Articles are known as Governors. The Governors are all members of the Company serving in a non-executive capacity and receive no emoluments. The day-to-day management of the School is delegated to the Head and the Senior Leadership Team.

The Governors who served in the year ended 31 August 2024 were:

J A Barrett (President)
Mrs L E Flowith (Chairman)
J R Brain (Treasurer)
Mrs P A Mayall
A I Hazel
Mrs S D Watson
A B Davison
Mrs A Moore (appointed 21 February 2024)

Mrs S D Watson and Mr J A Barrett retire by rotation at the forthcoming Annual General Meeting and, being eligible; offer themselves for re-election at the Annual General Meeting.

Auditors

Malcolm Piper & Company Limited, as auditors, will be proposed to the Governors for re-election at the Annual General Meeting.

Approved by the Board on 30 January 2025 and signed on its behalf by:

J R Brain
Governor

Opinion

We have audited the financial statements of Highclare School (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including 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 parent charitable company's affairs as at 31 August 2024, and of the Group's incoming resources and application of resources, including its income and expenditure, 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 Group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Governors' 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 parent charitable 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Governors' annual report, other than the financial statements and our auditor's report thereon. The Governors 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.

[continued ...]

Opinions 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 Governors' Report (incorporating the Strategic Report and the Governors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the Strategic Report and the Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 charitable company, or returns adequate for our audit have not been received from branches not visited by us; or

• the parent charitable company's 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 Governors

As explained more fully in the Governors' responsibilities statement set out on page 8 the Governors (who are also the Directors of the charitable company for the purposes of Company Law) 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 Governors 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 Governors are responsible for assessing the Group's and parent charitable 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 Governors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

[continued ...]

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, including fraud as detailed below:

• We obtained an understanding of the legal and regulatory frameworks that are applicable to Highclare School, ("the Group and Company") and determined that the most significant are those that relate to the UK reporting framework under which the Company prepares its accounts and reports its results and the relevant UK tax compliance regulations. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations include those relating to health and safety, employee matters, environmental, and bribery and corruption practices;

• Having due regard to ISA 240 (Redrafted), The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements, we planned and designed our audit procedures to undertake such enquiry and testing which we deemed necessary to understand how the Company is complying with those frameworks. We made enquiries of the directors, senior management and those responsible for legal and compliance procedures within the "Group and Company" and we corroborated our enquiries by reference to other documentary evidence, where available, or other complimentary or compensating evidence and with other correspondence received and noted that there was no contradictory evidence;

• In designing the scope and depth of our work to assess the likely impact on the financial statements of fraud and other irregularities, we calculate a materiality level which is a percentage based upon turnover, profitability and gross balance sheet assets. This calculation produces a figure against which financial statement errors and irregularities are compared and indicates a level at which, in our opinion and judgement, this would cause transactions and balances within the financial statements to be misleading or materially incorrect.

• We also assessed the susceptibility of the Consolidated Financial Statements of the "Group and Company" to material misstatement using qualitative as well as quantitative factors, including how fraud might occur, and designed our audit testing and enquiries in such a way so as to enable us to identify the fraud risks across various parts of the business. In addition, we utilised internal and external information to perform a fraud risk assessment as part of our audit planning and testing procedures.

• We considered the risk of fraud through management override of controls and systems and, in response, we incorporated testing of large or unusual manual journal entries into our audit approach. We also considered the possibility of fraudulent or corrupt payments made through third parties and conducted detailed analytical review and substantive transaction testing on third party suppliers. Where instances of unusual behaviour patterns were identified through our testing, we performed additional audit procedures to address each identified risk. These procedures included testing of transactions back to source information and were designed to provide reasonable assurance that the financial statements were free from fraud or error. We also conducted specific audit procedures in relation to the risk of bribery and corruption by means of review of any marketing, promotion or discount activity determined by a risk-based process;

• Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. Our procedures involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business and enquiries of "Group and Company" management; and

• If any instances of non-compliance with laws and regulations were identified, the audit team performed sufficient and appropriate audit procedures.

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.

[continued ...]

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 charitable 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 Group and charitable company's members 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 Group and charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Whitehead BA FCA
Senior Statutory Auditor
For and on behalf of
Malcolm Piper & Company Limited
Kingsnorth House
Blenheim Way
Birmingham
B44 8LS

Dated: 30 January 2025

Highclare School

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 August 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Charitable activities					
School fees receivable		7,290,518	-	**7,290,518**	6,642,916
Registration fees		13,187	-	**13,187**	11,987
School activities & trips		141,948	-	**141,948**	150,000
Investments					
Rents and lettings		8,250	-	**8,250**	8,250
Other					
Other income	4	382,528	-	**382,528**	314,129
Total income		7,836,431	-	**7,836,431**	7,127,282
Resources expended					
Expenditure on:					
Charitable activities					
School operating costs	5	(7,282,643)	(30)	**(7,282,673)**	(6,666,512)
School activities and trips		(141,948)	-	**(141,948)**	(150,000)
Governance costs	6	(11,425)	-	**(11,425)**	(11,150)
School finance costs	9	(45,655)	-	**(45,655)**	(36,422)
Exceptional Expenditure	10	(177,032)	-	**(177,032)**	(157,102)
Total expenditure		(7,658,703)	(30)	**(7,658,733)**	(7,021,156)
Net Income		177,728	(30)	**177,698**	106,096
Transfers between funds	20	-	-	**-**	-
Net movement in funds for year		177,728	(30)	**177,698**	106,096
Total funds brought forward at 1 September 2023		4,867,085	634	**4,867,719**	4,761,623
Total funds carried forward at 31 August 2024		5,044,813	604	**5,045,417**	4,867,719

All income and expenditure is derived wholly from continuing operations.

The consolidated statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 18 to 32 form an integral part of these financial statements.

Highclare School

Consolidated Balance Sheet at 31 August 2024 (Registration number 1074596)

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	**5,167,058**	5,039,149
		5,167,058	5,039,149
Current assets			
Debtors	14	**228,092**	140,119
Cash at bank and in hand		**2,927,280**	2,163,526
		3,155,372	2,303,645
Creditors: Amounts falling due within one year	15	**(2,808,235)**	(1,920,400)
Net current assets		**347,137**	383,245
Total assets less current liabilities		**5,514,195**	5,422,394
Creditors: Amounts falling due more than one year	16	**(468,778)**	(554,675)
Total net assets		**5,045,417**	4,867,719
Charity Funds			
Restricted Funds	20	**604**	634
Unrestricted Funds			
General unrestricted funds	20	**4,693,337**	4,515,609
Revaluation reserves	20	**351,476**	351,476
		5,045,417	4,867,719

These financial statements were approved and authorised for issue by the Board on 30 January 2025 and signed on its behalf by:

Louise Flowith
Mrs L E Flowith — Governor

J R Brain — Governor

The notes on pages 18 to 32 form an integral part of these financial statements

Highclare School

Balance Sheet at 31 August 2024 (Registration number 1074596)

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	**7,464,872**	3,015,796
Investment	13	**1**	950,000
		7,464,873	3,965,796
Current assets			
Debtors	14	**228,092**	2,345,418
Cash at bank and in hand		**2,927,280**	2,163,520
		3,155,372	4,508,938
Creditors: Amounts falling due within one year	15	**(2,808,240)**	(1,920,400)
Net current assets		**347,132**	2,588,538
Total assets less current liabilities		**7,812,005**	6,554,334
Creditors: Amounts falling due after more than one year	16	**(468,778)**	(554,675)
Total net assets		**7,343,227**	5,999,659
Charity Funds			
Restricted Funds	20	**604**	634
Unrestricted Funds			
General unrestricted funds	20	**7,258,593**	5,914,995
Revaluation reserves	20	**84,030**	84,030
		7,343,227	5,999,659

These financial statements were approved and authorised for issue by the Board on 30 January 2025 and signed on its behalf by:

Louise Flowith

Mrs L E Flowith — Governor

J R Brain — Governor

The notes on pages 18 to 32 form an integral part of these financial statements

Highclare School

Consolidated Cash Flow Statement for the Year Ended 31 August 2024

	Note	2024 £	2023 £
Net cash inflow from operating activities	22	**1,192,423**	179,197
Cash flow from investing activities			
Payments to acquire tangible fixed assets		**(305,400)**	(256,732)
Receipts from sale of tangible fixed assets		**-**	422
Rents received from investment properties		**8,250**	8,250
Net cash flow from investing activities		**895,273**	(248,063)
Cash flow from financing activities			
Repayment of loans		**(85,897)**	(85,898)
Loan interest paid		**(45,622)**	(36,422)
Net cash flow from financing activities		**(131,519)**	(122,320)
Net increase (decrease) in cash and cash equivalents		**763,754**	(191,186)
Cash and cash equivalents at 1 September 2023		**2,163,526**	2,354,712
Cash and cash equivalents at 31 August 2024		2,927,280	2,163,526
Cash and cash equivalents consist of:			
Cash at bank and in hand		2,927,280	2,163,526

1. Accounting Policies

General Information and Basis of Accounting

The Charity is a Company Limited by Guarantee in the United Kingdom. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of the financial statements. The nature of the Charity's operations and principal activities are detailed in the Strategic Report on page 2.

The Company has taken advantage of section 62 of the Companies Act 2006 and deleted the word "Limited" from its name.

The Charity constitutes a Public Benefit Entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The consolidated financial statements have been prepared under the historical cost accounting convention, other than in the case of certain freehold properties and investment properties, which are stated at valuation. The consolidated financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest pound. There are no discontinued operations.

The significant accounting policies applied in the preparation of these financial statements for the Group and Charitable Company ("Charity") are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of Consolidation

The Group financial statements consolidate the financial statements of the company and its subsidiary undertakings, Highclare Investments Limited (company registered number 02963934) and Highclare Limited (company registered number 02963938). Intra-group transactions and profits are eliminated on consolidation.

No separate statement of financial activities is presented for the Company as permitted by section 408 of the Companies Act 2006. The Company had total income from charitable activities of £7,445,653 (2023: £6,804,903), income from investments of £1,174,120 (2023: £8,250) and other income of £382,528 (2023: £314,129). Total expenditure on charitable activities was £7,424,591 (2023: £6,816,482), governance and finance costs of £57,080 (2023: £47,572) and exceptional costs of £177,032 (2023: £157,102). The net income for the year amounted to £1,343,598 (2023: £106,096).

Funds

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted funds is set out in the notes to the financial statements.

Income Recognition

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met; the amount can be quantified with reasonable accuracy; and it is probable that the income will be received.

1. Accounting Policies (continued)

Donations
For donations to be recognised the Charity will have been notified of the amounts and settlement date in writing. If there are conditions attached to the donation, and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled. Donations receivable for the general purposes of the school are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to relevant restricted funds.

Charitable Income
Fees receivable and charges for services are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the school.

Investment Income
Investment income is earned through holding assets for investment purposes such as property. It includes interest earned and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest and rental income are recognised as the charity's right to receive payment is established.

Expenditure Recognition
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties; it is probable that the settlement will be required; and the amount of the obligation can be measured reliably. All costs are incurred in the furtherance of the charitable activities.

Costs of Raising Funds
Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable Activities
Charitable activities include expenditure on providing education and include both direct costs and support costs relating to the activity.

Support Costs
Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include central functions and governance costs. They are incurred directly in support of expenditure on the objectives of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources e.g. staff costs by the time spent and other costs by their usage.

Governance Costs
Governance costs comprise the costs of running the Charity, including strategic planning for its future development, external audit, any legal advice for the Governors and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Leases
Rentals paid under operating leases are charged to income in the period to which they relate.

1. Accounting Policies (continued)

Tangible Fixed Assets

Tangible fixed assets acquired are capitalised in the balance sheet at their original cost or valuation. Items costing less than £750 are written off as an expense in the period in which they are acquired.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold properties	up to 50 years straight line
Leasehold improvements	up to 50 years straight line
Fixtures, fittings and equipment	between 2 and 5 years straight line
Computer equipment (teaching)	a maximum of 4 years straight line
Motor vehicles	a maximum of 5 years straight line
Investment properties	not depreciated

Assets under Construction

Costs incurred in fixed assets under construction are capitalised as they are incurred. The total cost of the project will be assessed against its realisable value upon completion of the project and it will then be transferred to the appropriate asset category. No depreciation is charged during the project construction. Where a project is aborted, the costs are immediately written off to the Statement of Financial Activities ("SOFA").

Investment Properties

Investment properties are accounted for in accordance with FRS 102, which provides that these should not be subject to periodic depreciation charges (unless held on lease), but should be shown at fair value. This is contrary to the Companies Act 2006, which states that, subject to any provision for depreciation or diminution in value, fixed assets are normally to be stated at purchase price or production cost. Current cost accounting or the revaluation of specific assets to fair value, as determined at the date of their last valuation, is also permitted.

The treatment of investment properties under the Companies Act does not give a true and fair view, as these assets are not held for consumption but as investments, the disposal of which would not materially affect the operations of the Group. In such a case, it is the current value of these investments, and changes in that current value, which are of prime importance. Consequently, for the proper appreciation of the financial position, the accounting treatment required by FRS 102 is considered appropriate for investment properties.

Details of the current value and historical cost information for investment properties are given in the Tangible Fixed Asset note.

Investments

Fixed asset investments in subsidiaries are measured at historical cost less provision for any permanent diminution in value.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the SOFA.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction, it is measured at present value.

1. Accounting Policies (continued)

Impairment
Assets not measured at fair value are reviewed for indications that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying value. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SOFA.

Provisions
Provisions are recognised when the Charity has an obligation at the balance sheet date because of a past event; it is probable that an outflow of economic benefits will be required in settlement; and the amount can be reliably estimated.

Employee Benefits
When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed to the SOFA as they become payable in accordance with the rules of the scheme.

Taxation
The Company is registered as a Charitable Educational Trust and, under the provisions of Section 505, Income and Corporation Taxes Act 1988, is exempt from liabilities to taxation on its charitable activities. No corporation tax liability arises on the results of the subsidiary undertakings for the year.

Government Grants
The company receives government grants in respect of the HM Job Retention Scheme and other local government support initiatives. Income from government and other grants are recognised at fair value when the company has entitlement after any performance conditions are met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, these amounts are deferred.

Going concern
Having reviewed the cash position, the Governors consider that the Group has adequate resources to continue its current operations and pursue its Long Term Strategy, as they believe it has the ability to meet its debts as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2. Income from Charitable Activities

During the year, no donations were received and classified as restricted funds. All charitable income for the current and prior year is attributable to unrestricted funds.

3. Income from Investments

All investment income for the current and prior year is attributable to unrestricted funds.

4. Income from Other Activities

	2024 £	2023 £
Other Income	**382,528**	314,129

Other Income is attributable to unrestricted funds.

5. School Operating Costs

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Salaries	4,965,169	-	**4,965,169**	4,469,297
Teaching materials	215,940	-	**215,940**	232,449
Kitchen expenses	548,618	-	**548,618**	507,945
Rent, rates and insurance	109,001	-	**109,001**	111,660
Heat and light	215,003	-	**215,003**	220,532
Cleaning	213,072	-	**213,072**	207,515
Training	13,049	-	**13,049**	14,841
Repairs and maintenance	396,966	-	**396,966**	244,590
Motor and transport	43,892	-	**43,892**	43,164
School activities and trips	141,948	-	**141,948**	150,000
Depreciation:				
Fixtures, vehicles and equipment	134,193	-	**134,193**	130,840
Freehold buildings	40,438	-	**40,438**	42,134
Profit on disposal of fixed assets	-	-	**-**	(1,680)
Support costs:				
Printing and stationery	198,762	-	**198,762**	199,821
Advertising	18,234	-	**18,234**	19,356
Sundry expenses	78,203	30	**78,233**	106,933
Professional charges	67,368	-	**67,368**	102,676
Bank charges and interest	81,815	-	**81,815**	74,392
	7,481,671	30	**7,481,701**	6,864,084

All expenditure for the current and prior year is in respect of the furtherance of the charitable activities of which £30 (2023 - £30) was attributable to restricted funds and £7,481,671 (2023 - £6,864,054) was attributable to unrestricted funds.

Included within school operating costs are school activities and trips, governance costs (note 6) and school finance costs (note 9), which have been disclosed separately on the Statement of Financial Activities.

6. Governance Costs

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Auditors' remuneration (note 11)	11,425	-	**11,425**	11,150

7. Staff Costs

The average monthly number of employees and full-time equivalents (FTE) during the year was as follows:

	2024		2023	
	Number	FTE	Number	FTE
Teachers	**106**	**88**	115	83
Administration	**27**	**22**	28	23
Auxiliary staff	**20**	**13**	17	11
	153	**123**	160	117

	2024 £	2023 £
Staff costs for above persons:		
Wages and salaries	**4,371,883**	3,964,898
Social security costs	**359,910**	303,188
Other pension costs	**233,376**	201,211
	4,965,169	4,469,297

There were five (2023: three) employees whose emoluments as defined for taxation purposes amounted to over £60,000. Their emoluments fell within the following bands: three £60,000 - £70,000 (2023: one) one £70,001 - £80,000 (2023: one), one £80,001 - £90,000 (2023: nil) and nil £120,000 - £130,000 (2023: one).

Pension costs in respect of the above employees totalled £31,689 (2023: £28,512).

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in independently administered funds. Four (2023: two) higher paid employees are accruing benefits under the group defined contribution pension scheme and no (2023: one) employee has their pension contributions paid into a private pension scheme. The total pension costs charge to all schemes represents contributions payable by the Group and amounted to £233,376 (2023: £201,211).

8. Trustees' and Key Management Personnel Remuneration and expenses

The Governors do not receive any remuneration from the School, have no accruing pension arrangements and had no expenses reimbursed in either the year to 31 August 2024 or the previous financial year.

The total amount of employee benefits received by key management personnel is £430,727 (2023: £504,273). The Charity considers its key management personnel are the Senior Leadership Team.

9. School finance costs

	2024 £	2023 £
Bank loan Interest	**45,622**	36,422

10. Exceptional items

Exceptional items relate to amounts incurred during the year, which are not of a recurring nature. These are as follows:

	2024 £	2023 £
Legal and professional fees in respect of various planning and other strategic related work	**177,032**	157,102

11. Total Resources Expended

	2024 £	2023 £
Total resources expended on charitable activities includes:		
Depreciation of tangible fixed assets	**177,491**	159,288
Surplus on disposal of tangible fixed assets	**-**	(375)
Auditor's remuneration in respect of non-audit services	**5,670**	7,524

Governance costs includes:	2024 £	2023 £
Auditors' remuneration in respect of audit services		
- for audit services	**11,425**	11,150
- for other services	**5,670**	7,524
	17,095	18,674

12. Tangible Fixed Assets

Group	Investment properties £	Freehold properties £	Fixtures, fittings, vehicles & equipment £	Total £
Cost or valuation				
At 1 September 2023	219,162	6,150,480	1,848,638	8,218,280
Additions	-	17,200	288,200	305,400
At 31 August 2024	219,162	6.167,680	2,136,838	8,523,680
Depreciation				
At 1 September 2023	-	1,687,220	1,491,911	3,179,131
Charged in the year	-	40,438	137,053	177,491
At 31 August 2024	-	1,727,658	1,628,964	3,356,622
Net Book Value				
At 31 August 2024	**219,162**	**4,440,022**	**507,874**	**5,167,058**
At 31 August 2023	219,162	4,463,260	356,727	5,039,149
Company				
Cost or valuation				
At 1 September 2023	219,162	3,022,545	1,848,638	5,090,345
Transfer from subsidiary undertaking	-	4,338,364	288,203	4,626,567
At 31 August 2024	219,162	7,360,909	2,136,841	9,716,912
Depreciation				
At 1 September 2023	-	582,638	1,491,911	2,074,549
Charged in the year	-	40,438	137,053	177,491
At 31 August 2024	-	623,076	1,628,964	2,252,040
Net Book Value				
At 31 August 2024	**219,162**	**6,737,833**	**507,877**	**7,464,872**
At 31 August 2023	219,162	2,439,907	356,727	3,015,796

Note: The Transfer from subsidiary undertaking represents the transfer of all freehold land and buildings and leasehold improvements at revalued carrying amounts to the company as part of the Group simplification referred to in the post balance sheet events note.

12. Tangible Fixed Assets (continued)

i) On an historical cost basis the freehold property would be included at:

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Cost	5,638,202	5,621,002	7,309,374	2,791,010
Depreciation	(1,695,613)	(1,655,175)	(621,525)	(581,087)
	3,942,589	3,965,827	6,687,849	2,209,923

Freehold land and buildings at 241 Birmingham Road, Wylde Green were re-valued during the year ended 31 August 1995 at open market value with vacant possession by Weatherall, Green & Smith, independent chartered surveyors. The Governors are satisfied that this valuation remains appropriate, and currently have no intention to perform further revaluations.

The transitional rules set out in FRS 102 – 'Financial Reporting Standards applicable in the UK and Republic of Ireland' were applied on implementation of FRS 102. Accordingly, the book values at implementation have been retained as deemed cost. The Governors are aware of their responsibilities to ensure that there has been no impairment to the value at which the properties are included in the financial statements. Based on advice and enquiry of appropriate professionals the Governors are confident that the value of the freehold properties at the date of transition to FRS 102 is not impaired and the ultimate market value exceeds the book values retained at implementation of FRS 102.

ii) On a historical cost basis the investment property would be included at:

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Cost	219,162	219,162	219,162	219,162
Depreciation	-	-	-	-
	219,162	219,162	219,162	219,162

In accordance with the requirements of FRS 102, but contrary to the requirements of the Companies Act 2006, investment properties are not depreciated. Instead, their ongoing current value is reviewed annually, which the Governors consider necessary in order to show a true and fair view.

