

HIGHFIELD PRIORY SCHOOL LIMITED

England & Wales · Charity number 532262

Details

Status Registered

Legal form Charitable company

Company number [01157590](#)

Registered 1974-05-09

Register [View on the Charity Commission register](#)

Contact

Address Highfield Priory School
58 Fulwood Row
Fulwood
Preston
PR2 5RW

Phone 01772709624

Email schooloffice@highfieldpriory.co.uk

Website www.highfieldpriory.co.uk

Activities

Objects: THE ADVANCEMENT OF EDUCATION OF BOYS AND GIRLS OF ALL SECTIONS OF THE COMMUNITY AND IN CONNECTION THEREWITH TO CONDUCT AND CARRY ON SCHOOLS IN WHICH THEY MAY RECEIVE A SOUND GENERAL EDUCATION.

Activities: Education for pupils aged 2-11 years old, providing an environment in which each child can develop their talents and aspirations encouraging them to fulfil their potential. This is achieved by providing an excellent standard of teaching, superb facilities, and a range of intellectual, cultural and physical opportunities. Our ethos is that each child should make a positive contribution to society.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED - IN PRACTICE PRESTON
- Lancashire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£2,309,304	£1,974,524	£1,890,030	48
2023-08-31	£1,834,305	£1,949,218	£2,882,725	50
2022-08-31	£1,813,876	£1,803,713	£1,572,941	51
2021-08-31	£1,832,015	£1,759,496	£1,524,092	54
2020-08-31	£1,865,863	£1,941,186	£1,451,573	57

Trustees

Name	Role	Appointed
Anne-Marie Flynn		2023-11-16
BENJAMIN ROBERT HALL		2015-03-05
DARREN WHITMAN		2013-07-08
EMAN MOHAMED SAMI AHMED		2014-02-13
JUDITH ALICIA TEAGUE NAIRN		2014-02-13
John Southworth		2023-11-16
NICOLA MASON ACA		2016-10-04
Peter Philip Noall		2023-05-10
Sarah Magill		2024-06-01
Shona Moylon		2022-02-03
Wayne Hayhurst		2023-11-16

HIGHFIELD PRIORY SCHOOL LIMITED

England & Wales - Charity number 532262

Accounts

REGISTERED COMPANY NUMBER: 01157590 (England and Wales)
REGISTERED CHARITY NUMBER: 532262

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024
FOR
HIGHFIELD PRIORY SCHOOL LIMITED**

TUESDAY



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A14

15/04/2025

#16

COMPANIES HOUSE

Rushtons
Chartered Accountants
Statutory Auditors
Shorrock House
1 Faraday Court
Fulwood
Preston
Lancashire
PR2 9NB

HIGHFIELD PRIORY SCHOOL LIMITED
LEGAL AND ADMINISTRATIVE INFORMATION

Governors	D Whitman E M S Ahmed J A T Nairn B R Hall N Mason S Moylon P P Noall J Southworth W Hayhurst A M Flynn S Magill
Secretary and School Business Manager	R J Cottom
Headmaster	J Duke BEd Hons
Charity number	532262
Company number	01157590
Registered office	58 Fulwood Row Fulwood Preston Lancashire PR2 5RW
Auditor	Rushtons Chartered Accountants Statutory Auditors Shorrock House 1 Faraday Court Fulwood Preston Lancashire PR2 9NB
Bankers	National Westminster Bank Plc 292 Garstang Road Fulwood Preston PR2 9RQ

HIGHFIELD PRIORY SCHOOL LIMITED
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FOR THE YEAR ENDED 31 AUGUST 2024

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HIGHFIELD PRIORY SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2024

Introduction

The Board of Governors presents the annual report and the audited financial statements for the year ending 31 August 2024. All Governors are Directors and Trustees of the charity.

Key Information

The school continues to operate as a registered charity (number 532262), providing a high-quality education for boys and girls of all backgrounds. Founded in 1940, the school's mission is to advance education and support students' personal development in a welcoming, family-oriented environment.

Bursaries and Community Engagement

The Governors offer financial support, or bursaries, to help eligible families afford the school fees. The school also actively engages with the local community through various initiatives and events, from charity work to professional development opportunities for staff.

Charitable Activities and Aims

The main goal is to create a nurturing environment where children can grow academically, socially, and morally. The school aims to:

- Provide high-quality education tailored to individual needs.
- Foster respect for diversity.
- Promote personal responsibility and a sense of community.
- Support continuous professional development for staff.
- Maintain an open and inclusive approach to admissions, welcoming students from all backgrounds.

Objectives for the Year

The primary goals for the year included:

- Continuing to provide excellent education with the best facilities.
- Ensuring staff continue to receive any training and support they need, to carry out their roles at a high level.
- Preparing students for the next stages of their education.

Achievements and Performance

The academic year 2023-2024 was a very successful year for Highfield Priory School. Our students have shown remarkable growth and progress in their studies, demonstrating a strong thirst for knowledge and a determination to reach their full potential.

Year 6, our NCT results this year are the best we have ever had at Highfield. Highfield Priory School is already ranked 5th in the country based on our results. Twenty-three children also passed the Grammar Schools examination, which is among our best results on record.

In October, Highfield Priory School was one of the first schools in the country to be inspected under the new framework. The report was a true reflection of Highfield, with inspectors able to see so much of the school in action and receive feedback from parents, children, and staff. Thank you for taking the time to fill in the questionnaire.

In summary, the school met all of the Independent School Standards. The report highlights the strengths across the school and is a testament to the hard work of all the staff, children, and parents. There is a real sense of community in the report, which describes a safe and secure environment that allows children to aim high, achieve their potential, and prepare for the next stage of their lives.

In the sporting arena, our Highfield teams won the Preston Schools Netball competition, came second in Preston Schools Swimming, Preston School Athletics, and Beech House Athletics, and finished third in the ISA Cricket. Individuals have also excelled in ballet, synchronized swimming, tennis, and gymnastics this year. Each member of our Junior School was given the opportunity to compete against other schools in a range of sports, including football, rugby, hockey, netball, and cricket. These opportunities helped them build confidence, develop a love for sport, and prepare for competitive fixtures at secondary school.

In the performing arts, we put on five productions, with every child