The property was acquired in 2005 and is stated at cost. The Governors consider that its current market value at 31 August 2024 is in excess of its accounts carrying value.

iii) Included in Group freehold land and buildings is land with a total cost or valuation of £1,027,500 (2023: £1,027,500) which is not depreciated.

iv) All fixed assets other than the investment properties are used for direct charitable purposes.

13. Investment

As noted in the post balance sheet events note, the company substantially completed the legal formalities to effect the simplification of the Group structure which involved the reduction of share capital in the subsidiary undertaking, Highclare Investments Limited (company registered number 02963934), whereby 949,999 Ordinary Shares of £1 each were extinguished, reducing the cost of investment to £1. The investment represents 1 Ordinary Share (2023: 950,000) of £1 in Highclare Investments Limited, a wholly owned subsidiary. Highclare Investments Limited also has a wholly owned subsidiary, Highclare Limited, (company registered number 02963938) in which a similar transaction to extinguish 899,999 Ordinary Shares of £1 each was substantially completed at the year end. Highclare Investments Limited holds 1 Ordinary Share (2023: 900,000) of £1 in Highclare Limited. The principal activity of both subsidiaries is property ownership and management and both are incorporated in England. Neither company traded in the current or previous financial year.

	Highclare Investments Limited		Highclare Limited	
	2024 £	2023 £	2024 £	2023 £
Summary profit and loss account				
Turnover	-	-	-	-
Administrative expenses	-	-	-	-
Exceptional items	**1,304,122**	-	**993,692**	-
Net profit for the year	**1,304,122**	-	**993,692**	-
The assets and liabilities of the subsidiaries were:				
Fixed assets	-	2,048,350	-	875,000
Current assets	1	2	1	3
Creditors: Amounts falling due within one year	-	(1,331,811)	-	(873,488)
Total net assets	**1**	716,541	**1**	1,515
Aggregate share capital and reserves	**1**	716,541	**1**	1,515

14. Debtors

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Due within one year:				
Outstanding fees	**5**	13	**5**	13
Amounts owed by subsidiary undertakings	**-**	-	**-**	2,205,351
Other debtors	**144,190**	58,182	**144,190**	58,130
Prepayments	**83,897**	81,924	**83,897**	81,924
	228,092	140,119	**228,092**	2,345,418

15. Creditors: Amounts falling due within one year

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Bank loans	**85,898**	85,899	**85,898**	85,899
Trade creditors	**495,938**	288,870	**495,938**	288,870
Fees in advance	**646,709**	845,638	**646,709**	845,638
Other taxation and social security	**82,005**	72,985	**82,005**	72,985
Other creditors	**455,571**	383,466	**455,575**	383,466
Accruals	**188,354**	242,066	**188,354**	242,066
Deferred income	**849,234**	-	**849,234**	-
Friends of Highclare School Fund	**4,526**	1,476	**4,526**	1,476
Amounts owed to group	**-**	-	**1**	-
	2,808,235	1,920,400	**2,808,240**	1,920,400

Bank loans and overdrafts are secured by a fixed charge over book debts and a floating charge over all other assets of the Group, together with mortgages over certain freehold properties.

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

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Bank loans	**468,778**	554,675	**468,778**	554,675

See Maturity of borrowings note.

17. Maturity of Borrowings

	Group		Company	
	2024	2023	2024	2023
Bank loans	£	£	£	£
Amounts fall due on the bank loans as follows:				
Within one year	**85,898**	85,899	**85,898**	85,899
Between one and two years	**85,898**	85,899	**85,898**	85,899
Between two and five years	**257,693**	257,697	**257,693**	257,697
Over five years	**125,186**	211,078	**125,186**	211,078
	554,676	640,573	**554,676**	640,573

Bank loans for the group and company include the following:

(a) A mortgage loan which had a remaining balance at the year-end of £438,009 (2023: £507,240) carries interest at the Bank's Sterling Base Rate plus 1% (2023 Bank's Sterling Base Rate plus 1%).This loan is repayable by termly instalments of £23,077 which commenced September 2013 and ends in 2028.

(b) A second loan with a remaining balance at the year-end of £116,667 (2023: £133,333), which is repayable by termly capital instalments of £5,556 payable on 1 September, 2 January and 1 May commencing on 1 September 2013 and ends in 2033. The loan carries interest at the Bank's Sterling Base Rate plus 3.00% and is paid monthly.

18. Operating leases

At 31 August 2024, the School was committed to making the following payments under non-cancellable operating leases. These commitments are analysed as follows:

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Other				
Within one year	**51,088**	51,088	**51,088**	51,088
Between one and five years	**114,154**	154,242	**114,154**	154,242
Over five years	**154,000**	165,000	**154,000**	165,000
	319,242	370,330	**319,242**	370,330

Included in the operating leases disclosure above is a twenty-five year tenancy lease with Birmingham City Council signed on 6 September 2018 over land referred to as "Highclare Sports Field". Under this agreement, there is a five yearly rent review.

19. Contingent liabilities

In the event that bank borrowings arise, the Company has guaranteed by a fixed and floating charge the bank borrowing of other Group undertakings which totalled £554,676 at the year-end (2023 £640,573). This charge was satisfied in full after the year-end and the cross guarantee released.

20. Funds Reconciliation

Group

	As at 1 September 2023 £	Income £	Expenditure £	Transfers £	As at 31 August 2024 £
Restricted funds	634	-	(30)	-	604
Unrestricted funds	4,515,609	7,836,431	(7,658,703)	-	4,693,337
Revaluation reserve	351,476	-	-	-	351,476
Total funds	**4,867,719**	**7,836,431**	**(7,658,733)**	**-**	**5,045,417**

Company

	As at 1 September 2023 £	Income £	Expenditure £	Transfers £	As at 31 August 2024 £
Restricted funds	634	-	(30)	-	604
Unrestricted funds	5,914,995	9,002,301	(7,658,703)	-	7,258,593
Revaluation reserve	84,030	-	-	-	84,030
Total funds	**5,999,659**	**9,002,301**	**(7,658,733)**	**-**	**7,343,227**

Fund descriptions

*a) **Unrestricted funds***

The unrestricted funds are retained as necessary to meet the general requirements of the School. The Charity aims to retain consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets, which amount to £5,167,058 as at 31 August 2024 (2023: £5,039,149) as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs. The unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2024 amounted to £5,044,813 (2023: £4,867,085), as shown in the notes above.

*b) **Restricted funds***

During the year, prizes of £30 (2023: £30) were awarded. The remaining restricted funds £604 (2023: £634) relate to donations received for prize funds at Seniors Speech Day and for use by the Music, Modern Foreign Language and Physical Education departments.

*c) **Revaluation reserve***

The revaluation reserve represents unrealised surpluses on the revaluation of fixed assets to market value in prior years. An amount is transferred to the unrestricted fund each year on the same basis that the asset is depreciated.

21. Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2024 are represented by:			
Tangible fixed assets	5,167,058	-	5,167,058
Current assets	3,155,372	604	3,155,976
Current liabilities	(2,808,235)	-	(2,808,235)
Long term liabilities	(468,778)	-	(468,778)
Total net assets	**5,045,417**	**604**	**5,046,021**
Unrealised gains included above on tangible fixed assets	-	-	-

Company

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2024 are represented by:			
Tangible fixed assets	7,464,872	-	7,464,872
Investment	1	-	1
Current assets	3,155,372	604	3,155,976
Current liabilities	(2,808,240)	-	(2,808,240)
Long term liabilities	(468,778)	-	(468,778)
Total net assets	**7,343,227**	**604**	**7,343,831**
Unrealised gains included above on tangible fixed assets	-	-	-

22. Reconciliation of net income to net cash flow from operating activities

	2024 £	2023 £
Net income for year	177,698	106,095
Rents received from Investment properties	(8,250)	(8,250)
Depreciation of tangible fixed assets	177,491	159,288
Surplus on disposal of tangible fixed assets	-	(375)
Amortisation of intangible fixed assets	-	-
Interest payable	45,622	36,422
(Increase)/decrease in debtors	(88,973)	21,023
(Decrease)/increase in creditors	887,835	(135,007)
Net cash flow from operating activities	**1,192,423**	179,197

23. Post Balance Sheet Events

During the financial year, the company substantially completed the legal formalities to effect the simplification of the group structure which involved the reduction of share capital in the subsidiary undertaking, Highclare Investments Limited, whereby 949,999 Ordinary Shares of £1 each were extinguished, reducing the cost of investment to £1. These arrangements also included the transfer of all freehold land and buildings and leasehold improvements at revalued carrying amounts to the company. Whilst the transactions were concluded after date, the decision was taken, and the practical steps to achieve this were substantially completed, before the year end. The process was originally intended to have been concluded by 31 August 2024 but was delayed only by the completion of the legal formalities. The nature and impact of the transactions is considered to be material to the company and, therefore, the transaction has been reflected in these financial statements as if it had been completed as at 31 August 2024.

24. Transactions involving Governors

Governors' interests in contracts.

During the financial year ending 31 August 2024, £90,848 (2023: £71,595) was invoiced by Jon Flowith & Partners. The fees related to building, planning and other complex strategic property matters for the school. Mrs Louise Flowith, the Chair of Governors and a partner in that consulting practice, absented herself from discussions and instructions to the partnership, which were given expressly to her husband Jon Flowith, a Chartered Surveyor, by designated Governors. All transactions were provided on an arm's length basis and appropriate safeguards and governance processes observed. This amount was paid in the year ending 31 August 2024. An additional £6,000 has been accrued in respect of the work done prior to the year end but not yet invoiced.

As part of its insurances the Group maintains cover for the Governors and officers against liabilities in relation to their duties to the School. The cost for 2024 was £3,080 (2023: £3,151).

25. Related party transactions

There is no controlling party. The Company has taken advantage of the exemptions not to disclose intra-group transactions on the basis that all subsidiaries are 100% owned and all transactions with other Group companies are eliminated in the consolidated financial statements.

Organisational Management

The Directors of the Company are also Charity Trustees for the purposes of Charity Law and under the Company's Articles are known as Governors. The Governors are all members of the Company serving in a non-executive capacity and receive no emoluments. The day-to-day management of the School is delegated to the Head and the Senior Leadership Team.

The Governors who served in the year ended 31 August 2024 were:

J A Barrett (President)
Mrs L E Flowith (Chairman)
J R Brain (Treasurer)
Mrs P A Mayall
A I Hazel
Mrs S D Watson
A B Davison
Mrs A Moore (appointed 21 February 2024)

Mrs S D Watson and Mr J A Barrett retire by rotation at the forthcoming Annual General Meeting and, being eligible; offer themselves for re-election at the Annual General Meeting.

Auditors

Malcolm Piper & Company Limited, as auditors, will be proposed to the Governors for re-election at the Annual General Meeting.

Approved by the Board on 30 January 2025 and signed on its behalf by:

J R Brain
Governor

HIGHCLARE SCHOOL

England & Wales - Charity number 528940

Accounts

Highclare School

(A company limited by guarantee)

Governors' Report and Consolidated Financial Statements
for the Year Ended 31 August 2023

Registered number: 1074596 (England & Wales)
Registered charity number: 528940

Highclare School

Financial Statements

For the Year Ended 31 August 2023

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Highclare School

Governors and General Information

Governors:	J A Barrett (President) Mrs L E Flowith (Chairman) J R Brain ACA Mrs P A Mayall A I Hazel Mrs S D Watson A B Davison
Head:	Dr R Luker PhD MA BA (Hons) PGCE (Resigned 31 August 2023) Mrs S Cassell BA (Hons) PGCE (Acting Head from 1 September 2023)
Educational establishments:	Highclare Preparatory School: Woodfield Pre-Preparatory and Preparatory 241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA Highclare Preparatory School: St.Paul's Pre-Preparatory and Preparatory 88 Lichfield Road Sutton Coldfield West Midlands B71 2SY Highclare: The Abbey Senior School and Sixth Form 10 Sutton Road Erdington Birmingham B23 6QL
Registered office:	241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA
Bankers:	HSBC Bank Plc The Bridge Walsall WS1 1LN
Auditors:	Malcolm Piper & Company Limited Kingsnorth House Blenheim Way Kingstanding Birmingham B44 8LS
Senior management personnel:	Dr R Luker (Resigned 31 August 2023) Mrs S Cassell Mrs P Bennett Mrs M P A McGoldrick Mr M Coles Mrs J Griffiths Mrs H Good
Charity number:	528940
Company number:	1074596

Highclare School

Strategic Report

Objectives and Activities

The principal activity of the Group remains the provision of tuition and general education facilities to children between rising three and eighteen years.

The objectives of the Charity are:

(a) To promote and provide for the advancement of education and training and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom or elsewhere any boarding or day school or schools for the education of children and young people of both sexes;

(b) To provide facilities in the interest of social welfare for the recreation and leisure time occupation for children and young people with the object of improving their conditions of life.

For over 90 years, Highclare has been pursuing its policy of encouraging pupils to achieve their full potential within a stimulating academic environment and to pursue excellence. The Highclare philosophy goes much further than educational excellence; we endeavour to work with both students and parents to equip our young people to cope with the pressures of modern society.

The School's focus continues to be on achievement of academic performance by a learning curriculum that is broad and balanced and kept constantly under review, the widening of access to the education provided by the School, enhancing the use of technology in teaching and improving the School's facilities and their access by the local community. Over the period, there was once again extensive refurbishment to continue the rolling programme of essential upgrading of the internal and external infrastructure of all school buildings, including external and internal refurbishment and decoration at three school locations plus the sports field and pavilion.

Recruitment and Training of Governors

Governors are familiar with the aims, objectives and practical operation of the School, often either by being parents or grandparents of children who are currently being educated at the School or having had children attend the School in the past. New Governors are appointed by the Board of Governors and elected at an Annual General Meeting following completion of 12 months of service.

Additionally, new Governors are provided with a copy of the latest financial statements and Memorandum and Articles of Association as well as a copy of the Charity Commission's guidance, 'The Essential Trustee: What you need to know, what you need to do'.

Governors undertake training as and when required appropriate to their specific needs and responsibilities.

The Governors determine the strategy and general policies of the School and meet as a Board at least 10 times a year. The implementation of the strategy together with the day-to-day management of the School is delegated to the Headmaster and the Senior Leadership Team.

Group Structure and Relationships

The School has a wholly owned non-charitable subsidiary, Highclare Investments Limited. Highclare Investments Limited also has a wholly owned non-charitable subsidiary, Highclare Limited. The principal activity of both subsidiaries is property ownership and management although both subsidiary companies were non-trading throughout the current financial year.

Achievements and Performance

The Independent Schools' Inspectorate (ISI) carried out a focussed compliance and educational quality inspection in April 2023. Their judgements were:

1. "The quality of pupils' academic and other achievements is excellent."
2. "Pupils throughout the school display strongly positive attitudes to learning, both independently and collaboratively."
3. "Prep school pupils demonstrate excellent study skills."
4. "The quality of the pupils' personal development is excellent."
5. "Pupils deeply respect and value diversity within their school and show a keen appreciation of their own and other cultures."
6. "Pupils throughout the school demonstrate excellent self-knowledge, self-discipline and resilience in all aspects of their school lives."
7. "Pupils' moral understanding is highly developed and they maturely take responsibility for their own behaviour."

Academic achievement is a matter of record, with our pupils winning places at top independent and maintained grammar schools at junior level and gaining their choice of university after the Sixth Form.

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Academic results during the year were once again excellent with a 98% pass rate at 'A' Level; and 75% passes at A* - C grades (including EPQ). At GCSE an impressive 93% of the candidates achieving grades 9 to 4 (A* to C equivalent) in five or more subjects, 27% achieving grades 9 to 7 and 93% attaining Maths and English. These grades were achieved alongside taking part in a full extra-curricular timetable, in keeping with the Highclare ethos of educating the whole person. The strength of teaching, processes and the dedication and continued hard work and application from staff and students placed us firmly amongst the top independent and maintained schools in the region.

Academic 'value added', using the CEM Centre's measures of MidYIS and Yellis, continues to be indicative of the good progress that the pupils make. This year's average residuals for MidYIS and Yellis (+0.07 and +0.05 respectively) which indicates candidates have made at least expected progress.

Throughout the year both the Senior and Preparatory Schools continued to provide a vast range of co-curricular and extra-curricular activity. Highclare School is dedicated to educating the whole person and allowing them to fulfil their potential in so many ways through sport, music, drama, the Duke of Edinburgh Award scheme and the many activities and trips both local and abroad offered to pupils. These activities complement the learning through the curriculum and enrich personal development. This is what Highclare School is all about, giving the opportunities to pupils to learn important skills such as leadership, time management, teamwork, persistence and to grow in both self-confidence and self-assurance.

In the Senior School, extra-curricular clubs before school, at lunch and after school continued to play a huge part in the development of sport. Clubs included: football, netball, hockey, table tennis, rugby, basketball, badminton, indoor athletics and cricket. Highclare Sports Field continues to be used weekly in the double lessons for football and rugby and more recently for cricket in September and October, making use of the Astroturf wicket. The pupils in U3/L4 continued to have a weekly swimming lesson at Erdington Leisure Centre, which is a fantastic opportunity for their development.

Prep School sport is enhanced via the extra-curricular clubs before school, at lunchtime and after school. Clubs included football, netball, hockey, basketball, ballet, tennis, multi-sports and dancing as examples. Highclare Sports Field continues to be used by the Prep School 4 times a week and we also share facilities at the Senior School or across Prep School sites. Swimming is taught weekly for children in Reception, Year 1 and Year 2 and then on a half termly basis for children in Year 3-6. Fixtures take place for all children throughout the school (Year 1 upwards) in all sports such as swimming, tri-golf and hockey. Last year we played approximately 65 fixtures against other schools. These were both competitive and friendly.

The Duke of Edinburgh Scheme, which was established at Highclare School in 2013, continues to flourish. The awards involve a wide range of activities including sport, expeditions and volunteering all of which the students have to organise for themselves and which demands a great deal of personal input along with the tremendous support from the teaching staff involved, who also give up their free time to supervise the expeditions and manage the programme. This year saw fifteen pupils achieving bronze status and four silver status.

Music and drama continue to play an extremely important part of school life. Many events took place and many of the pupils maintained their progress via the interaction with the numerous visiting music teachers who continue to do so much valuable work. The London Academy of Music and Dramatic Arts ("LAMDA") is an extremely popular extra-curricular activity, which allows pupils to grow in confidence and develop their individuality. This has continued to flourish and, once again, many pupils took exams during the year.

Achievements and Performance (continued)

In the annual ISA Midlands art competition (regional) we successfully achieved three certificates, out of the eight entries submitted this year. This comprised of one 2nd Place certificate and two Highly Commended certificates.

The Preparatory School continues to promote the ongoing and all-round development of all the children in a nurturing and caring environment.

The Governors offer their congratulations to the girls and boys who participated in these achievements and thank the teachers and parents for their commitment and support.

Pastoral care continues to be a strength of the School with comprehensive policies on Personal, Social, Health and Citizenship Education (PSHCE), Social, Moral, Spiritual and Cultural aspects of Learning (SMSC) and careers guidance, together with an outstanding tutor system. School continues to work within the regulatory framework with regard to relationship and sex education and responded positively to the national initiatives on equity, diversity and equality that schools were asked to implement.

Community Involvement

The School has an on-going commitment to encourage all pupils of every age to engage (at appropriate levels) in community involvement. These include community carol singing, personal visits to residential and care homes and a local special needs school. Invitations are extended to these residents to attend a number of school events such as concerts and plays.

Charity plays a huge part in both the Senior and Preparatory Schools. The charities chosen by the student councils on each site this year were Shoe Aid, the Erdington Foodbank and The Sebbie Hall Kindness Foundation, plus The Red Movement (SA) and Rhino Art (students on the senior school visit to South Africa were able to work with these last two charities as part of their expedition). During the year the School raised over £11,000 (2022; over £10,000). In addition over £1,000 was raised for Comic Relief.

This year has also seen the School donating gifts of food for the Trussell Trust foodbank operated in Erdington. Students have also collected and donated used spectacles to Lions International. The Governors are extremely grateful to the pupils and their parents for these considerable fund raising efforts, which were even more necessary during the cost of living crisis to assist those within the community who are struggling to cope.

The competitions in art and creative writing for local primary schools took place. The art competition, in the spring, attracted 180 entries on the theme of past and present, the 90 years to the present day to coincide with Highclare's 90th anniversary, whilst the creative writing competition focussed on writing a poem on Tutankhamun's tomb, Ancient Egypt or the wonderful world of exploration and adventure and attracted over 507 entries. We were able to welcome participants into school for the presentation events.

Neighbouring primary schools and local sporting teams enjoy the use of the School's recreational facilities at both the Senior School and Highclare Sports Field and the Church next door are able to use the car park every weekend when they are open, within current restrictions and able to provide services to the community. A local ballet school continues to use the Senior School hall on a weekly basis.

The Trustees have considered their response to the change to the law, as embodied in the Charities Act 2011, requiring that public benefit can no longer be presumed but must be demonstrated. In addition, they have had due regard for Charity Commission guidance on the subject. The Governors consider that these wider involvements and contributions to the community clearly demonstrate the greater public benefit requirements are being met.

Scholarship Awards

Academic scholarships are awarded to pupils who perform particularly well in our entrance assessments and have already demonstrated a considerable degree of all round commitment to their current school. Additional specialist scholarships are also awarded for those pupils showing a particular talent in music, sport or art. A limited number of bursaries are offered based on financial needs. The Highclare School Governors' Prize is a means-tested bursary available annually if all the necessary requirements are met to cover up to 100% of school fees for one pupil upon entering Senior School in U3 (Year 7). The School currently has awarded this bursary to six pupils: ranging from current U3 (Year 7) to L6 (Year 12).

Financial Review

Fee income has increased this year to £6,642,916 from 2022: £6,255,310.

The school has continued to make savings in overheads and costs where possible.

There was continued and necessary annual rolling replacement programme of IT facilities. The programme this year included the replacement of interactive smart boards, computers, iPads, servers and Wi-Fi provision to ensure that both pupils and staff continue to benefit from enhanced interactive teaching.

There have been many other significant enhancements this year which included:

- *Extensive improvement of the cloakroom and changing area at Highclare Preparatory School: St Paul's;*
- *Major roof repairs to some areas of the school, including the tower at Highclare Senior School;*
- *Refurbishment of washroom facilities across the school.*

Strategic Report (continued)

Reserves Policy

It is the policy of the Charity to maintain separate reserve funds for specific purposes. The Charity aims to retain at a minimum consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets, which amount to £5,039,147 as at 31 August 2023 (2022: £4,941,749) as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events; the most recent financial years being a very good indicator of how appropriate that policy is to the future sustainability and stability of the School. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs. The unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2023 amounted to £4,867,085 (2022: £4,760,959).

Risk Management

The major risks, to which the Charity is exposed, as identified by the Governors, have been reviewed and systems have been established to mitigate those risks. A risk register has been established and is updated throughout the year.

Friends of Highclare School ("FOHS")

The FOHS plays a very important part in the School, organising events for the children and parents and raising funds for the School. They are a committed and dedicated group of parents who aim to provide the best they can for the School. They also kindly operate a second-hand School uniform shop that is used by the parent body.

Child Protection Code of Practice

It is the policy of Highclare School to provide a safe and secure environment in which children can thrive and develop and where all aspects of their welfare will be safeguarded. A Child Protection policy and procedures has been adopted and is updated on a regular basis. This includes additional and necessary considerations for physical as well as psychological health, safety and well-being of all our pupils.

Plans for Future Periods

The Governors' plan is to continue to improve the educational and academic achievements of pupils by the provision of enhanced facilities. Constant monitoring of performance, and the potentially changing landscape of rules and requirements, means that the School's medium to long term strategy is kept under review and any changes that are necessary will be considered and implemented.

The use of Highclare Sports Field continues to evolve and expand and has been a significant contributing factor to the tremendous sporting success that both the Preparatory and Senior School have seen over the past year. Highclare Sports Field is also available to the local community and has seen a considerable increase in usage by a number of local schools and clubs during the year and this increase has continued into the following academic year.

The School continues its major school wide capital investment programme, which includes further developments in the landscaping and administration provision at Highclare Woodfield; and constant enhancements to school facilities. Additionally, the School's schedule of rolling maintenance in respect of areas such as roofing, rainwater pipes, fire security and the heating systems continues across all three locations, to ensure a high quality-learning environment is maintained for the pupils.

Approved by the Board on 13 December 2023 and signed on its behalf by:-

J R Brain
Governor

Governors' Report

The Governors submit their report and the audited consolidated financial statements of the Group for the year ended 31 August 2023.

The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the Annual Report and Financial Statements.

Structure, Governance and Management

The Company is limited by guarantee and is registered as a charitable educational trust. There is no share capital. Its Memorandum and Articles of Association govern the Company.

Governors' responsibilities

The Governors (who are also directors of Highclare School for the purposes of Company Law) are responsible for preparing the Annual Report (including the Strategic Report) and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charitable Company and the Group and of the income and expenditure of the Group and Charitable Company for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Group or charitable company will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Group and Charitable Company and enable them to ensure that the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are also responsible for ensuring that the assets are properly applied in accordance with Charity Law.

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the Group and Charitable Company's auditor is unaware. Each of the Governors have confirmed that they have taken all steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Governors' Report (continued)

Organisational Management

The Directors of the Company are also Charity Trustees for the purposes of Charity Law and under the Company's Articles are known as Governors. The Governors are all members of the Company serving in a non-executive capacity and receive no emoluments. The day-to-day management of the School is delegated to the Head and the Senior Leadership Team.

The Governors who served in the year ended 31 August 2023 were:

J A Barrett (President)
Mrs L E Flowith (Chairman)
J R Brain (Treasurer)
Mrs P A Mayall
A I Hazel
Mrs S D Watson
A B Davison
Professor F Eperjesi (Resigned 5 October 2022)

Mrs L Flowith and Mr A Davison retire by rotation at the forthcoming Annual General Meeting and, being eligible; offer themselves for re-election at the Annual General Meeting.

Auditors

Malcolm Piper & Company Limited, as auditors, will be proposed to the Governors for re-election at the Annual General Meeting.

Approved by the Board on 13 December 2023 and signed on its behalf by:-

J R Brain
Governor

Opinion

We have audited the financial statements of Highclare School (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including 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 parent charitable company's affairs as at 31 August 2022, and of the Group's incoming resources and application of resources, including its income and expenditure, 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 Group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Governors' 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 parent charitable 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Governors' annual report, other than the financial statements and our auditor's report thereon. The Governors 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.

[continued ...]

Opinions 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 Governors' Report (incorporating the Strategic Report and the Governors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the Strategic Report and the Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 charitable company, or returns adequate for our audit have not been received from branches not visited by us; or

• the parent charitable company's 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 Governors

As explained more fully in the Governors' responsibilities statement set out on page 8 the Governors (who are also the Directors of the charitable company for the purposes of Company Law) 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 Governors 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 Governors are responsible for assessing the Group's and parent charitable 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 Governors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

[continued ...]

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, including fraud as detailed below:

• We obtained an understanding of the legal and regulatory frameworks that are applicable to Highclare School, ("the Group and Company") and determined that the most significant are those that relate to the UK reporting framework under which the Company prepares its accounts and reports its results and the relevant UK tax compliance regulations. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations include those relating to health and safety, employee matters, environmental, and bribery and corruption practices;

• Having due regard to ISA 240 (Redrafted), The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements, we planned and designed our audit procedures to undertake such enquiry and testing which we deemed necessary to understand how the Company is complying with those frameworks. We made enquiries of the directors, senior management and those responsible for legal and compliance procedures within the "Group and Company" and we corroborated our enquiries by reference to other documentary evidence, where available, or other complimentary or compensating evidence and with other correspondence received and noted that there was no contradictory evidence;

• In designing the scope and depth of our work to assess the likely impact on the financial statements of fraud and other irregularities, we calculate a materiality level which is a percentage based upon turnover, profitability and gross balance sheet assets. This calculation produces a figure against which financial statement errors and irregularities are compared and indicates a level at which, in our opinion and judgement, this would cause transactions and balances within the financial statements to be misleading or materially incorrect.

• We also assessed the susceptibility of the Consolidated Financial Statements of the "Group and Company" to material misstatement using qualitative as well as quantitative factors, including how fraud might occur, and designed our audit testing and enquiries in such a way so as to enable us to identify the fraud risks across various parts of the business. In addition, we utilised internal and external information to perform a fraud risk assessment as part of our audit planning and testing procedures.

• We considered the risk of fraud through management override of controls and systems and, in response, we incorporated testing of large or unusual manual journal entries into our audit approach. We also considered the possibility of fraudulent or corrupt payments made through third parties and conducted detailed analytical review and substantive transaction testing on third party suppliers. Where instances of unusual behaviour patterns were identified through our testing, we performed additional audit procedures to address each identified risk. These procedures included testing of transactions back to source information and were designed to provide reasonable assurance that the financial statements were free from fraud or error. We also conducted specific audit procedures in relation to the risk of bribery and corruption by means of review of any marketing, promotion or discount activity determined by a risk-based process;

• Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. Our procedures involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business and enquiries of "Group and Company" management; and

• If any instances of non-compliance with laws and regulations were identified, the audit team performed sufficient and appropriate audit procedures.

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.

[continued ...]

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 charitable 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 Group and charitable company's members 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 Group and charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Whitehead BA FCA
Senior Statutory Auditor
For and on behalf of
Malcolm Piper & Company Limited
Kingsnorth House
Blenheim Way
Birmingham
B44 8LS

Dated: 13 December 2023

Highclare School

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 August 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Charitable activities					
School fees receivable		6,642,916	-	**6,642,916**	6,255,310
Registration fees		11,987	-	**11,987**	11,045
School activities & trips		150,000	-	**150,000**	63,828
Investments					
Rents and lettings		8,250	-	**8,250**	8,250
Other					
Other income	4	314,129	-	**314,129**	279,773
Total income		7,127,282	-	**7,127,282**	6,618,206
Resources expended					
Expenditure on:					
Charitable activities					
School operating costs	5	(6,666,482)	(30)	**(6,666,512)**	(6,455,222)
School activities and trips		(150,000)	-	**(150,000)**	(63,828)
Governance costs	6	(11,150)	-	**(11,150)**	(11,640)
School finance costs	9	(36,422)	-	**(36,422)**	(13,336)
Exceptional Expenditure	10	(157,102)	-	**(157,102)**	-
Total expenditure	11	(7,021,156)	(30)	**(7,021,186)**	(6,544,026)
Net Income		106,126	(30)	**106,096**	74,180
Transfers between funds	20	-	-	**-**	-
Net movement in funds for year		106,126	(30)	**106,096**	74,180
Total funds brought forward at 1 September 2022		4,760,959	664	**4,761,623**	4,687,443
Total funds carried forward at 31 August 2023		4,867,085	634	**4,867,719**	4,761,623

All income and expenditure is derived wholly from continuing operations.

The consolidated statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 17 to 31 form an integral part of these financial statements.

Highclare School

Consolidated Balance Sheet at 31 August 2023 (Registration number 1074596)

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	5,039,149	4,941,749
		5,039,149	4,941,749
Current assets			
Debtors	14	140,119	161,142
Cash at bank and in hand		2,163,526	2,354,712
		2,303,645	2,515,854
Creditors: Amounts falling due within one year	15	(1,920,400)	(2,055,408)
Net current assets		383,245	460,446
Total assets less current liabilities		5,422,394	5,402,195
Creditors: Amounts falling due more than one year	16	(554,675)	(640,572)
Total net assets		4,867,719	4,761,623
Charity Funds			
Restricted Funds	19	634	664
Unrestricted Funds			
General unrestricted funds	19	4,515,609	4,409,483
Revaluation reserves	19	351,476	351,476
		4,867,719	4,761,623

These financial statements were approved and authorised for issue by the Board on 13 December 2023 and signed on its behalf by:

Louise Flowith ..... Governor

Mrs L E Flowith

..... Governor

J R Brain

The notes on pages 17 to 31 form an integral part of these financial statements

Highclare School

Balance Sheet at 31 August 2023 (Registration number 1074596)

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	**3,015,796**	2,918,399
Investment	13	**950,000**	950,000
		3,965,796	3,868,399
Current assets			
Debtors	14	**2,345,418**	2,366,441
Cash at bank and in hand		**2,163,520**	2,354,694
		4,508,938	4,721,135
Creditors: Amounts falling due within one year	15	**(1,920,400)**	(2,055,408)
Net current assets		**2,588,538**	2,665,727
Total assets less current liabilities		**6,554,334**	6,534,126
Creditors: Amounts falling due after more than one year	16	**(554,675)**	(640,572)
Total net assets		**5,999,659**	5,893,554
Charity Funds			
Restricted Funds	19	**634**	664
Unrestricted Funds			
General unrestricted funds	19	**5,914,995**	5,808,860
Revaluation reserves	19	**84,030**	84,030
		5,999,659	5,893,554

These financial statements were approved and authorised for issue by the Board on 13 December 2023 and signed on its behalf by:

Louise Flowith ..... Governor

Mrs L E Flowith

..... Governor

J R Brain

The notes on pages 17 to 31 form an integral part of these financial statements

Highclare School

Consolidated Cash Flow Statement for the Year Ended 31 August 2023

	Note	2023 £	2022 £
Net cash inflow from operating activities	21	**179,197**	415,556
Cash flow from investing activities			
Payments to acquire tangible fixed assets		**(256,732)**	(241,713)
Receipts from sale of tangible fixed assets		**422**	1,680
Rents received from investment properties		**8,250**	8,250
Net cash flow from investing activities		**(248,063)**	(231,783)
Cash flow from financing activities			
Repayment of loans		**(85,898)**	(85,899)
Loan interest paid		**(36,422)**	(13,336)
Net cash flow from financing activities		**(122,320)**	(99,235)
Net (decrease) increase in cash and cash equivalents		**(191,186)**	84,538
Cash and cash equivalents at 1 September 2022		**2,354,712**	2,270,174
Cash and cash equivalents at 31 August 2023		2,163,526	2,354,712
Cash and cash equivalents consist of:			
Cash at bank and in hand		2,163,526	2,354,712

1. Accounting Policies

General Information and Basis of Accounting

The Charity is a Company Limited by Guarantee in the United Kingdom. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of the financial statements. The nature of the Charity's operations and principal activities are detailed in the Strategic Report on page 2.

The Company has taken advantage of section 62 of the Companies Act 2006 and deleted the word "Limited" from its name.

The Charity constitutes a Public Benefit Entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The consolidated financial statements have been prepared under the historical cost accounting convention, other than in the case of certain freehold properties and investment properties, which are stated at valuation. The consolidated financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest pound. There are no discontinued operations.

The significant accounting policies applied in the preparation of these financial statements for the Group and Charitable Company ("Charity") are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of Consolidation

The Group financial statements consolidate the financial statements of the company and its subsidiary undertakings, Highclare Investments Limited (company registered number 02963934) and Highclare Limited (company registered number 02963938). Intra-group transactions and profits are eliminated on consolidation.

No separate statement of financial activities is presented for the Company as permitted by section 408 of the Companies Act 2006. The Company had total income from charitable activities of £6,804,903 (2022: £6,330,183), income from investments of £8,250 (2022: £8,250) and other income of £314,129 (2022: £279,773). Total expenditure on charitable activities was £6,816,482 (2022: £6,519,050), governance and finance costs of £47,572 (2022: £24,976) and exceptional costs of £157,102 (2022: £nil). The net income for the year amounted to £265,518 (2022: £74,180).

Funds

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted funds is set out in the notes to the financial statements.

Income Recognition

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met; the amount can be quantified with reasonable accuracy; and it is probable that the income will be received.

1. **Accounting Policies (continued)**

Donations
For donations to be recognised the Charity will have been notified of the amounts and settlement date in writing. If there are conditions attached to the donation, and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled. Donations receivable for the general purposes of the school are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to relevant restricted funds.

Charitable Income
Fees receivable and charges for services are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the school.

Investment Income
Investment income is earned through holding assets for investment purposes such as property. It includes interest earned and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest and rental income are recognised as the charity's right to receive payment is established.

Expenditure Recognition
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties; it is probable that the settlement will be required; and the amount of the obligation can be measured reliably. All costs are incurred in the furtherance of the charitable activities.

Costs of Raising Funds
Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable Activities
Charitable activities include expenditure on providing education and include both direct costs and support costs relating to the activity.

Support Costs
Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include central functions and governance costs. They are incurred directly in support of expenditure on the objectives of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources e.g. staff costs by the time spent and other costs by their usage.

Governance Costs
Governance costs comprise the costs of running the Charity, including strategic planning for its future development, external audit, any legal advice for the Governors and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Leases
Rentals paid under operating leases are charged to income in the period to which they relate.

1. Accounting Policies (continued)

Tangible Fixed Assets

Tangible fixed assets acquired are capitalised in the balance sheet at their original cost or valuation. Items costing less than £750 are written off as an expense in the period in which they are acquired.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Freehold properties	up to 50 years straight line
Leasehold improvements	up to 50 years straight line
Fixtures, fittings and equipment	between 2 and 5 years straight line
Computer equipment (teaching)	a maximum of 4 years straight line
Motor vehicles	a maximum of 5 years straight line
Investment properties	not depreciated

Assets under Construction

Costs incurred in fixed assets under construction are capitalised as they are incurred. The total cost of the project will be assessed against its realisable value upon completion of the project and it will then be transferred to the appropriate asset category. No depreciation is charged during the project construction. Where a project is aborted, the costs are immediately written off to the Statement of Financial Activities ("SOFA").

Investment Properties

Investment properties are accounted for in accordance with FRS 102, which provides that these should not be subject to periodic depreciation charges (unless held on lease), but should be shown at fair value. This is contrary to the Companies Act 2006, which states that, subject to any provision for depreciation or diminution in value, fixed assets are normally to be stated at purchase price or production cost. Current cost accounting or the revaluation of specific assets to fair value, as determined at the date of their last valuation, is also permitted.

The treatment of investment properties under the Companies Act does not give a true and fair view, as these assets are not held for consumption but as investments, the disposal of which would not materially affect the operations of the Group. In such a case, it is the current value of these investments, and changes in that current value, which are of prime importance. Consequently, for the proper appreciation of the financial position, the accounting treatment required by FRS 102 is considered appropriate for investment properties.

Details of the current value and historical cost information for investment properties are given in the Tangible Fixed Asset note.

Investments

Fixed asset investments in subsidiaries are measured at historical cost less provision for any permanent diminution in value.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the SOFA.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction, it is measured at present value.

1. Accounting Policies (continued)

Impairment
Assets not measured at fair value are reviewed for indications that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying value. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SOFA.

Provisions
Provisions are recognised when the Charity has an obligation at the balance sheet date because of a past event; it is probable that an outflow of economic benefits will be required in settlement; and the amount can be reliably estimated.

Employee Benefits
When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed to the SOFA as they become payable in accordance with the rules of the scheme.

Taxation
The Company is registered as a Charitable Educational Trust and, under the provisions of Section 505, Income and Corporation Taxes Act 1988, is exempt from liabilities to taxation on its charitable activities. No corporation tax liability arises on the results of the subsidiary undertakings for the year.

Government Grants
The company receives government grants in respect of the HM Job Retention Scheme and other local government support initiatives. Income from government and other grants are recognised at fair value when the company has entitlement after any performance conditions are met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, these amounts are deferred.

Going concern
Having reviewed the cash position, the Governors consider that the Group has adequate resources to continue its current operations and pursue its Long Term Strategy, as they believe it has the ability to meet its debts as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2. Income from Charitable Activities

During the year, no donations were received and classified as restricted funds. All charitable income for the current and prior year is attributable to unrestricted funds.

3. Income from Investments

All investment income for the current and prior year is attributable to unrestricted funds.

4. Income from Other Activities

	2023 £	2022 £
Other Income	**314,129**	279,773

Other Income is attributable to unrestricted funds.

5. School Operating Costs

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Salaries	4,469,297		**4,469,297**	4,132,083
Teaching materials	232,449		**232,449**	145,327
Kitchen expenses	507,945		**507,945**	432,389
Rent, rates and insurance	111,660		**111,660**	94,863
Heat and light	220,532		**220,532**	225,808
Cleaning	207,515		**207,515**	286,282
Training	14,841		**14,841**	13,652
Repairs and maintenance	244,590		**244,590**	433,914
Motor and transport	43,164		**43,164**	51,945
School activities and trips	150,000		**150,000**	63,828
Depreciation:				
Fixtures, vehicles and equipment	117,154		**117,154**	130,840
Freehold buildings	42,134		**42,134**	56,717
Amortisation of goodwill	-		**-**	11,530
Profit on disposal of fixed assets	(375)		**(375)**	(1,680)
Support costs:				
Printing and stationery	199,821		**199,821**	192,845
Advertising	19,356		**19,356**	34,655
Sundry expenses	106,903	30	**106,933**	60,529
Professional charges	102,676		**102,676**	125,758
Bank charges	74,392		**74,392**	52,741
	6,864,054	30	**6,864,084**	6,544,026

All expenditure for the current and prior year is in respect of the furtherance of the charitable activities of which £30 (2022 - £30) was attributable to restricted funds and £ 6,864,054 (2022 - £6,543,996) was attributable to unrestricted funds.

Included within school operating costs are school activities and trips, governance costs (note 6) and school finance costs (note 9), which have been disclosed separately on the Statement of Financial Activities.

6. Governance Costs

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Auditors' remuneration (note 10)	11,150	-	**11,150**	11,640

7. Staff Costs

The average monthly number of employees and full time equivalents (FTE) during the year was as follows:

	2023		2022	
	Number	FTE	Number	FTE
Teachers	**115**	**83**	138	85
Administration	**28**	**23**	27	22
Auxiliary staff	**17**	**11**	24	15
	160	**117**	189	122

	2023 £	2022 £
Staff costs for above persons:		
Wages and salaries	**3,964,898**	3,642,361
Social security costs	**303,188**	286,472
Other pension costs	**201,211**	203,250
	4,469,297	4,132,083

There were three (2022: three) employees whose emoluments as defined for taxation purposes amounted to over £60,000. Their emoluments fell within the following bands: nil £60,001 to £70,000 (2022: one), two £70,001 - £80,000 (2022: one), nil £120,001 - £130,000 (2022: one) and one £130,001 - £140,000.

Pension costs in respect of the above employees totalled £28,512 (2022: £28,031).

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in independently administered funds. Two (2022: two) higher paid employees are accruing benefits under the group defined contribution pension scheme and one (2022: one) employee has their pension contributions paid into a private pension scheme. The total pension costs charge to all schemes represents contributions payable by the Group and amounted to £201,211 (2022: £203,250).

8. Trustees' and Key Management Personnel Remuneration and expenses

The Governors do not receive any remuneration from the School, have no accruing pension arrangements and had no expenses reimbursed in either the year to 31 August 2023 or the previous financial year.

The total amount of employee benefits received by key management personnel is £504,273 (2022: £481,782). The Charity considers its key management personnel are the Senior Leadership Team.

9. School finance costs

	2023 £	2022 £
Bank loan Interest	**36,422**	13,336

10. Exceptional items

Exceptional items relate to amounts incurred during the year, which are not of a recurring nature. These are as follows:

	2023 £	2022 £
Legal and professional fees in respect of various planning related work	**157,102**	-

11. Total Resources Expended

	2023 £	2022 £
Total resources expended on charitable activities includes:		
Depreciation of tangible fixed assets	**159,288**	187,557
Amortisation of intangible fixed assets		
- purchased goodwill	**-**	11,530
Surplus on disposal of tangible fixed assets	**(375)**	(1,680)
Auditor's remuneration in respect of non-audit services	**7,524**	9,378

Governance costs includes:	2023 £	2022 £
Auditors' remuneration in respect of audit services		
- for audit services	**11,150**	11,640
- for other services	**7,524**	9,378
	18,674	21,018

12. Tangible Fixed Assets

Group	Investment properties £	Freehold properties £	Fixtures, fittings, vehicles & equipment £	Total £
Cost or valuation				
At 1 September 2022	219,162	6,049,230	2,529,638	8,798,030
Additions	-	101,250	155,482	256,732
Disposals	-	-	(836,482)	(836,482)
At 31 August 2023	219,162	6,150,480	1,848,638	8,218,280
Depreciation				
At 1 September 2022	-	1,645,089	2,211,192	3,856,281
Charged in the year	-	42,134	117,154	159,288
Elimination on disposals	-	-	(836,435)	(836,435)
At 31 August 2023	-	1,687,220	1,491,911	3,179,131
Net Book Value				
At 31 August 2023	**219,162**	**4,463,260**	**356,727**	**5,039,149**
At 31 August 2022	219,162	4,404,141	318,446	4,941,749
Company				
Cost or valuation				
At 1 September 2022	219,162	2,921,295	2,529,638	5,670,095
Additions	-	101,250	155,482	256,732
Disposals	-	-	(836,482)	(836,482)
At 31 August 2023	219,162	3,022,545	1,848,638	5,090,345
Depreciation				
At 1 September 2022	-	540,504	2,211,192	2,751,696
Charged in the year	-	42,134	117,154	159,288
Elimination on disposals	-	-	(836,435)	(836,435)
At 31 August 2023	-	582,638	1,491,911	2,074,549
Net Book Value				
At 31 August 2023	**219,162**	**2,439,907**	**356,727**	**3,015,796**
At 31 August 2022	219,162	2,380,791	318,446	2,918,399

12. Tangible Fixed Assets (continued)

i) On an historical cost basis the freehold property would be included at:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Cost	5,621,002	5,519,752	2,791,010	2,689,760
Depreciation	(1,655,175)	(1,604,591)	(581,087)	(530,503)
	3,965,827	3,915,161	2,209,923	2,159,257

Freehold land and buildings at 241 Birmingham Road, Wylde Green were re-valued during the year ended 31 August 1995 at open market value with vacant possession by Weatherall, Green & Smith, independent chartered surveyors. The Governors are satisfied that this valuation remains appropriate, and currently have no intention to perform further revaluations.

The transitional rules set out in FRS 102 – 'Financial Reporting Standards applicable in the UK and Republic of Ireland' were applied on implementation of FRS 102. Accordingly, the book values at implementation have been retained as deemed cost. The Governors are aware of their responsibilities to ensure that there has been no impairment to the value at which the properties are included in the financial statements. Based on advice and enquiry of appropriate professionals the Governors are confident that the value of the freehold properties at the date of transition to FRS 102 is not impaired and the ultimate market value exceeds the book values retained at implementation of FRS 102.

ii) On a historical cost basis the investment property would be included at:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Cost	219,162	219,162	219,162	219,162
Depreciation	-	-	-	-
	219,162	219,162	219,162	219,162

In accordance with the requirements of FRS 102, but contrary to the requirements of the Companies Act 2006, investment properties are not depreciated. Instead, their ongoing current value is reviewed annually, which the Governors consider necessary in order to show a true and fair view.

The property was acquired in 2005 and is stated at cost. The Governors consider that its current market value at 31 August 2023 is in excess of its accounts carrying value.

iii) Included in Group freehold land and buildings is land with a total cost or valuation of £1,027,500 (2022: £1,027,500) which is not depreciated.

iv) All fixed assets other than the investment properties are used for direct charitable purposes.

13. Investment

The investment represents 950,000 £1 ordinary shares acquired at par in Highclare Investments Limited, (company registered number 02963934) a wholly owned subsidiary. Highclare Investments Limited also has a wholly owned subsidiary, Highclare Limited, (company registered number 02963938) in which it holds 900,000 £1 ordinary shares again acquired at par. The principal activity of both subsidiaries is property ownership and management and both are incorporated in England.

	Highclare Investments Limited		Highclare Limited	
	2023 £	2022 £	2023 £	2022 £
Summary profit and loss account				
Turnover	-	-	-	-
Administrative expenses	-	(4,756)	-	(5,999)
Net loss for the year and Retained in the subsidiary	-	(4,756)	-	(5,999)
The assets and liabilities of the subsidiaries were:				
Fixed assets	2,048,350	2,048,350	875,000	875,000
Current assets	2	2	3	3
Creditors: Amounts falling due within one year	(1,331,811)	(1,331,811)	(873,488)	(873,488)
Total net assets	**716,541**	716,541	**1,515**	1,515
Aggregate share capital and reserves	**716,541**	716,541	**1,515**	1,515

14. Debtors

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Due within one year:				
Outstanding fees	**13**	4	**13**	4
Amounts owed by subsidiary undertakings	-	-	**2,205,351**	2,205,299
Other debtors	**58,182**	93,551	**58,130**	93,551
Prepayments	**81,924**	67,587	**81,924**	67,587
	140,119	161,142	**2,345,418**	2,366,441

15. Creditors: Amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	**85,899**	85,899	**85,899**	85,899
Trade creditors	**288,870**	181,262	**288,870**	181,262
Fees in advance	**845,638**	759,098	**845,638**	759,098
Other taxation and social security	**72,985**	67,269	**72,985**	67,269
Other creditors	**383,466**	396,895	**383,466**	396,895
Accruals	**242,066**	560,496	**242,066**	560,496
Friends of Highclare School Fund	**1,476**	4,489	**1,476**	4,489
	1,920,400	2,055,408	**1,920,400**	2,055,408

In the year, Friends of Highclare School have contributed towards the purchase of defibrillators.

Bank loans and overdrafts are secured by a fixed charge over book debts and a floating charge over all other assets of the Group, together with mortgages over certain freehold properties.

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

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	**554,675**	640,572	**554,675**	640,572

Maturity of borrowings

	Group		Company	
	2023	2022	2023	2022
Bank loans	£	£	£	£
Amounts fall due on the bank loans as follows:				
Within one year	**85,899**	85,899	**85,899**	85,899
Between one and two years	**85,899**	85,899	**85,899**	85,899
Between two and five years	**257,697**	257,697	**257,697**	257,697
Over five years	**211,078**	296,976	**211,078**	296,976
	640,573	726,471	**640,573**	726,471

Bank loans for the group and company include the following:

(a) A mortgage loan which had a remaining balance at the year-end of £507,240 (2022: £576,471) carries interest at the Bank's Sterling Base Rate plus 1% (2022 Bank's Sterling Base Rate plus 1%).This loan is repayable by termly instalments of £23,077 which commenced September 2013 and ends in 2028.

(b) A second loan with a remaining balance at the year-end of £133,333 (2022: £150,000), which is repayable by termly capital instalments of £5,556 payable on 1 September, 2 January and 1 May commencing on 1 September 2013 and ends in 2033. The loan carries interest at the Bank's Sterling Base Rate plus 3.00% and is paid monthly.

17. Operating leases

At 31 August 2023, the School was committed to making the following payments under non-cancellable operating leases. These commitments are analysed as follows:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Other				
Within one year	**51,088**	48,088	**51,088**	48,088
Between one and five years	**154,242**	182,330	**154,242**	182,330
Over five years	**165,000**	128,000	**165,000**	128,000
	370,330	358,418	**370,330**	358,418

Included in the operating leases disclosure above is a twenty-five year tenancy lease with Birmingham City Council signed on 6 September 2018 over land referred to as "Highclare Sports Field". Under this agreement, there is a five yearly rent review.

18. Contingent liabilities

In the event that bank borrowings arise, the Company has guaranteed the bank borrowing of the other Group undertakings.

19. Funds Reconciliation

Group

	As at 1 September 2022	Income	Expenditure	Transfers	As at 31 August 2023
	£	£	£	£	£
Restricted funds	664	-	(30)	-	634
Unrestricted funds	4,409,483	7,127,282	(7,021,186)	-	4,515,609
Revaluation reserve	351,476	-	-	-	351,476
Total funds	**4,761,623**	**7,127,282**	**(7,021,216)**	**-**	**4,867,719**

Company

	As at 1 September 2022	Income	Expenditure	Transfers	As at 31 August 2023
	£	£	£	£	£
Restricted funds	664	-	(30)	-	634
Unrestricted funds	5,808,860	7,127,282	(7,021,186)	-	5,914,995
Revaluation reserve	84,030	-	-	-	84,030
Total funds	**5,893,554**	**7,127,282**	**(7,021,216)**	**-**	**5,999,659**

19. Funds Reconciliation (continued)

Fund descriptions

a) Unrestricted funds

The unrestricted funds are retained as necessary to meet the general requirements of the School. The Charity aims to retain consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets, which amount to £5,039,149 as at 31 August 2023 (2022: £4,941,749) as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs. The unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2023 amounted to £4,867,085 (2022: £4,760,959), as shown in the notes above.

b) Restricted funds

During the year, prizes of £30 (2022: £30) were awarded. The remaining restricted funds £634 (2022: £664) relate to donations received for prize funds at Seniors Speech Day and for use by the Music, Modern Foreign Language and Physical Education departments.

c) Revaluation reserve

The revaluation reserve represents unrealised surpluses on the revaluation of fixed assets to market value in prior years. An amount is transferred to the unrestricted fund each year on the same basis that the asset is depreciated.

20. Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2023 are represented by:			
Tangible fixed assets	5,039,149	-	5,039,149
Current assets	2,303,011	634	2,303,645
Current liabilities	(1,920,400)	-	(1,920,400)
Long term liabilities	(554,675)	-	(554,675)
Total net assets	**4,867,085**	**634**	**4,867,719**
Unrealised gains included above on tangible fixed assets	351,476	-	351,476

Company

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2023 are represented by:			
Tangible fixed assets	3,015,796	-	3,015,796
Investment	950,000	-	950,000
Current assets	4,508,304	634	4,508,938
Current liabilities	(1,920,400)	-	(1,920,400)
Long term liabilities	(554,675)	-	(554,675)
Total net assets	**5,999,025**	**634**	**5,999,659**
Unrealised gains included above on tangible fixed assets	84,030	-	84,030

21. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for year	106,095	74,180
Rents received from Investment properties	(8,250)	(8,250)
Depreciation of tangible fixed assets	159,288	187,557
Surplus on disposal of tangible fixed assets	(375)	(1,680)
Amortisation of intangible fixed assets	-	11,530
Interest payable	36,422	13,336
(Increase)/decrease in debtors	21,023	(76,901)
(Decrease)/increase in creditors	(135,007)	215,784
Net cash flow from operating activities	**179,197**	**415,556**

22. Transactions involving Governors

Governors' interests in contracts.

During the financial year ending 31 August 2023, £71,595 (2022: £13,725) was invoiced by Jon Flowith & Partners. The fees related to building, planning and other complex strategic property matters for the school. Mrs Louise Flowith, the Chair of Governors and a partner in that consulting practice, absented herself from discussions and instructions to the partnership, which were given expressly to her husband Jon Flowith, a Chartered Surveyor, by designated Governors. All transactions were provided on an arm's length basis and appropriate safeguards and governance processes observed. This amount was paid in the year ending 31 August 2023. An additional £12,000 has been accrued in respect of the work done prior to the year end but not yet invoiced.

As part of its insurances the Group maintains cover for the Governors and officers against liabilities in relation to their duties to the School. The cost for 2023 was £3,151 (2022: £2,864).

23. Related party transactions

There is no controlling party. The Company has taken advantage of the exemptions not to disclose intra-group transactions on the basis that all subsidiaries are 100% owned and all transactions with other Group companies are eliminated in the consolidated financial statements.

HIGHCLARE SCHOOL

England & Wales - Charity number 528940

Accounts

Highclare School

(A company limited by guarantee)

Governors' Report and Consolidated Financial Statements
for the Year Ended 31 August 2022

Registered number: 1074596 (England & Wales)
Registered charity number: 528940

Highclare School

Financial Statements

For the Year Ended 31 August 2022

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Highclare School

Governors and General Information

Governors:	J A Barrett (President) Mrs L E Flowith (Chairman) J R Brain ACA Mrs P A Mayall A I Hazel Mrs S D Watson A B Davison
Head:	Dr R Luker PhD MA BA (Hons) PGCE
Educational establishments:	Highclare Preparatory School: Woodfield Pre-Preparatory and Preparatory 241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA Highclare Preparatory School: St.Paul's Pre-Preparatory and Preparatory 88 Lichfield Road Sutton Coldfield West Midlands B71 2SY Highclare: The Abbey Senior School and Sixth Form 10 Sutton Road Erdington Birmingham B23 6QL
Registered office:	241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA
Bankers:	HSBC Bank Plc The Bridge Walsall WS1 1LN
Auditors:	Malcolm Piper & Company Limited Kingsnorth House Blenheim Way Kingstanding Birmingham B44 8LS
Senior management personnel:	Dr R Luker Mrs S Cassell Mrs P Bennett Mrs M P A McGoldrick Mr M Coles Mrs J Griffiths Mrs H Good
Charity number:	528940
Company number:	1074596

Highclare School

Strategic Report

Objectives and Activities

The principal activity of the Group remains the provision of tuition and general education facilities to children between rising three and eighteen years.

The objectives of the Charity are:

(a) To promote and provide for the advancement of education and training and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom or elsewhere any boarding or day school or schools for the education of children and young people of both sexes;

(b) To provide facilities in the interest of social welfare for the recreation and leisure time occupation for children and young people with the object of improving their conditions of life.

For over 90 years, Highclare has been pursuing its policy of encouraging pupils to achieve their full potential within a stimulating academic environment and to pursue excellence. The Highclare philosophy goes much further than educational excellence; we endeavour to work with both pupils and parents to equip our young people to cope with the pressures of modern society.

Despite the pressure caused by the pandemic on pupils and staff attendance, the School enjoyed a very successful and purposeful year face to face.

The School's focus continues to be on achievement of academic performance by a learning curriculum that is broad and balanced and kept constantly under review, the widening of access to the education provided by the School, enhancing the use of technology in teaching and improving the School's facilities and their access by the local community. Over the period, there was once again extensive refurbishment to continue the rolling programme of essential upgrading of the internal and external infrastructure of all school buildings, including external and internal refurbishment and decoration at three school locations plus the sports field and pavilion.

Recruitment and Training of Governors

Governors are familiar with the aims, objectives and practical operation of the School, usually either by being parents or grandparents of pupils who are currently being educated at the School or having had pupils attend the School in the past. New Governors are appointed by the Board of Governors and elected at an Annual General Meeting following completion of 12 months of service.

Additionally, new Governors are provided with a copy of the latest financial statements and Memorandum and Articles of Association as well as a copy of the Charity Commission's guidance, 'The Essential Trustee: What you need to know, what you need to do'.

Governors undertake training as and when required appropriate to their specific needs and responsibilities.

The Governors determine the strategy and general policies of the School and meet as a Board at least 10 times a year. The implementation of the strategy together with the day-to-day management of the School is delegated to the Headmaster and the Senior Leadership Team.

Group Structure and Relationships

The School has a wholly owned non-charitable subsidiary, Highclare Investments Limited. Highclare Investments Limited also has a wholly owned subsidiary, Highclare Limited. The principal activity of both subsidiaries is property ownership and management although both subsidiary companies were non-trading throughout the current financial year.

Achievements and Performance

Academic achievement is a matter of record, with our pupils winning places at top independent and maintained grammar schools at junior level and gaining their choice of university after the Sixth Form.

Academic results during the year were once again excellent with a 100% pass rate at 'A' Level; and 77% passes at A* - C grades (including EPQ). At GCSE an impressive 100% of the candidates achieving grades 9 to 4 (A* to C equivalent) in five or more subjects, 40% achieving grades 9 to 7 and 100% attaining Maths and English. These grades were achieved alongside taking part in a full extra-curricular timetable, in keeping with the Highclare ethos of educating the whole person. The strength of teaching, processes and the dedication and continued hard work and application from staff and pupils placed us firmly amongst the top independent and maintained schools in the region.

Academic 'value added', using the CEM Centre's measures of MidYIS and YellIS, continues to be indicative of the good progress that the pupils make. This year's average residuals for MidYIS and Yellis (+0.2 and +0.05 respectively) ranked the School in the top 1/2 and 3/4 (respectively) in the order for participating schools.

Throughout the year both the Senior and Preparatory Schools continued to provide a vast range of co-curricular and extra-curricular activity. Highclare School is dedicated to educating the whole person and allowing them to fulfil their potential in so many ways through sport, music, drama, the Duke of Edinburgh Award scheme and the many activities and trips both local and abroad offered to pupils. These activities complement the learning through the curriculum and enrich personal development. This is what Highclare School is all about, giving the opportunities to pupils to learn important skills such as leadership, time management, teamwork, persistence and to grow in both self-confidence and self-assurance.

In the Senior School, extra-curricular clubs at lunch and after school continued to play a huge part in the development of sport. Clubs included: football, netball, hockey, table tennis, rugby, basketball, badminton, indoor athletics and cricket. Highclare Sports Field continues to be used weekly in the double lessons for football and rugby and more recently for cricket in September and October, making use of the Astroturf wicket. The pupils in U3/L4 continued to have a weekly swimming lesson at Erdington Leisure Centre, which is a fantastic opportunity for their development.

Prep School sport is enhanced via the extra-curricular clubs before school, at lunchtime and after school. Clubs included football, netball, hockey, basketball, ballet, tennis, multi-sports and dancing as examples. Highclare Sports Field continues to be used by the Prep School 4 times a week and we also share facilities at the Senior School or across Prep School sites. Swimming is taught weekly for pupils in Reception, Year 1 and Year 2 and then on a half termly basis for pupils in Year 3-6. Fixtures take place for all pupils throughout the school (Year 1 upwards) in all sports such as swimming, tri-golf and hockey. Last year we played approximately 65 fixtures against other schools. These were both competitive and friendly.

The Duke of Edinburgh Scheme, which was established at Highclare School in 2013, continues to flourish. The awards involve a wide range of activities including sport, expeditions and volunteering all of which the pupils have to organise for themselves. This demands a great deal of personal input along with the tremendous support from the teaching staff involved, who also give up their free time to supervise the expeditions and manage the programme. This year saw fifteen pupils achieving bronze status and three silver status.

Music and drama continue to play an extremely important part in school life. Music events took place and many of the pupils maintained their progress via the interaction with the numerous visiting music teachers, who continue to do so much valuable work. The London Academy of Music and Dramatic Arts ("LAMDA") is an extremely popular extra-curricular activity, which allows pupils to grow in confidence and develop their individuality. This has continued to flourish and, once again, many pupils took exams during the year.

Achievements and Performance (continued)

In the annual ISA art competition (regional) we enjoyed success across the School with four first places, three second places and three highly commended. One piece went on to be highly commended in the national competition.

The Preparatory School continues to promote the ongoing and all-round development of all pupils in a nurturing and caring environment.

The Governors offer their congratulations to the pupils who participated in these achievements and thank the teachers and parents for their commitment and support.

Pastoral care continues to be a strength of the School with comprehensive policies on Personal, Social, Health and Citizenship Education (PSHCE), Social, Moral, Spiritual and Cultural aspects of Learning (SMSC) and careers guidance, together with an outstanding tutor system. School implemented the regulatory framework with regard to relationship and sex education and responded positively to the national initiatives on equity, diversity and equality that schools were asked to implement.

Community Involvement

The School has an on-going commitment to encourage all pupils of every age to engage (at appropriate levels) in community involvement. These include community carol singing, personal visits to residential and care homes and a local special needs school. Invitations are extended to these residents to attend a number of school events such as concerts and plays.

Charity plays a huge part in both the Senior and Preparatory Schools. The charities chosen by the pupil councils on each site this year were Shoe Aid, St Basils (supporting young people who are homeless or at risk of homelessness) and TAWS (The Active Wellbeing Society) and the Erdington Foodbank. During the year the School raised over £10,000 (2021; £9,145.13).

During the Summer term half-term break, the whole School took part in the second, annual 'Highclare Hike' which, this year, saw participants – pupils, staff and families – walking, running, cycling, swimming as many miles as possible 'along' the newly opened Elizabeth railway line in London.

This year has also seen the School donating gifts of food for the Trussell Trust foodbank operated in Erdington. The Governors are extremely grateful to the pupils and their parents for these considerable fundraising efforts, which were even more necessary during the current cost of living crisis to assist those within the community who are struggling to cope.

The competitions in art and creative writing for local primary schools took place. The art competition, in the Spring, attracted 272 entries on the theme of a pop art inspired piece showing what 15 minutes of fame might look like, whilst the creative writing competition focussed on writing a poem on Tutankhamen's tomb, Ancient Egypt or the wonderful world of exploration and adventure and attracted over 330 entries. Unfortunately, the Covid-19 restrictions prevented us from holding a live presentation for the creative writing event although, we created a visual presentation and made it available for participants to view on the School's website. We were able to welcome participants into school in the Summer for the art presentation event.

Neighbouring primary schools and local sporting teams enjoy the use of the School's recreational facilities at both the Senior School and Highclare Sports Field and the Church next door are able to use the car park every weekend when they are open, within current restrictions, and able to provide services to the community. A local ballet school continues to use the Senior School hall on a weekly basis.

The Trustees have considered their response to the change to the law, as embodied in the Charities Act 2011, requiring that public benefit can no longer be presumed but must be demonstrated. In addition, they have had due regard for Charity Commission guidance on the subject. The Governors consider that these wider involvements and contributions to the community clearly demonstrate the greater public benefit requirements are being met.

Scholarship Awards

Academic scholarships are awarded to pupils who perform particularly well in the examinations and have already demonstrated a considerable degree of all round commitment to their school. Additional specialist scholarships are also awarded for those pupils showing a particular talent in music, sport or art. A limited number of bursaries are offered based on financial needs. The Highclare School Governors' Prize is a means-tested bursary available annually if all the necessary requirements are met to cover up to 100% of school fees for one pupil upon entering Senior School in U3 (Year 7). The School currently has awarded this bursary to six pupils: ranging from current U3 (Year 7) to L6 (Year 12).

Financial Review

Fee income has increased this year to £6,255,310 from 2021: £5,628,888.

The School has continued to make savings in overheads and costs where possible.

The continued and necessary annual rolling replacement programme of IT facilities has had to continue and has been especially necessary due to the Covid-19 restrictions and changes which continued during this school year. The programme this year included the replacement of interactive smart boards, computers, iPads, servers and Wi-Fi provision to ensure that both pupils and staff continue to benefit from enhanced interactive teaching.

There have been many other significant enhancements this year which included:

- *Extensive improvement of the Hanson Hall at Highclare Senior School*
- *Extensive external and internal decoration at Science Block at Highclare Senior School*
- *Extensive improvement of the outdoor sports areas at Highclare Senior School*
- *Upgrade to L2 alarm system at Woodfield*
- *Landscaping and rear playground tarmac work at Woodfields*
- *Complete refurbishment of the library area at St Pauls*

Reserves Policy

It is the policy of the Charity to maintain separate reserve funds for specific purposes. The Charity aims to retain at a minimum consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets, which amount to £4,941,749 as at 31 August 2022 (2021: £4,887,596) as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events; the most recent financial years being a very good indicator of how appropriate that policy is to the future sustainability and stability of the School. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs. The unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2022 amounted to £4,760,959 (2021: £4,686,749).

Risk Management

The major risks, to which the Charity is exposed, as identified by the Governors, have been reviewed and systems remain under constant review to mitigate those risks. The risk register is updated throughout the year.

Friends of Highclare School ("FOHS")

The FOHS plays a very important part in the School, organising events for the pupils and parents and raising funds for the School. They are a committed and dedicated group of parents who aim to provide the best they can for the School. They also kindly operate a nearly new School uniform shop that is used by the parent body.

Child Protection Code of Practice

It is the policy of Highclare School to provide a safe and secure environment in which pupils can thrive and develop and where all aspects of their welfare will be safeguarded. A Child Protection policy and procedures has been adopted and is updated on a regular basis. This includes additional and necessary considerations for physical as well as psychological health, safety and well-being of all our pupils.

Plans for Future Periods

The Governors' plan is to continue to improve the educational and academic achievements of pupils by the provision of enhanced facilities. Constant monitoring of performance, and the potentially changing landscape of rules and requirements, means that the School's medium to long term strategy is kept under review and any changes that are necessary will be considered and implemented.

The use of Highclare Sports Field continues to evolve and expand and has been a significant contributing factor to the tremendous sporting success that both the Preparatory and Senior School have seen over the past year. Highclare Sports Field is also available to the local community and has seen a considerable increase in usage by a number of local schools and clubs during the year and this increase has continued into the following academic year.

The School continues its major school wide capital investment programme, which includes further developments in the landscaping, administration centre and pre-prep provision at Highclare Woodfield; a replacement of the existing food preparation and serving facilities, and pupils cloakroom and changing at Highclare St Paul's; and constant enhancements to the facilities at the Senior School. Additionally, the School's schedule of rolling maintenance in respect of areas such as roofing, rainwater pipes, fire security and the heating systems continues across all three locations, to ensure a high quality-learning environment is maintained for the pupils.

Approved by the Board on 14 December 2022 and signed on its behalf by:-

J R Brain
Governor

Highclare School

Governors' Report

The Governors submit their report and the audited consolidated financial statements of the Group for the year ended 31 August 2022.

The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the Annual Report and Financial Statements.

Structure, Governance and Management

The Company is limited by guarantee and is registered as a charitable educational trust. There is no share capital. Its Memorandum and Articles of Association govern the Company.

Governors' responsibilities

The Governors (who are also directors of Highclare School for the purposes of Company Law) are responsible for preparing the Annual Report (including the Strategic Report) and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Group and Charitable Company and of the income and expenditure of the Group and Charitable Company for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Group or charitable company will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Group and Charitable Company and enable them to ensure that the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are also responsible for ensuring that the assets are properly applied in accordance with Charity Law.

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the Group and Charitable Company's auditor is unaware. Each of the Governors have confirmed that they have taken all steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organisational Management

The Directors of the Company are also Charity Trustees for the purposes of Charity Law and under the Company's Articles are known as Governors. The Governors are all members of the Company serving in a non-executive capacity and receive no emoluments. The day-to-day management of the School is delegated to the Head and his Senior Leadership Team.

The Governors who served in the year ended 31 August 2022 were:

J A Barrett (President)
Mrs L E Flowith (Chairman)
J R Brain (Treasurer)
Mrs P A Mayall
A I Hazel
Mrs S D Watson
A B Davison
Professor F Eperjesi (resigned 5th October 2022)

J R Brain, Mrs P A Mayall and A I Hazel retire by rotation at the forthcoming Annual General Meeting and, being eligible; offer themselves for re-election at the Annual General Meeting.

Auditors

Malcolm Piper & Company Limited, as auditors, will be proposed to the Governors for re-election at the Annual General Meeting.

Approved by the Board on 14th December 2022 and signed on its behalf by:-

J R Brain
Governor

Opinion

We have audited the financial statements of Highclare School (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including 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 parent charitable company's affairs as at 31 August 2022, and of the Group's incoming resources and application of resources, including its income and expenditure, 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 Group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Governors' 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 parent charitable 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Governors' annual report, other than the financial statements and our auditor's report thereon. The Governors 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.

[continued …]

Opinions 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 Governors' Report (incorporating the Strategic Report and the Governors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and the Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 charitable company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent charitable company's 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 Governors

As explained more fully in the Governors' responsibilities statement set out on page 8 the Governors (who are also the Directors of the charitable company for the purposes of Company Law) 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 Governors 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 Governors are responsible for assessing the Group's and parent charitable 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 Governors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

[continued …]

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, including fraud as detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to Highclare School, ("the Group and Company") and determined that the most significant are those that relate to the UK reporting framework under which the Company prepares its accounts and reports its results and the relevant UK tax compliance regulations. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations include those relating to health and safety, employee matters, environmental, and bribery and corruption practices;

- Having due regard to ISA 240 (Redrafted), *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements,* we planned and designed our audit procedures to undertake such enquiry and testing which we deemed necessary to understand how the Company is complying with those frameworks. We made enquiries of the directors, senior management and those responsible for legal and compliance procedures within the "Group and Company" and we corroborated our enquiries by reference to other documentary evidence, where available, or other complimentary or compensating evidence and with other correspondence received and noted that there was no contradictory evidence;

- In designing the scope and depth of our work to assess the likely impact on the financial statements of fraud and other irregularities, we calculate a materiality level which is a percentage based upon turnover, profitability and gross balance sheet assets. This calculation produces a figure against which financial statement errors and irregularities are compared and indicates a level at which, in our opinion and judgement, this would cause transactions and balances within the financial statements to be misleading or materially incorrect.

- We also assessed the susceptibility of the Consolidated Financial Statements of the "Group and Company" to material misstatement using qualitative as well as quantitative factors, including how fraud might occur, and designed our audit testing and enquiries in such a way so as to enable us to identify the fraud risks across various parts of the business. In addition, we utilised internal and external information to perform a fraud risk assessment as part of our audit planning and testing procedures.

- We considered the risk of fraud through management override of controls and systems and, in response, we incorporated testing of large or unusual manual journal entries into our audit approach. We also considered the possibility of fraudulent or corrupt payments made through third parties and conducted detailed analytical review and substantive transaction testing on third party suppliers. Where instances of unusual behaviour patterns were identified through our testing, we performed additional audit procedures to address each identified risk. These procedures included testing of transactions back to source information and were designed to provide reasonable assurance that the financial statements were free from fraud or error. We also conducted specific audit procedures in relation to the risk of bribery and corruption by means of review of any marketing, promotion or discount activity determined by a risk-based process;

- Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. Our procedures involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business and enquiries of "Group and Company" management; and

- If any instances of non-compliance with laws and regulations were identified, the audit team performed sufficient and appropriate audit procedures.

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.

[continued …]

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 charitable 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 Group and charitable company's members 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 Group and charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Whitehead BA FCA
Senior Statutory Auditor
For and on behalf of
Malcolm Piper & Company Limited
Kingsnorth House
1 Blenheim Way
Birmingham
B44 8LS

Dated: 14 December 2022

Highclare School

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 August 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Charitable activities					
School fees receivable		6,255,310	-	**6,255,310**	5,628,888
Registration fees		11,045	-	**11,045**	11,787
School activities & trips		63,828	-	**63,828**	-
Investments					
Rents and lettings		8,250	-	**8,250**	8,250
Other					
Other income	4	279,773	-	**279,773**	174,626
Total income		6,618,206	-	**6,618,206**	5,823,551
Resources expended					
Expenditure on:					
Charitable activities					
School operating costs	5	(6,455,192)	(30)	**(6,455,222)**	(5,776,502)
School activities and trips		(63,828)	-	**(63,828)**	-
Governance costs	6	(11,640)	-	**(11,640)**	(11,160)
School finance costs	9	(13,336)	-	**(13,336)**	(12,859)
Total expenditure	10	(6,543,996)	(30)	**(6,544,026)**	(5,800,521)
Net income		74,210	(30)	**74,180**	23,030
Transfers between funds	20	-	-	**-**	-
Net movement in funds for year		74,210	(30)	**74,180**	23,030
Total funds brought forward at 1 September 2021		4,686,749	694	**4,687,443**	4,664,413
Total funds carried forward at 31 August 2022		4,760,959	664	**4,761,623**	4,687,443

All income and expenditure is derived wholly from continuing operations.

The consolidated statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 17 to 32 form an integral part of these financial statements.

Highclare School

Consolidated Balance Sheet at 31 August 2022 (Registration number 1074596)

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	11	-	11,530
Tangible assets	12	4,941,749	4,887,593
		4,941,749	4,899,123
Current assets			
Debtors	14	161,142	84,241
Cash at bank and in hand		2,354,712	2,270,174
		2,515,854	2,354,415
Creditors: Amounts falling due within one year	15	(2,055,408)	(1,839,625)
Net current assets		460,446	514,790
Total assets less current liabilities		5,402,195	5,413,913
Creditors: Amounts falling due more than one year	16	(640,572)	(726,470)
Total net assets		4,761,623	4,687,443
Charity Funds			
Restricted Funds	20	664	694
Unrestricted Funds			
General unrestricted funds	20	4,409,483	4,335,273
Revaluation reserves	20	351,476	351,476
		4,761,623	4,687,443

These financial statements were approved and authorised for issue by the Board on 14th December 2022 and signed on its behalf by:

Governor

Mrs L E Flowith

Governor

J R Brain

The notes on pages 17 to 32 form an integral part of these financial statements

Highclare School

Balance Sheet at 31 August 2022 (Registration number 1074596)

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	11	**-**	11,530
Tangible assets	12	**2,918,399**	2,853,488
Investment	13	**950,000**	950,000
		3,868,399	3,815,018
Current assets			
Debtors	14	**2,366,441**	2,289,592
Cash at bank and in hand		**2,354,694**	2,270,116
		4,721,135	4,559,708
Creditors: Amounts falling due within one year	15	**(2,055,408)**	(1,839,625)
Net current assets		**2,665,727**	2,720,083
Total assets less current liabilities		**6,534,126**	6,535,101
Creditors: Amounts falling due after more than one year	16	**(640,572)**	(726,470)
Total net assets		**5,893,554**	5,808,631
Charity Funds			
Restricted Funds	20	**664**	694
Unrestricted Funds			
General unrestricted funds	20	**5,808,860**	5,723,907
Revaluation reserves	20	**84,030**	84,030
		5,893,554	5,808,631

These financial statements were approved and authorised for issue by the Board on 14th December 2022 and signed on its behalf by:

Governor

Mrs L E Flowith

Governor

J R Brain

The notes on pages 17 to 32 form an integral part of these financial statements

Highclare School

Consolidated Cash Flow Statement for the Year Ended 31 August 2022

	Note	2022 £	2021 £
Net cash inflow from operating activities	22	**415,556**	481,472
Cash flow from investing activities			
Payments to acquire tangible fixed assets		**(241,713)**	(417,581)
Receipts from sale of tangible fixed assets		**1,680**	630
Rents received from investment properties		**8,250**	8,250
Net cash flow from investing activities		**(231,783)**	(408,679)
Cash flow from financing activities			
Repayment of loans		**(85,899)**	(85,898)
Loan interest paid		**(13,336)**	(12,859)
Net cash flow from financing activities		**(99,235)**	(98,757)
Net increase/(decrease) in cash and cash equivalents		**84,538**	(25,986)
Cash and cash equivalents at 1 September 2021		**2,270,174**	2,296,160
Cash and cash equivalents at 31 August 2022		**2,354,712**	2,270,174
Cash and cash equivalents consist of:			
Cash at bank and in hand		**2,354,712**	2,270,174

1. Accounting Policies

General Information and Basis of Accounting

The Charity is a Company Limited by Guarantee in the United Kingdom. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of the financial statements. The nature of the Charity's operations and principal activities are detailed in the Strategic Report on page 2.

The Company has taken advantage of section 62 of the Companies Act 2006 and deleted the word "Limited" from its name.

The Charity constitutes a Public Benefit Entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The consolidated financial statements have been prepared under the historical cost accounting convention, other than in the case of certain freehold properties and investment properties, which are stated at valuation. The consolidated financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest pound. There are no discontinued operations.

The significant accounting policies applied in the preparation of these financial statements for the Group and Charitable Company ("Charity") are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of Consolidation

The Group financial statements consolidate the financial statements of the company and its subsidiary undertakings, Highclare Investments Limited (company registered number 02963934) and Highclare Limited (company registered number 02963938). Intra-group transactions and profits are eliminated on consolidation.

No separate statement of financial activities is presented for the Company as permitted by section 408 of the Companies Act 2006. The Company had total income from charitable activities of £6,330,183 (2021: £5,640,675), income from investments of £8,250 (2021: £8,250) and other income of £279,773 (2021: £174,326). Total expenditure on charitable activities was £6,519,020 (2021: £5,774,372) and governance and finance costs of £24,976 (2021: £26,149). The net income for the year amounted to £74,180 (2021: £23,030).

Funds

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted funds is set out in the notes to the financial statements.

Income Recognition

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met; the amount can be quantified with reasonable accuracy; and it is probable that the income will be received.

1. Accounting Policies (continued)

Donations
For donations to be recognised the Charity will have been notified of the amounts and settlement date in writing. If there are conditions attached to the donation, and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled. Donations receivable for the general purposes of the school are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to relevant restricted funds.

Charitable Income
Fees receivable and charges for services are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the school.

Investment Income
Investment income is earned through holding assets for investment purposes such as property. It includes interest earned and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest and rental income are recognised as the charity's right to receive payment is established.

Expenditure Recognition
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties; it is probable that the settlement will be required; and the amount of the obligation can be measured reliably. All costs are incurred in the furtherance of the charitable activities.

Costs of Raising Funds
Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable Activities
Charitable activities include expenditure on providing education and include both direct costs and support costs relating to the activity.

Support Costs
Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include central functions and governance costs. They are incurred directly in support of expenditure on the objectives of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources e.g. staff costs by the time spent and other costs by their usage.

Governance Costs
Governance costs comprise the costs of running the Charity, including strategic planning for its future development, external audit, any legal advice for the Governors and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Leases
Rentals paid under operating leases are charged to income in the period to which they relate.

1. Accounting Policies (continued)

Intangible Assets - Purchased Goodwill
Goodwill arising on the excess of the purchase price compared with the fair value of net assets acquired is capitalised and amortised on straight line basis over its useful life. The period chosen for writing off goodwill is 20 years as in the opinion of the Governors this represents the period over which goodwill is effective. This has been reviewed and reassessed by the Governors based upon that continuing value that the original acquisition contributed to the Group and this period of 20 years remains entirely appropriate. Provision is made for any impairment.

Tangible Fixed Assets
Tangible fixed assets acquired are capitalised in the balance sheet at their original cost or valuation. Items costing less than £750 are written off as an expense in the period in which they are acquired.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Freehold properties	up to 50 years straight line
Leasehold improvements	up to 50 years straight line
Fixtures, fittings and equipment	between 2 and 5 years straight line
Computer equipment (teaching)	a maximum of 4 years straight line
Motor vehicles	a maximum of 5 years straight line
Investment properties	not depreciated

Assets under Construction
Costs incurred in fixed assets under construction are capitalised as they are incurred. The total cost of the project will be assessed against its realisable value upon completion of the project and it will then be transferred to the appropriate asset category. No depreciation is charged during the project construction. Where a project is aborted, the costs are immediately written off to the Statement of Financial Activities ("SOFA").

Investment Properties
Investment properties are accounted for in accordance with FRS 102, which provides that these should not be subject to periodic depreciation charges (unless held on lease), but should be shown at fair value. This is contrary to the Companies Act 2006, which states that, subject to any provision for depreciation or diminution in value, fixed assets are normally to be stated at purchase price or production cost. Current cost accounting or the revaluation of specific assets to fair value, as determined at the date of their last valuation, is also permitted.

The treatment of investment properties under the Companies Act does not give a true and fair view, as these assets are not held for consumption but as investments, the disposal of which would not materially affect the operations of the Group. In such a case, it is the current value of these investments, and changes in that current value, which are of prime importance. Consequently, for the proper appreciation of the financial position, the accounting treatment required by FRS 102 is considered appropriate for investment properties.

Details of the current value and historical cost information for investment properties are given in the Tangible Fixed Asset note.

Investments
Fixed asset investments in subsidiaries are measured at historical cost less provision for any permanent diminution in value.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the SOFA.

1. Accounting Policies (continued)

Loans and borrowings
Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction, it is measured at present value.

Impairment
Assets not measured at fair value are reviewed for indications that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying value. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SOFA.

Provisions
Provisions are recognised when the Charity has an obligation at the balance sheet date because of a past event; it is probable that an outflow of economic benefits will be required in settlement; and the amount can be reliably estimated.

Employee Benefits
When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed to the SOFA as they become payable in accordance with the rules of the scheme.

Taxation
The Company is registered as a Charitable Educational Trust and, under the provisions of Section 505, Income and Corporation Taxes Act 1988, is exempt from liabilities to taxation on its charitable activities. No corporation tax liability arises on the results of the subsidiary undertakings for the year.

Government Grants
The company receives government grants in respect of the HM Job Retention Scheme and other local government support initiatives. Income from government and other grants are recognised at fair value when the company has entitlement after any performance conditions are met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, these amounts are deferred.

Going concern
Having reviewed the cash position, the Governors consider that the Group has adequate resources to continue its current operations and pursue its Long Term Strategy, as they believe it has the ability to meet its debts as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2. Income from Charitable Activities

During the year, no donations (2021: £300) were received and classified as restricted funds. All other charitable income for the current and prior year is attributable to unrestricted funds.

3. Income from Investments

All investment income for the current and prior year is attributable to unrestricted funds.

4. Income from Other Activities

	2022 £	2021 £
Other Income	**279,773**	174,326

Other Income is attributable to unrestricted funds. Other Income includes £Nil (2021: £97,505) in respect of staff furloughed under the HM Job Retention Scheme and a further £Nil (2021: £26,532) received from Birmingham City Council in respect of Sustainability Funding initiatives.

5. School Operating Costs

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Salaries	4,132,083	-	**4,132,083**	4,027,729
Teaching materials	145,327	-	**145,327**	80,553
Kitchen expenses	432,389	-	**432,389**	325,576
Rent, rates and insurance	94,863	-	**94,863**	102,388
Heat and light	225,808	-	**225,808**	166,151
Cleaning	286,282	-	**286,282**	205,606
Training	13,652	-	**13,652**	9,215
Repairs and maintenance	433,914	-	**433,914**	148,288
Motor and transport	51,945	-	**51,945**	22,980
School activities and trips	63,828	-	**63,828**	-
Depreciation:				
Fixtures, vehicles and equipment	130,840	-	**130,840**	147,358
Freehold buildings	56,717	-	**56,717**	80,173
Amortisation of goodwill	11,530	-	**11,530**	34,217
Profit on disposal of fixed assets	(1,680)	-	**(1,680)**	(630)
Support costs:				
Printing and stationery	192,845	-	**192,845**	192,265
Advertising	34,655	-	**34,655**	70,311
Sundry expenses	60,499	30	**60,529**	65,528
Professional charges	125,758	-	**125,758**	77,510
Bank charges	52,741	-	**52,741**	45,303
	6,543,996	30	**6,544,026**	5,800,521

All expenditure for the current and prior year is in respect of the furtherance of the charitable activities of which £30 (2021 - £35) was attributable to restricted funds and £6,480,138 (2021 - £5,800,486) was attributable to unrestricted funds.

Included within school operating costs are school activities and trips, governance costs (note 6) and school finance costs (note 9), which have been disclosed separately on the Statement of Financial Activities.

6. Governance Costs

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Auditors' remuneration (note 10)	11,640	-	**11,640**	11,160

7. Staff Costs

The average monthly number of employees and full time equivalents (FTE) during the year was as follows:

	2022		2021	
	Number	FTE	Number	FTE
Teachers	**138**	**85**	134	82
Administration	**27**	**22**	28	23
Auxiliary staff	**24**	**15**	29	18
	189	**122**	191	123

	2022 £	2021 £
Staff costs for above persons:		
Wages and salaries	**3,642,361**	3,554,954
Social security costs	**286,472**	267,322
Other pension costs	**203,250**	205,453
	4,132,083	4,027,729

There were three (2021: three) employees whose emoluments as defined for taxation purposes amounted to over £60,000. Their emoluments fell within the following bands: one £60,001 to £70,000 (2021: two), one £70,001 - £80,000 (2021: nil) and one £120,001 - £130,000 (2021: one).

Pension costs in respect of the above employees totalled £28,031 (2021: £26,768).

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in independently administered funds. Two (2021: two) higher paid employees are accruing benefits under the group defined contribution pension scheme and one (2021: one) employee has their pension contributions paid into a private pension scheme. The total pension costs charge to all schemes represents contributions payable by the Group and amounted to £203,250 (2021: £205,453).

8. Trustees' and Key Management Personnel Remuneration and expenses

The Governors do not receive any remuneration from the School, have no accruing pension arrangements and had no expenses reimbursed in either the year to 31 August 2022 or the previous financial year.

The total amount of employee benefits received by key management personnel is £481,782 (2021: £373,263). The Charity considers its key management personnel are the Senior Leadership Team.

9. Interest Payable

	2022	2021
	£	£
Bank loan Interest	**13,336**	12,859

10. Total Resources Expended

	2022	2021
	£	£
Total resources expended on charitable activities includes:		
Depreciation of tangible fixed assets	**187,557**	184,043
Amortisation of intangible fixed assets		
- purchased goodwill	**11,530**	34,217
Surplus on disposal of tangible fixed assets	**(1,680)**	(630)
Auditor's remuneration in respect of non-audit services	**9,378**	11,886

Governance costs includes:	2022	2021
	£	£
Auditors' remuneration in respect of audit services		
- for audit services	**11,640**	11,160
- for other services	**9,378**	11,886
	21,018	23,046

11. Intangible Fixed Assets

	Purchased Goodwill £
Group and Company	
Cost	
At 1 September 2021	685,000
Disposals	(685,000)
31 August 2022	-
Amortisation	
At 1 September 2021	673,470
Charged in the year	11,530
Elimination on disposals	(685,000)
At 31 August 2022	-
Net book value	
At 31 August 2022	**-**
At 31 August 2021	11,530

12. Tangible Fixed Assets

Group	Investment properties £	Freehold properties £	Fixtures, fittings, vehicles & equipment £	Assets under construction £	Total £
Cost or valuation					
At 1 September 2021	219,162	5,696,279	2,340,905	302,835	8,559,178
Additions	-	137,504	104,206	-	241,710
Disposals	-	-	(2,861)	-	(2,861)
Transfer of Category	-	215,447	87,388	(302,835)	-
At 31 August 2022	219,162	6,049,230	2,529,638	-	8,798,030
Depreciation					
At 1 September 2021	-	1,588,372	2,083,213	-	3,671,585
Charged in the year	-	56,717	130,840	-	187,557
Elimination on disposals	-	-	(2,861)	-	(2,861)
At 31 August 2022	-	1,645,089	2,211,192	-	3,856,281
Net Book Value					
At 31 August 2022	**219,162**	**4,404,141**	**318,446**	**-**	**4,941,749**
At 31 August 2021	219,162	4,107,907	257,692	302,835	4,887,596
Company					
Cost or valuation					
At 1 September 2021	219,162	2,568,344	2,340,905	302,835	5,431,246
Additions	-	137,504	104,206	-	241,710
Disposals	-	-	(2,861)	-	(2,861)
Transfer of category	-	215,447	87,388	(302,835)	-
At 31 August 2022	219,162	2,921,295	2,529,638	-	5,670,095
Depreciation					
At 1 September 2021	-	494,545	2,083,213	-	2,577,758
Charged in the year	-	45,959	130,840	-	176,799
Elimination on disposals	-	-	(2,861)	-	(2,861)
At 31 August 2022	-	540,504	2,211,192	-	2,751,696
Net Book Value					
At 31 August 2022	**219,162**	**2,380,791**	**318,446**	**-**	**2,918,399**
At 31 August 2021	219,162	2,073,799	257,692	302,835	2,853,488

12. Tangible Fixed Assets (continued)

i) On an historical cost basis the freehold property would be included at:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Cost	5,519,752	5,304,305	2,689,760	2,474,313
Depreciation	(1,604,591)	(1,547,874)	(530,503)	(484,544)
	3,915,161	3,756,431	2,159,257	1,989,769

Freehold land and buildings at 241 Birmingham Road, Wylde Green were re-valued during the year ended 31 August 1995 at open market value with vacant possession by Weatherall, Green & Smith, independent chartered surveyors. The Governors are satisfied that this valuation remains appropriate, and currently have no intention to perform further revaluations.

The transitional rules set out in FRS 102 – 'Financial Reporting Standards applicable in the UK and Republic of Ireland' were applied on implementation of FRS 102. Accordingly, the book values at implementation have been retained as deemed cost. The Governors are aware of their responsibilities to ensure that there has been no impairment to the value at which the properties are included in the financial statements. Based on advice and enquiry of appropriate professionals the Governors are confident that the value of the freehold properties at the date of transition to FRS 102 is not impaired and the ultimate market value exceeds the book values retained at implementation of FRS 102.

ii) On a historical cost basis the investment property would be included at:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Cost	219,162	219,162	219,162	219,162
Depreciation	-	-	-	-
	219,162	219,162	219,162	219,162

In accordance with the requirements of FRS 102, but contrary to the requirements of the Companies Act 2006, investment properties are not depreciated. Instead, their ongoing current value is reviewed annually, which the Governors consider necessary in order to show a true and fair view.

The property was acquired in 2005 and is stated at cost. The Governors consider that its current market value at 31 August 2022 is in excess of its accounts carrying value.

iii) Included in Group freehold land and buildings is land with a total cost or valuation of £1,027,500 (2021: £1,027,500) which is not depreciated.

iv) All fixed assets other than the investment properties are used for direct charitable purposes.

13. Investment

The investment represents 950,000 £1 ordinary shares acquired at par in Highclare Investments Limited, (company registered number 02963934) a wholly owned subsidiary. Highclare Investments Limited also has a wholly owned subsidiary, Highclare Limited, (company registered number 02963938) in which it holds 900,000 £1 ordinary shares again acquired at par. The principal activity of both subsidiaries is property ownership and management and both are incorporated in England.

	Highclare Investments Limited		Highclare Limited	
	2022	**2021**	**2022**	**2021**
	£	**£**	**£**	**£**
Summary profit and loss account				
Turnover	**-**	-	**-**	-
Administrative expenses	**(4,756)**	(8,529)	**(5,999)**	(35,025)
Net loss for the year and Retained in the subsidiary	**(4,756)**	(8,529)	**(5,999)**	(35,025)
The assets and liabilities of the subsidiaries were:				
Fixed assets	**2,048,350**	2,053,106	**875,000**	880,999
Current assets	**2**	28	**3**	29
Creditors: Amounts falling due within one year	**(1,331,811)**	(1,331,837)	**(873,488)**	(873,514)
Total net assets	**716,541**	721,297	**1,515**	7,514
Aggregate share capital and reserves	**716,541**	721,297	**1,515**	7,514

14. Debtors

	Group		Company	
	2022	**2021**	**2022**	**2021**
	£	**£**	**£**	**£**
Due within one year:				
Outstanding fees	**4**	922	**4**	922
Amounts owed by subsidiary undertakings	**-**	-	**2,205,299**	2,205,351
Other debtors	**93,551**	12,843	**93,551**	12,843
Prepayments	**67,587**	70,476	**67,587**	70,476
	161,142	84,241	**2,366,441**	2,289,592

15. Creditors: Amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	**85,899**	85,899	**85,899**	85,899
Trade creditors	**181,262**	75,819	**181,262**	75,819
Fees in advance	**759,098**	741,456	**759,098**	741,456
Other taxation and social security	**67,269**	65,883	**67,269**	65,883
Other creditors	**396,895**	397,048	**396,895**	397,048
Accruals	**560,496**	473,042	**560,496**	473,042
Friends of Highclare School Fund	**4,489**	478	**4,489**	478
	2,055,408	1,839,625	**2,055,408**	1,839,625

In the year, Friends of Highclare School have contributed outdoor benches, across all sites, for the well-being of pupils, staff and visitors.

Bank loans and overdrafts are secured by a fixed charge over book debts and a floating charge over all other assets of the Group, together with mortgages over certain freehold properties.

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	**640,572**	726,470	**640,572**	726,470

Maturity of borrowings

	Group		Company	
	2022	2021	2022	2021
Bank loans	£	£	£	£
Amounts fall due on the bank loans as follows:				
Within one year	**85,899**	85,899	**85,899**	85,899
Between one and two years	**85,899**	85,899	**85,899**	85,899
Between two and five years	**257,697**	257,697	**257,697**	257,697
Over five years	**296,976**	382,874	**296,976**	382,874
	726,471	812,369	**726,471**	812,369

Bank loans for the group and company include the following:

(a) A mortgage loan which had a remaining balance at the year-end of £576,471 (2021: £645,701) carries interest at the Bank's Sterling Base Rate plus 1% (2021 Bank's Sterling Base Rate plus 1%).This loan is repayable by termly instalments of £23,077 which commenced September 2013 and ends in 2028.

(b) A second loan with a remaining balance at the year-end of £150,000 (2021: £166,669), which is repayable by termly capital instalments of £5,556 payable on 1 September, 2 January and 1 May commencing on 1 September 2013 and ends in 2033. The loan carries interest at the Bank's Sterling Base Rate plus 3.00% and is paid monthly.

17. Operating leases

At 31 August 2022, the School was committed to making the following payments under non-cancellable operating leases. These commitments are analysed as follows:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	£	**£**	**£**	**£**
Other				
Within one year	**48,088**	47,120	**48,088**	47,120
Between one and five years	**182,330**	32,000	**182,330**	32,000
Over five years	**128,000**	136,000	**128,000**	136,000
	358,418	215,120	**358,418**	215,120

Included in the operating leases disclosure above is a twenty-five year tenancy lease with Birmingham City Council signed on 6 September 2018 over land referred to as "Highclare Sports Field". Under this agreement, there is a five yearly rent review.

18. Contingent liabilities

In the event that bank borrowings arise, the Company has guaranteed the bank borrowing of the other Group undertakings.

19. Funds Reconciliation

Group

	As at 1 September 2021 £	Income £	Expenditure £	Transfers £	As at 31 August 2022 £
Restricted funds	694	-	(30)	-	664
Unrestricted funds	4,335,273	6,618,206	(6,543,996)	-	4,409,483
Revaluation reserve	351,476	-	-	-	351,476
Total funds	**4,687,443**	**6,618,206**	**(6,544,026)**	**-**	**4,761,623**

Company

	As at 1 September 2021 £	Income £	Expenditure £	Transfers £	As at 31 August 2022 £
Restricted funds	694	-	(30)	-	664
Unrestricted funds	5,723,907	6,618,206	(6,533,253)	-	5,808,860
Revaluation reserve	84,030	-	-	-	84,030
Total funds	**5,808,631**	**6,618,206**	**(6,533,283)**	**-**	**5,893,554**

Fund descriptions

a) Unrestricted funds

The unrestricted funds are retained as necessary to meet the general requirements of the School. The Charity aims to retain consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets, which amount to £4,941,749 as at 31 August 2022 (2021: £4,887,596) as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs. The unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2022 amounted to £4,760,959 (2021: £4,686,749), as shown in the notes above.

b) Restricted funds

During the year, no donations (2021: £300) were received and prizes of £30 (2021: £35) were awarded. The remaining restricted funds £664 (2021: £694) relate to donations received for prize funds at Seniors Speech Day and for use by the Music, Modern Foreign Language and Physical Education departments.

c) Revaluation reserve

The revaluation reserve represents unrealised surpluses on the revaluation of fixed assets to market value in prior years. An amount is transferred to the unrestricted fund each year on the same basis that the asset is depreciated.

20. Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2022 are represented by:			
Tangible fixed assets	4,941,749	-	4,941,749
Current assets	2,515,190	664	2,515,854
Current liabilities	(2,055,408)	-	(2,055,408)
Long term liabilities	(640,572)	-	(640,572)
Total net assets	**4,760,959**	**664**	**4,761,623**
Unrealised gains included above on tangible fixed assets	351,476	-	351,476

Company

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2022 are represented by:			
Tangible fixed assets	2,918,399	-	2,918,399
Investment	950,000	-	950,000
Current assets	4,720,471	664	4,721,135
Current liabilities	(2,055,408)	-	(2,055,408)
Long term liabilities	(640,572)	-	(640,572)
Total net assets	**5,892,890**	**664**	**5,893,554**
Unrealised gains included above on tangible fixed assets	84,030	-	84,030

21. Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for year	74,180	23,030
Rents received from Investment properties	(8,250)	(8,250)
Depreciation of tangible fixed assets	187,557	227,439
Surplus on disposal of tangible fixed assets	(1,680)	(630)
Amortisation of intangible fixed assets	11,530	34,310
Interest payable	13,336	12,859
(Increase)/decrease in debtors	(76,901)	103,596
(Decrease)/increase in creditors	215,784	89,118
Net cash flow from operating activities	**415,556**	**481,472**

22. Transactions involving Governors

Governors' interests in contracts.

During the year under review no new transactions were made or committed to concerning contracts in which Governors' may have an interest.

During the financial year ending 31 August 2022, £13,725 (2021: £nil) was invoiced by Jon Flowith & Partners. The fees related to building, planning and other complex strategic property matters for the school. Mrs Louise Flowith, the Chair of Governors and a partner in that consulting practice, absented herself from discussions and instructions to the partnership, which were given expressly to her husband Jon Flowith, a Chartered Surveyor, by designated Governors. All transactions were provided on an arm's length basis and appropriate safeguards and governance processes observed. This amount was paid in the year ending 31 August 2022. An additional £12,000 has been accrued in respect of the work done prior to the year end but not yet invoiced.

As part of its insurances the Group maintains cover for the Governors and officers against liabilities in relation to their duties to the School. The cost for 2022 was £2,864 (2021: £2,767).

23. Related party transactions

There is no controlling party. The Company has taken advantage of the exemptions not to disclose intra-group transactions on the basis that all subsidiaries are 100% owned and all transactions with other Group companies are eliminated in the consolidated financial statements.

HIGHCLARE SCHOOL

England & Wales - Charity number 528940

Accounts

Highclare School

(A company limited by guarantee)

Governors' Report and Consolidated Financial Statements
for the Year Ended 31 August 2021

Registered number: 1074596
Registered charity number: 528940

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Highclare School

Financial Statements

For the Year Ended 31 August 2021

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Highclare School

Governors and General Information

Governors:	J A Barrett (President) Mrs L E Flowith (Chairman) J R Brain ACA Mrs P A Mayall A I Hazel Mrs S D Watson A B Davison Professor F Eperjesi
Head:	Dr R Luker PhD MA BA (Hons) PGCE
Educational establishments:	Highclare Preparatory School: Woodfield Pre-Preparatory and Preparatory 241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA Highclare Preparatory School: St.Paul's Pre-Preparatory and Preparatory 88 Lichfield Road Sutton Coldfield West Midlands B71 2SY Highclare: The Abbey Senior School and Sixth Form 10 Sutton Road Erdington Birmingham B23 6QL
Registered office:	241 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1EA
Bankers:	HSBC Bank Plc The Bridge Walsall WS1 1LN
Auditors:	Malcolm Piper & Company Limited Kingsnorth House Blenheim Way Kingstanding Birmingham B44 8LS
Senior management personnel:	Dr R Luker Mrs S Cassell (Appointed 1 September 2021) Mrs P Bennett Mrs M P A McGoldrick Mr M Coles Mrs J Griffiths Mrs H Good (Appointed 1 September 2021)
Charity number:	528940
Company number:	1074596

Highclare School

Strategic Report

Objectives and Activities

The principal activity of the Group remains the provision of tuition and general education facilities to children between rising three and eighteen years.

The objectives of the Charity are:

(a) To promote and provide for the advancement of education and training and in connection therewith to conduct, carry on, acquire and develop in the United Kingdom or elsewhere any boarding or day school or schools for the education of children and young people of both sexes;

(b) To provide facilities in the interest of social welfare for the recreation and leisure time occupation for children and young people with the object of improving their conditions of life.

For over 90 years, Highclare has been pursuing its policy of encouraging pupils to achieve their full potential within a stimulating academic environment and to pursue excellence. The Highclare philosophy goes much further than educational excellence; we endeavour to work with both students and parents to equip our young people to cope with the pressures of modern society.

The measures imposed by the Government as part of its strategy to control the spread of Covid-19 had a significant impact on the year. Much of the spring term was impacted by the second lockdown, necessitating the return to remote education. The autumn and summer terms were largely face-to-face learning in school under the well-established operational restrictions but some groups in the Senior School did miss part of the autumn term as a result of the contract tracing procedures we were asked to follow.

The School's focus continues to be on achievement of academic performance by a learning curriculum that is broad and balanced and kept constantly under review, the widening of access to the education provided by the School, enhancing the use of technology in teaching and improving the School's facilities and their access by the local community. Over the period, there was once again extensive refurbishment to continue the rolling programme of essential upgrading of the internal and external infrastructure of all school buildings, including external and internal refurbishment and decoration at three school locations plus the sports field and pavilion.

Recruitment and Training of Governors

Governors are familiar with the aims, objectives and practical operation of the School, usually either by being parents or grandparents of children who are currently being educated at the School or having had children attend the School in the past. New Governors are appointed by the Board of Governors and elected at an Annual General Meeting following completion of 12 months of service.

Additionally, new Governors are provided with a copy of the latest financial statements and Memorandum and Articles of Association as well as a copy of the Charity Commission's guidance, 'The Essential Trustee: What you need to know, what you need to do'.

Governors undertake training as and when required appropriate to their specific needs and responsibilities.

The Governors determine the strategy and general policies of the School and meet as a Board at least 10 times a year. The implementation of the strategy together with the day-to-day management of the School is delegated to the Headmaster and the Senior Leadership Team.

Group Structure and Relationships

The School has a wholly owned non-charitable subsidiary, Highclare Investments Limited. Highclare Investments Limited also has a wholly owned subsidiary, Highclare Limited. The principal activity of both subsidiaries is property ownership and management although both subsidiary companies were non-trading throughout the current financial year

Achievements and Performance

Academic achievement is a matter of record, with our pupils winning places at top independent and maintained grammar schools at junior level and gaining their choice of university after the Sixth Form. School was able to create, implement and manage its own bespoke system of teacher-assessed grades. This was an effective and fair system that properly recognised student achievement and maintained a very high level of professional integrity. The strength of teaching, processes and the dedication and continued hard work and application from staff and students placed us firmly amongst the top independent and maintained schools in the region.

Academic results during the year were once again excellent with a 100% pass rate at 'A' Level; and 57% passes at A* and A grades (including EPQ). At GCSE an impressive 100% of the candidates achieving grades 9 to 4 (A* to C equivalent) in five or more subjects, 50% achieving grades 9 to 7 and 94% attaining maths and English. These grades were achieved alongside taking part in a full extra-curricular timetable, in keeping with the Highclare ethos of educating the whole person.

Academic 'value added', using the CEM Centre's measures of MidYIS and YellIS, continues to be indicative of the very good progress that the pupils make. This year's average residuals for MidYIS and YellIs (+0.5 and +0.3 respectively) ranked the School in the top ¼ and ⅓ (respectively) in the order for participating schools.

Throughout the year both the Senior and Preparatory Schools continued to provide a vast range of co-curricular and extra-curricular activity. Highclare School is dedicated to educating the whole person and allowing them to fulfil their potential in so many ways through sport, music, drama, the Duke of Edinburgh Award scheme and the many activities and trips both local and abroad offered to pupils. These activities complement the learning through the curriculum and enrich personal development. This is what Highclare School is all about, giving the opportunities to pupils to learn important skills such as leadership, time management, teamwork, persistence and to grow in both self-confidence and self-assurance. Although the Covid-19 related restrictions impacted Highclare and all other schools in the spring term, there was still a very impressive depth and breadth to the enrichment activity that took place.

In the Senior School, extra-curricular clubs at lunch and after school continued to play a huge part in the development of sport. Except during lockdown, clubs included: football, netball, hockey, table tennis, rugby, basketball, badminton, indoor athletics and cricket. Highclare Sports Field continues to be used weekly in the double lessons for football and rugby and more recently for cricket in September and October, making use of the Astroturf wicket. The pupils in U3/L4 continued to have a weekly swimming lesson at Erdington Leisure Centre, which is a fantastic opportunity for their development.

Highclare Preparatory School, unable to conduct the usual sporting fixtures, engaged the boys and girls superbly through the organisation of numerous house-based sporting competitions.

The Duke of Edinburgh Scheme, which was established at Highclare School in 2013, continues to flourish. The awards involve a wide range of activities including sport, expeditions and volunteering all of which the students have to organise for themselves and which demands a great deal of personal input along with the tremendous support from the teaching staff involved, who also give up their free time to supervise the expeditions and manage the programme. This year saw eleven pupils achieving bronze status and four silver status.

Music and drama continue to play an extremely important part of school life. Music events were unable to take place but many of the pupils maintained their progress via the interaction with the numerous visiting music teachers who continue to do so much valuable work. The London Academy of Music and Dramatic Arts ("LAMDA") is an extremely popular extra-curricular activity, which allows pupils to grow in confidence and develop their individuality. This has continued to flourish and, once again, many pupils took exams during the year.

Achievements and Performance (continued)

In the annual ISA art competition (regional) we enjoyed success across the School with five first places, three second places and three highly commended. Two pieces went on to be highly commended in the national competition.

The Preparatory School continues to promote the ongoing and all-round development of all the children in a nurturing and caring environment.

The Governors offer their congratulations to the girls and boys who participated in these achievements and thank the teachers and parents for their commitment and support, in spite of the difficulties we have faced.

Pastoral care continues to be a strength of the School with comprehensive policies on Personal, Social, Health and Citizenship Education (PSHCE), Social, Moral, Spiritual and Cultural aspects of Learning (SMSC) and careers guidance, together with an outstanding tutor system. School has implemented the regulatory framework with regard to relationship and sex education.

Community Involvement

The School has an on-going commitment to encourage all pupils of every age to engage (at appropriate levels) in community involvement. These include community carol singing, personal visits to residential and care homes and a local special needs school. Invitations are extended to these residents to attend a number of school events such as concerts and plays.

Charity plays a huge part in both the Senior and Preparatory Schools. The charities chosen by the student councils on each site this year were Shoe Aid, St Basils (supporting young people who are homeless or at risk of homelessness) and TAWS (The Active Well Being Society) and the Erdington Foodbank. During the year the School raised over £9,000 (2020; £3,491.25).

During the summer term half-term break, the whole School took part in the second, annual 'Highclare Hike' which, this year, saw participants – students, staff and families – walking, running, cycling, swimming as many miles as possible to 'link' Birmingham (next year's host to the Commonwealth Games) to Glasgow (the most recent UK host city) and then to Hamilton, Ontario, Canada, the host of the very first commonwealth games in 1932.

This year has also seen the School donating gifts of food for the Trussell Trust foodbank operated in Erdington. The Governors are extremely grateful to the pupils and their parents for these considerable fund raising efforts, which are even more necessary during the pandemic to assist those within the community who are struggling to cope.

The competitions in art and creative writing took place. The art completion, in the spring, attracted 204 entries on the theme of 'a line is a dot that went for a walk', whilst the creative writing competition focussed on writing a poem on any member of the black, Asian, minority ethnic community and attracted over 200 entries. Unfortunately, the Covid-19 restrictions prevented us from holding a live presentation for these two events. Instead, we created visual presentations and made them available for participants to view on the School's website.

Neighbouring primary schools and local sporting teams enjoy the use of the School's recreational facilities at both the Senior School and Highclare Sports Field and the Church next door are able to use the car park every weekend when they are open, within current restrictions and able to provide services to the community. A local ballet school continues to use the Senior School hall on a weekly basis.

The Trustees have considered their response to the change to the law, as embodied in the Charities Act 2011, requiring that public benefit can no longer be presumed but must be demonstrated. In addition, they have had due regard for Charity Commission guidance on the subject. The Governors consider that these wider involvements and contributions to the community clearly demonstrate the greater public benefit requirements are being met.

Scholarship Awards

Academic scholarships are awarded to pupils who perform particularly well in the examinations and have already demonstrated a considerable degree of all round commitment to their school. Additional specialist scholarships are also awarded for those pupils showing a particular talent in music, sport or art. A limited number of bursaries are offered based on financial needs. The Highclare School Governors' Prize is a means-tested bursary available annually if all the necessary requirements are met to cover up to 100% of school fees for one pupil upon entering Senior School in U3 (Year 7). The School currently has awarded this bursary to five pupils: ranging from current U3 (Year 7) to U5 (Year 11).

Financial Review

Fee income has increased this year to £5,628,888 from 2020: £5,512,028.

The school has continued to make savings in overheads and costs where possible

The continued and necessary annual rolling replacement programme of IT facilities has had to continue and has been especially necessary due to the Covid-19 restrictions and changes. The programme this year included the replacement of interactive smart boards, computers, iPads, servers and Wi-Fi provision to ensure that both pupils and staff continue to benefit from enhanced interactive teaching. The department supported all staff and students with this year's requirement to work from home and installed an additional server to ensure the infrastructure was in place to facilitate the need for remote teaching and learning during lockdown as a result of Covid-19.

There have been many other significant enhancements this year which included:

- ***Extensive improvement of the Pre-Preparatory classrooms and facilities at both Highclare Preparatory School: St Paul's and Woodfield.***
- ***Upgrade of Highclare Sports Pavilion***
- ***Extensive external decoration at Highclare Preparatory School: Woodfield.***

Reserves Policy

It is the policy of the Charity to maintain separate reserve funds for specific purposes. The changes in the needs to make the provision of the educational facilities fit for delivery under the revised Covid-19 requirements and restrictions has brought this into ever more necessary focus. The Charity aims to retain at a minimum consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets, which amount to £4,887,593 as at 31 August 2021 (2020: £4,697,544) as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events; the most recent financial years being a very good indicator of how appropriate that policy is to the future sustainability and stability of the School. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs through what has been a turbulent period caused by Covid-19 the unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2021 amounted to £4,686,749 (2020: £4,649,660).

Risk Management

The major risks, to which the Charity is exposed, as identified by the Governors, have been reviewed and systems have been established to mitigate those risks. A risk register has been established and is updated throughout the year. It has been enhanced and extended to include the new requirements and considerations under the Covid-19 pandemic.

Friends of Highclare School ("FOHS")

The FOHS plays a very important part in the School, organising events for the children and parents and raising funds for the School. They are a committed and dedicated group of parents who want to provide the best they can for the School. They also kindly operate a second-hand School uniform shop that is well used by the parent body.

Child Protection Code of Practice

It is the policy of Highclare School to provide a safe and secure environment in which children can thrive and develop and where all aspects of their welfare will be protected. A Child Protection Code of Practice has been adopted and is updated on a regular basis. This includes additional and necessary considerations for physical as well as psychological health, safety and well-being to ensure that all are pupils are protected, as far as is practically possible, from the impact of the Covid-19 pandemic.

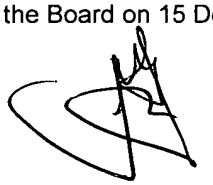
Plans for Future Periods

The Governors' plan is to continue to improve the educational and academic achievements of pupils by the provision of enhanced facilities. Constant monitoring of performance, and the potentially changing landscape of rules and requirements to deal with the Covid-19 pandemic, means that the School's medium to long term strategy is under review and any changes that are necessary will be considered and implemented.

The use of Highclare Sports Field continues to evolve and expand and has been a significant contributing factor to the tremendous sporting success that both the Preparatory and Senior School have seen over the past year. Highclare Sports Field is also available to the local community and has seen a considerable increase in usage by a number of local schools and clubs during the year and this increase has continued into the following academic year.

The School continues its major school wide capital investment programme, which includes further developments in the landscaping, administration centre and pre-prep provision at Highclare Woodfield; a replacement of the existing food preparation and serving facilities, and boys and girls cloakroom and changing at Highclare St Paul's; and a refurbishment of the science laboratories together with enhancements to the sports facilities at the Senior School. Additionally, the School's schedule of rolling maintenance in respect of areas such as roofing, rainwater pipes, fire security and the heating systems continues across all three locations, to ensure a high quality-learning environment is maintained for the pupils.

Approved by the Board on 15 December 2021 and signed on its behalf by:-



J R Brain
Governor

Highclare School

Governors' Report

The Governors submit their report and the audited consolidated financial statements of the Group for the year ended 31 August 2021.

The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the Annual Report and Financial Statements.

Structure, Governance and Management

The Company is limited by guarantee and is registered as a charitable educational trust. There is no share capital. Its Memorandum and Articles of Association govern the Company.

Governors' responsibilities

The Governors (who are also directors of Highclare School for the purposes of Company Law) are responsible for preparing the Annual Report (including the Strategic Report) and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charitable Company and the Group and of the income and expenditure of the Group and Charitable Company for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Group or charitable company will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Group and Charitable Company and enable them to ensure that the financial statements comply with Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are also responsible for ensuring that the assets are properly applied in accordance with Charity Law.

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the Group and Charitable Company's auditor is unaware. Each of the Governors have confirmed that they have taken all steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organisational Management

The Directors of the Company are also Charity Trustees for the purposes of Charity Law and under the Company's Articles are known as Governors. The Governors are all members of the Company serving in a non-executive capacity and receive no emoluments. The day-to-day management of the School is delegated to the Head and his Senior Leadership Team.

The Governors who served in the year ended 31 August 2021 were:

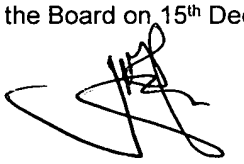
J A Barrett (President)
Mrs L E Flowith (Chairman)
J R Brain (Treasurer)
Mrs P A Mayall
A I Hazel
Mrs S D Watson
A B Davison
Professor F Eperjesi

J A Barrett, Mrs S D Watson and Professor F Eperjesi retire by rotation at the forthcoming Annual General Meeting and, being eligible; offer themselves for re-election at the Annual General Meeting.

Auditors

Malcolm Piper & Company Limited, as auditors, will be proposed to the Governors for re-election at the Annual General Meeting.

Approved by the Board on 15th December 2021 and signed on its behalf by:-



J R Brain
Governor

Independent Auditor's Report to the Governors of Highclare School

(A Company Limited By Guarantee) (Registration number 1074596)

Year Ended 31 August 2021

Opinion

We have audited the financial statements of Highclare School (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including 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 parent charitable company's affairs as at 31 August 2021, and of the Group's incoming resources and application of resources, including its income and expenditure, 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 Group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Governors' 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 parent charitable 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Governors' annual report, other than the financial statements and our auditor's report thereon. The Governors 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.

[continued ...]

Opinions 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 Governors' Report (incorporating the Strategic Report and the Governors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 Governors

As explained more fully in the Governors' responsibilities statement set out on page 8 the Governors (who are also the Directors of the charitable company for the purposes of Company Law) 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 Governors 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 Governors are responsible for assessing the Group's and parent charitable 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 Governors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

[continued ...]

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, including fraud as detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to Highclare School, ("the Group and Company") and determined that the most significant are those that relate to the UK reporting framework under which the Company prepares its accounts and reports its results and the relevant UK tax compliance regulations. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations include those relating to health and safety, employee matters, environmental, and bribery and corruption practices;

- Having due regard to ISA 240 (Redrafted), *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements,* we planned and designed our audit procedures to undertake such enquiry and testing which we deemed necessary to understand how the Company is complying with those frameworks. We made enquiries of the directors, senior management and those responsible for legal and compliance procedures within the "Group and Company" and we corroborated our enquiries by reference to other documentary evidence, where available, or other complimentary or compensating evidence and with other correspondence received and noted that there was no contradictory evidence;

- In designing the scope and depth of our work to assess the likely impact on the financial statements of fraud and other irregularities, we calculate a materiality level which is a percentage based upon turnover, profitability and gross balance sheet assets. This calculation produces a figure against which financial statement errors and irregularities are compared and indicates a level at which, in our opinion and judgement, this would cause transactions and balances within the financial statements to be misleading or materially incorrect.

- We also assessed the susceptibility of the Consolidated Financial Statements of the "Group and Company" to material misstatement using qualitative as well as quantitative factors, including how fraud might occur, and designed our audit testing and enquiries in such a way so as to enable us to identify the fraud risks across various parts of the business. In addition, we utilised internal and external information to perform a fraud risk assessment as part of our audit planning and testing procedures.

- We considered the risk of fraud through management override of controls and systems and, in response, we incorporated testing of large or unusual manual journal entries into our audit approach. We also considered the possibility of fraudulent or corrupt payments made through third parties and conducted detailed analytical review and substantive transaction testing on third party suppliers. Where instances of unusual behaviour patterns were identified through our testing, we performed additional audit procedures to address each identified risk. These procedures included testing of transactions back to source information and were designed to provide reasonable assurance that the financial statements were free from fraud or error. We also conducted specific audit procedures in relation to the risk of bribery and corruption by means of review of any marketing, promotion or discount activity determined by a risk-based process;

- Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. Our procedures involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business and enquiries of "Group and Company" management; and

- If any instances of non-compliance with laws and regulations were identified, the audit team performed sufficient and appropriate audit procedures.

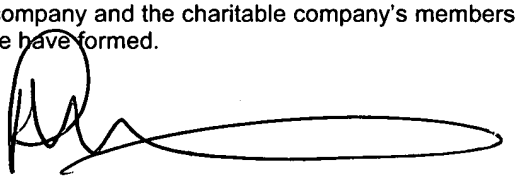
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

[continued ...]

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 charitable 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 Group and charitable company's members 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 Group and charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Whitehead BA FCA
Senior Statutory Auditor
For and on behalf of
Malcolm Piper & Company Limited
Kingsnorth House
1 Blenheim Way
Birmingham
B44 8LS

Dated: 15 December 2021

Highclare School

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 August 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Charitable activities					
School fees receivable		5,628,888	-	**5,628,888**	5,512,028
Registration fees		11,787	-	**11,787**	9,674
School activities & trips		-	-	-	123,104
Investments					
Rents and lettings		8,250	-	**8,250**	8,250
Other					
Other income	4	174,326	300	**174,626**	409,268
Total income		5,823,251	300	**5,823,551**	6,062,324
Resources expended					
Expenditure on:					
Charitable activities					
School operating costs	5	(5,774,337)	(35)	**(5,774,372)**	(5,818,132)
School activities and trips		-	-	-	(123,104)
Governance costs	6	(13,290)	-	**(13,290)**	(13,290)
School finance costs	9	(12,859)	-	**(12,859)**	(17,311)
Total expenditure	10	(5,800,486)	(35)	**(5,800,521)**	(5,971,837)
Net income		22,765	265	**23,030**	90,487
Transfers between funds	20	14,324	(14,324)	-	-
Net movement in funds for year		37,089	(14,059)	**23,030**	90,487
Total funds brought forward at 1 September 2020		4,649,660	14,753	**4,664,413**	4,573,926
Total funds carried forward at 31 August 2021		4,686,749	694	**4,687,443**	4,664,413

All income and expenditure is derived wholly from continuing operations.

The consolidated statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 17 to 31 form an integral part of these financial statements.

Highclare School

Consolidated Balance Sheet at 31 August 2021 (Registration number 1074596)

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	11	11,530	45,747
Tangible assets	12	4,887,593	4,697,544
		4,899,123	4,743,291
Current assets			
Debtors	14	84,241	187,837
Cash at bank and in hand		2,270,174	2,296,160
		2,354,415	2,483,997
Creditors: Amounts falling due within one year	15	(1,839,625)	(1,750,507)
Net current assets		514,790	733,490
Total assets less current liabilities		5,413,913	5,476,781
Creditors: Amounts falling due more than one year	16	(726,470)	(812,368)
Total net assets		4,687,443	4,664,413
Charity Funds			
Restricted Funds	20	694	14,753
Unrestricted Funds			
General unrestricted funds	20	4,335,273	4,298,184
Revaluation reserves	20	351,476	351,476
		4,687,443	4,664,413

These financial statements were approved and authorised for issue by the Board on 15 December 2021 and signed on its behalf by:

Louise Flowith — Governor

Mrs L E Flowith

J R Brain — Governor

The notes on pages 17 to 31 form an integral part of these financial statements

Highclare School

Balance Sheet at 31 August 2021 (Registration number 1074596)

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	11	**11,530**	45,747
Tangible assets	12	**2,853,488**	2,619,948
Investment	13	**950,000**	950,000
		3,815,018	3,615,695
Current assets			
Debtors	14	**2,289,592**	2,393,188
Cash at bank and in hand		**2,270,116**	2,296,036
		4,559,708	4,689,224
Creditors: Amounts falling due within one year	15	**(1,839,625)**	(1,750,507)
Net current assets		**2,720,083**	2,938,717
Total assets less current liabilities		**6,535,101**	6,554,412
Creditors: Amounts falling due after more than one year	16	**(726,470)**	(812,368)
Total net assets		**5,808,631**	5,742,044
Charity Funds			
Restricted Funds	20	**694**	14,753
Unrestricted Funds			
General unrestricted funds	20	**5,723,907**	5,643,261
Revaluation reserves	20	**84,030**	84,030
		5,808,631	5,742,044

These financial statements were approved and authorised for issue by the Board on 15th December 2021 and signed on its behalf by:

Louise Flowith — Governor

Mrs L E Flowith

J R Brain — Governor

The notes on pages 17 to 31 form an integral part of these financial statements

Highclare School

Consolidated Cash Flow Statement for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Net cash inflow from operating activities	22	**481,472**	547,104
Cash flow from investing activities			
Payments to acquire tangible fixed assets		**(417,581)**	(438,713)
Receipts from sale of tangible fixed assets		**630**	420
Rents received from investment properties		**8,250**	8,250
Net cash flow from investing activities		**(408,679)**	(430,043)
Cash flow from financing activities			
Repayment of loans		**(85,898)**	(85,898)
Loan interest paid		**(12,859)**	(17,311)
Net cash flow from financing activities		**(98,757)**	(103,209)
Net increase/(decrease) in cash and cash equivalents		**(25,986)**	13,852
Cash and cash equivalents at 1 September 2020		**2,296,160**	2,282,308
Cash and cash equivalents at 31 August 2021		**2,270,174**	2,296,160
Cash and cash equivalents consist of:			
Cash at bank and in hand		**2,270,174**	2,296,160

1. Accounting Policies

General Information and Basis of Accounting
The Charity is a Company Limited by Guarantee in the United Kingdom. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity. The address of the registered office is given in the Charity information on page 1 of the financial statements. The nature of the Charity's operations and principal activities are detailed in the Strategic Report on page 2.

The Company has taken advantage of section 62 of the Companies Act 2006 and deleted the word "Limited" from its name.

The Charity constitutes a Public Benefit Entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The consolidated financial statements have been prepared under the historical cost accounting convention, other than in the case of certain freehold properties and investment properties, which are stated at valuation. The consolidated financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest pound. There are no discontinued operations.

The significant accounting policies applied in the preparation of these financial statements for the Group and Charitable Company ("Charity") are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of Consolidation
The Group financial statements consolidate the financial statements of the company and its subsidiary undertakings, Highclare Investments Limited (company registered number 02963934) and Highclare Limited (company registered number 02963938). Intra-group transactions and profits are eliminated on consolidation.

No separate statement of financial activities is presented for the Company as permitted by section 408 of the Companies Act 2006. The Company had total income from charitable activities of £5,640,675 (2020: £5,644,806), income from investments of £8,250 (2020: £8,250) and other income of £174,326 (2020: £409,268) which includes £97,505 (2020:£276,634) received from HMRC in respect of staff furloughed under the Government's Job Retention Scheme and a further £26,532 (2020: £19,600) received from Birmingham City Council in respect of other Covid-19 funding initiatives see Note 4. Total expenditure on charitable activities was £5,774,372 (2020:£5,941,236) and governance and finance costs of £26,149 (2020: £30,601). The net income for the year amounted to £22,730 (2020: £90,487).

Funds
Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted funds is set out in the notes to the financial statements.

Income Recognition
All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met; the amount can be quantified with reasonable accuracy; and it is probable that the income will be received.

1. **Accounting Policies (continued)**

Donations
For donations to be recognised the Charity will have been notified of the amounts and settlement date in writing. If there are conditions attached to the donation, and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled. Donations receivable for the general purposes of the school are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to relevant restricted funds.

Charitable Income
Fees receivable and charges for services are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the school.

Investment Income
Investment income is earned through holding assets for investment purposes such as property. It includes interest earned and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest and rental income are recognised as the charity's right to receive payment is established.

Expenditure Recognition
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties; it is probable that the settlement will be required; and the amount of the obligation can be measured reliably. All costs are incurred in the furtherance of the charitable activities.

Costs of Raising Funds
Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable Activities
Charitable activities include expenditure on providing education and include both direct costs and support costs relating to the activity.

Support Costs
Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include central functions and governance costs. They are incurred directly in support of expenditure on the objectives of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources e.g. staff costs by the time spent and other costs by their usage.

Governance Costs
Governance costs comprise the costs of running the Charity, including strategic planning for its future development, external audit, any legal advice for the Governors and all the costs of complying with constitutional and statutory requirements, such as the cost of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Leases
Rentals paid under operating leases are charged to income in the period to which they relate.

1. **Accounting Policies (continued)**

Intangible Assets - Purchased Goodwill
Goodwill arising on the excess of the purchase price compared with the fair value of net assets acquired is capitalised and amortised on straight line basis over its useful life. The period chosen for writing off goodwill is 20 years as in the opinion of the Governors this represents the period over which goodwill is effective. This has been reviewed and reassessed by the Governors based upon that continuing value that the original acquisition contributed to the Group and this period of 20 years remains entirely appropriate. Provision is made for any impairment.

Tangible Fixed Assets
Tangible fixed assets acquired are capitalised in the balance sheet at their original cost or valuation. Items costing less than £750 are written off as an expense in the period in which they are acquired.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Freehold properties	up to 50 years straight line
Leasehold improvements	up to 50 years straight line
Fixtures, fittings and equipment	between 2 and 5 years straight line
Computer equipment (teaching)	a maximum of 4 years straight line
Motor vehicles	a maximum of 5 years straight line
Investment properties	not depreciated

Assets under Construction
Costs incurred in fixed assets under construction are capitalised as they are incurred. The total cost of the project will be assessed against its realisable value upon completion of the project and it will then be transferred to the appropriate asset category. No depreciation is charged during the project construction. Where a project is aborted, the costs are immediately written off to the Statement of Financial Activities ("SOFA").

Investment Properties
Investment properties are accounted for in accordance with FRS 102, which provides that these should not be subject to periodic depreciation charges (unless held on lease), but should be shown at fair value. This is contrary to the Companies Act 2006, which states that, subject to any provision for depreciation or diminution in value, fixed assets are normally to be stated at purchase price or production cost. Current cost accounting or the revaluation of specific assets to fair value, as determined at the date of their last valuation, is also permitted.

The treatment of investment properties under the Companies Act does not give a true and fair view, as these assets are not held for consumption but as investments, the disposal of which would not materially affect the operations of the Group. In such a case, it is the current value of these investments, and changes in that current value, which are of prime importance. Consequently, for the proper appreciation of the financial position, the accounting treatment required by FRS 102 is considered appropriate for investment properties.

Details of the current value and historical cost information for investment properties are given in the Tangible Fixed Asset note.

Investments
Fixed asset investments in subsidiaries are measured at historical cost less provision for any permanent diminution in value.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the SOFA.

1. Accounting Policies (continued)

Loans and borrowings
Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction, it is measured at present value.

Impairment
Assets not measured at fair value are reviewed for indications that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying value. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SOFA.

Provisions
Provisions are recognised when the Charity has an obligation at the balance sheet date because of a past event; it is probable that an outflow of economic benefits will be required in settlement; and the amount can be reliably estimated.

Employee Benefits
When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed to the SOFA as they become payable in accordance with the rules of the scheme.

Taxation
The Company is registered as a Charitable Educational Trust and, under the provisions of Section 505, Income and Corporation Taxes Act 1988, is exempt from liabilities to taxation on its charitable activities. No corporation tax liability arises on the results of the subsidiary undertakings for the year.

Government Grants
The company receives government grants in respect of the HM Job Retention Scheme and other local government support initiatives. Income from government and other grants are recognised at fair value when the company has entitlement after any performance conditions are met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, these amounts are deferred.

Going concern
Having reviewed the cash position, the Governors consider that the Group has adequate resources to continue its current operations and pursue its Long Term Strategy, as they believe it has the ability to meet its debts as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2. Income from Charitable Activities

During the year, a £300 donation was received and classified as restricted funds. All other charitable income for the current and prior year is attributable to unrestricted funds.

3. Income from Investments

All investment income for the current and prior year is attributable to unrestricted funds.

4. Income from Other Activities

	2021 £	2020 £
Other Income	**174,326**	409,268

Other Income is attributable to unrestricted funds. 2021 includes £97,505 received from HMRC in respect of staff furloughed under the HM Job Retention Scheme and a further £26,532 received from Birmingham City Council in respect of Sustainability Funding initiatives.

5. School Operating Costs

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Salaries	4,027,729	-	**4,027,729**	4,127,996
Teaching materials	80,553	-	**80,553**	76,542
Kitchen expenses	325,576	-	**325,576**	290,182
Rent, rates and insurance	102,388	-	**102,388**	126,627
Heat and light	166,151	-	**166,151**	108,654
Cleaning	205,606	-	**205,606**	141,440
Training	9,215	-	**9,215**	11,648
Repairs and maintenance	148,288	-	**148,288**	200,860
Motor and transport	22,980	-	**22,980**	25,148
Depreciation:				
Fixtures, vehicles and equipment	147,358	-	**147,358**	153,077
Freehold buildings	80,173	-	**80,173**	77,687
Amortisation of goodwill	34,217	-	**34,217**	34,310
Profit on disposal of fixed assets	(630)	-	**(630)**	(3)
Support costs:				
Printing and stationery	192,265	-	**192,265**	162,480
Advertising	70,311	-	**70,311**	39,923
Sundry expenses	65,493	35	**65,528**	50,517
Professional charges	77,510	-	**77,510**	156,993
Bank charges	45,303	-	**45,303**	34,051
	5,800,486	35	**5,800,521**	5,818,132

All expenditure for the current and prior year is in respect of the furtherance of the charitable activities of which £35 (2020 - £1,112) was attributable to restricted funds and £5,800,486 (2020 - £5,817,020) was attributable to unrestricted funds.

6. Governance Costs

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Auditors' remuneration (note 10)	13,290	-	**13,290**	13,290

7. Staff Costs

The average monthly number of employees and full time equivalents (FTE) during the year was as follows:

	2021		2020	
	Number	FTE	Number	FTE
Teachers	**134**	**82**	127	90
Administration	**28**	**23**	29	23
Auxiliary staff	**29**	**18**	37	22
	191	**123**	193	135

	2021 £	2020 £
Staff costs for above persons:		
Wages and salaries	**3,554,954**	3,653,118
Social security costs	**267,322**	268,327
Other pension costs	**205,453**	206,551
	4,027,729	4,127,996

There were three (2020: three) employees whose emoluments as defined for taxation purposes amounted to over £60,000. Their emoluments fell within the following bands: two £60,001 to £70,000 (2020: two) and one £100,001 - £125,000 (2020: one £100,001 - £110,000).

Pension costs in respect of the above employees totalled £26,768 (2020: £26,544).

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in independently administered funds. Two (2020: two) higher paid employees are accruing benefits under the group defined contribution pension scheme and one (2020: one) employee has their pension contributions paid into a private pension scheme. The total pension costs charge to all schemes represents contributions payable by the Group and amounted to £205,453 (2020: £206,551).

8. Trustees' and Key Management Personnel Remuneration and expenses

The Governors do not receive any remuneration from the School, have no accruing pension arrangements and had no expenses reimbursed in either the year to 31 August 2021 or the previous financial year.

The total amount of employee benefits received by key management personnel is £373,263 (2020: £358,728). The Charity considers its key management personnel are the Senior Leadership Team.

9. Interest Payable

	2021 £	2020 £
Bank loan Interest	**12,859**	17,311

10. Total Resources Expended

	2021 £	2020 £
Total resources expended on charitable activities includes:		
Depreciation of tangible fixed assets	**184,043**	230,674
Amortisation of intangible fixed assets		
- purchased goodwill	**34,217**	34,310
Surplus on disposal of tangible fixed assets	**(630)**	(3)
Auditor's remuneration in respect of non-audit services	**9,756**	3,802

Governance costs includes:	2021 £	2020 £
Auditors' remuneration in respect of audit services		
- for audit services	**13,290**	13,290
- for other services	**9,756**	-
	23,046	13,290

11. Intangible Fixed Assets

	Purchased Goodwill £
Group and Company	
Cost	
At 1 September 2020 and 31 August 2021	685,000
Amortisation	
At 1 September 2020	639,253
Charged in the year	34,217
At 31 August 2021	673,470
Net book value	
At 31 August 2021	**11,530**
At 31 August 2020	45,747

12. Tangible Fixed Assets

Group	Investment properties £	Freehold properties £	Fixtures, fittings, vehicles & equipment £	Assets under construction £	Total £
Cost or valuation					
At 1 September 2020	219,162	5,307,411	2,310,203	337,451	8,174,227
Additions	-	18,752	63,328	335,500	417,580
Disposals	-	-	(32,629)	-	(32,629)
Transfer of Category	-	370,116	-	(370,116)	-
At 31 August 2021	219,162	5,696,279	2,340,902	302,835	8,559,178
Depreciation					
At 1 September 2020	-	1,508,199	1,968,484	-	3,476,683
Charged in the year	-	80,173	147,358	-	227,532
Elimination on disposals	-	-	(32,629)	-	(32,629)
At 31 August 2021	-	1,588,372	2,083,213	-	3,671,585
Net Book Value					
At 31 August 2021	**219,162**	**4,107,907**	**257,689**	**302,835**	**4,887,593**
At 31 August 2020	219,162	3,799,212	341,719	337,451	4,697,544
Company					
Cost or valuation					
At 1 September 2020	219,162	2,179,476	2,310,203	337,451	5,046,292
Additions	-	18,752	63,331	335,500	417,583
Disposals	-	-	(32,629)	-	(32,829)
Transfer of category	-	370,116	-	(370,116)	-
At 31 August 2021	219,162	2,568,344	2,340,905	302,835	5,431,246
Depreciation					
At 1 September 2020	-	457,860	1,968,484	-	2,426,344
Charged in the year	-	36,685	147,358	-	184,043
Elimination on disposals	-	-	(32,629)	-	(32,629)
At 31 August 2021	-	494,545	2,083,213	-	2,577,758
Net Book Value					
At 31 August 2021	**219,162**	**2,073,800**	**257,691**	**302,835**	**2,853,488**
At 31 August 2020	219,162	1,721,616	341,719	337,451	2,619,948

12. Tangible Fixed Assets (continued)

i) On an historical cost basis the freehold property would be included at:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	£	**£**	**£**	**£**
Cost	**5,304,305**	4,915,437	**2,474,313**	2,085,445
Depreciation	**(1,547,874)**	(1,467,701)	**(484,544)**	(447,859)
	3,756,431	3,447,736	**1,989,769**	1,637,586

Freehold land and buildings at 241 Birmingham Road, Wylde Green were re-valued during the year ended 31 August 1995 at open market value with vacant possession by Weatherall, Green & Smith, independent chartered surveyors. The Governors are satisfied that this valuation remains appropriate, and currently have no intention to perform further revaluations.

The transitional rules set out in FRS 102 – 'Financial Reporting Standards applicable in the UK and Republic of Ireland' were applied on implementation of FRS 102. Accordingly, the book values at implementation have been retained as deemed cost. The Governors are aware of their responsibilities to ensure that there has been no impairment to the value at which the properties are included in the financial statements. Based on advice and enquiry of appropriate professionals the Governors are confident that the value of the freehold properties at the date of transition to FRS 102 is not impaired and the ultimate market value exceeds the book values retained at implementation of FRS 102.

ii) On a historical cost basis the investment property would be included at:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	£	**£**	**£**	**£**
Cost	219,162	219,162	219,162	219,162
Depreciation	-	-	-	-
	219,162	219,162	219,162	219,162

In accordance with the requirements of FRS 102, but contrary to the requirements of the Companies Act 2006, investment properties are not depreciated. Instead, their ongoing current value is reviewed annually, which the Governors consider necessary in order to show a true and fair view.

The property was acquired in 2005 and the Governors consider that its current market value at 31 August 2021 is not materially different to its cost.

iii) Included in Group freehold land and buildings is land with a total cost or valuation of £1,027,500 (2020: £1,027,500) which is not depreciated.

iv) All fixed assets other than the investment properties are used for direct charitable purposes.

13. Investment

The investment represents 950,000 £1 ordinary shares acquired at par in Highclare Investments Limited, (company registered number 02963934) a wholly owned subsidiary. Highclare Investments Limited also has a wholly owned subsidiary, Highclare Limited, (company registered number 02963938) in which it holds 900,000 £1 ordinary shares again acquired at par. The principal activity of both subsidiaries is property ownership and management and both are incorporated in England.

	Highclare Investments Limited		Highclare Limited	
	2021 £	2020 £	2021 £	2020 £
Summary profit and loss account				
Turnover	-	-	-	-
Administrative expenses	**(8,529)**	(8,513)	**(35,025)**	(35,005)
Net loss for the year and Retained in the subsidiary	**(8,529)**	(8,513)	**(35,025)**	(35,005)
The assets and liabilities of the subsidiaries were:				
Fixed assets	**2,053,106**	2,061,602	**880,999**	915,991
Current assets	**28**	61	**29**	62
Creditors: Amounts falling due within one year	**(1,331,837)**	(1,331,837)	**(873,514)**	(873,514)
Total net assets	**721,297**	729,826	**7,514**	42,539
Aggregate share capital and reserves	**721,297**	729,826	**7,514**	42,539

14. Debtors

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Due within one year:				
Outstanding fees	**922**	33,317	**922**	33,317
Amounts owed by subsidiary undertakings	**-**	-	**2,205,351**	2,205,351
Other debtors	**12,843**	11,177	**12,843**	11,177
Prepayments	**70,476**	143,343	**70,476**	143,343
	84,241	187,837	**2,289,592**	2,393,188

15. Creditors: Amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	**85,899**	85,898	**85,899**	85,898
Trade creditors	**75,819**	323,263	**75,819**	323,263
Fees in advance	**741,456**	515,194	**741,456**	515,194
Other taxation and social security	**65,883**	135,503	**65,883**	135,503
Other creditors	**397,048**	365,870	**397,048**	365,870
Accruals	**473,042**	324,301	**473,042**	324,301
Friends of Highclare School Fund	**478**	478	**478**	478
	1,839,625	1,750,507	**1,839,625**	1,750,507

Friends of Highclare School has not contributed any funds in this or the previous towards specific projects.

Bank loans and overdrafts are secured by a fixed charge over book debts and a floating charge over all other assets of the Group, together with mortgages over certain freehold properties.

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	**726,470**	812,368	**726,470**	812,368

Maturity of borrowings

	Group		Company	
	2021	2020	2021	2020
Bank loans	£	£	£	£
Amounts fall due on the bank loans as follows:				
Within one year	**85,899**	85,898	**85,899**	85,898
Between one and two years	**85,897**	85,897	**85,897**	85,897
Between two and five years	**257,693**	257,693	**257,693**	257,693
Over five years	**382,880**	468,778	**382,880**	468,778
	812,369	898,266	**812,369**	898,266

Bank loans for the group and company include the following:

(a) A mortgage loan which had a remaining balance at the year-end of £645,701 (2020: £714,932) carries interest at the Bank's Sterling Base Rate plus 1% (2020 Bank's Sterling Base Rate plus 1%).This loan is repayable by termly instalments of £23,077 which commenced September 2013 and ends in 2028.

(b) A second loan with a remaining balance at the year-end of £166,669 (2020: £183,334), which is repayable by termly capital instalments of £5,556 payable on 1 September, 2 January and 1 May commencing on 1 September 2013 and ends in 2033. The loan carries interest at the Bank's Sterling Base Rate plus 3.00% and is paid monthly.

17. Operating leases

At 31 August 2021, the School was committed to making the following payments under non-cancellable operating leases. These commitments are analysed as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Other				
Within one year	**47,120**	47,120	**47,120**	47,120
Between one and five years	**32,000**	61,340	**32,000**	61,340
Over five years	**136,000**	144,000	**136,000**	144,000
	215,120	252,460	**215,120**	252,460

Included in the operating leases disclosure above is a twenty-five year tenancy lease with Birmingham City Council signed on 6 September 2018 over land referred to as "Highclare Sports Field". Under this agreement, there is a five yearly rent review.

18. Capital commitments

Group and Company

At the 31 August 2021, contracted capital commitments in respect of assets under construction amounted to £Nil (2020 - £20,489). These amounts had been approved by Governors and committed to be spent but not incurred or invoiced at the year-end.

19. Contingent liabilities

In the event that bank borrowings arise, the Company has guaranteed the bank borrowing of the other Group undertakings.

20. Funds Reconciliation

Group

	As at 1 September 2020 £	Income £	Expenditure £	Transfers £	As at 31 August 2021 £
Restricted funds	14,753	300	(35)	(14,324)	694
Unrestricted funds	4,298,184	5,823,251	(5,800,486)	14,324	4,335,273
Revaluation reserve	351,476	-	-	-	351,476
Total funds	**4,664,413**	**5,823,551**	**5,800,521**	**-**	**4,687,443**

Company

	As at 1 September 2020 £	Income £	Expenditure £	Transfers £	As at 31 August 2021 £
Restricted funds	14,753	300	(35)	(14,324)	694
Unrestricted funds	5,643,261	5,823,551	(5,756,929)	14,324	5,723,907
Revaluation reserve	84,030	-	-	-	84,030
Total funds	**5,742,044**	**5,823,551**	**(5,756,964)**	**-**	**5,808,631**

Fund descriptions

a) ***Unrestricted funds***
The unrestricted funds are retained as necessary to meet the general requirements of the School. The Charity aims to retain consolidated unrestricted reserves equivalent to the carrying value of the tangible fixed assets, which amount to £4,887,593 as at 31 August 2021 (2020: £4,697,544) as a contingency in order to maintain the stable operation of the School in the case of future unforeseen events. It remains the objective of the Board of Governors for the reserves to continue to increase until this minimum target is met and through careful management and control of operational costs through what has been a turbulent period caused by Covid-19 the unrestricted reserves have been maintained at the year-end. Consolidated unrestricted reserves at 31 August 2021 amounted to £4,686,749 (2020: £4,649,660), as shown in the notes above.

b) ***Restricted funds***
During the year, a £300 donation was received, to be split equally between Music, Modern Foreign Languages and Physical Education. Previously, a donation of £10,000 was received from the late Sir Doug Ellis as a contribution towards the build costs of a new pavilion at the Highclare School Sports Field during 2018 and was treated as a restricted fund. This donation has been utilised in capital improvements to the sports field pavilion in the year and the restricted funds have been transferred to unrestricted funds. Funds previously restricted for the new netball and tennis courts at the School amounting to £4,324 (2020: £4,324) have also been released as the funds have been used on the restricted capital project. The remaining restricted funds £394 (2020: £429) relate to donations received for prize funds at Seniors Speech Day.

c) ***Revaluation reserve***
The revaluation reserve represents unrealised surpluses on the revaluation of fixed assets to market value in prior years. An amount is transferred to the unrestricted fund each year on the same basis that the asset is depreciated.

21. Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2021 are represented by:			
Tangible fixed assets	4,887,593	-	4,887,593
Intangible fixed assets	11,530	-	11,530
Current assets	2,353,721	694	2,354,415
Current liabilities	(1,839,625)	-	(1,839,625)
Long term liabilities	(726,470)	-	(726,470)
Total net assets	**4,686,749**	**694**	**4,687,443**
Unrealised gains included above on tangible fixed assets	351,476	-	351,476

Company

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2021 are represented by:			
Tangible fixed assets	2,853,488	-	2,853,488
Intangible fixed assets	11,530	-	11,530
Investment	950,000	-	950,000
Current assets	4,559,014	694	4,559,708
Current liabilities	(1,839,625)	-	(1,839,625)
Long term liabilities	(726,470)	-	(726,470)
Total net assets	**5,807,937**	**694**	**5,808,631**
Unrealised gains included above on tangible fixed assets	84,040	-	84,030

22. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for year	23,030	90,487
Rents received from Investment properties	(8,250)	(8,250)
Depreciation of tangible fixed assets	227,439	230,764
Surplus on disposal of tangible fixed assets	(630)	(3)
Amortisation of intangible fixed assets	34,310	34,310
Interest payable	12,859	17,311
(Increase)/decrease in debtors	103,596	(73,273)
(Decrease)/increase in creditors	89,118	255,758
Net cash flow from operating activities	**481,472**	**547,104**

23. Transactions involving Governors

Governors' interests in contracts.

During the year under review no new transactions were made or committed to concerning contracts in which Governors' may have an interest.

As part of its insurances the Group maintains cover for the Governors and officers against liabilities in relation to their duties to the School. The cost for 2021 was £2,767 (2020 - £2,767).

24. Related party transactions

There is no controlling party. The Company has taken advantage of the exemptions not to disclose intra-group transactions on the basis that all subsidiaries are 100% owned and all transactions with other Group companies are eliminated in the consolidated financial statements.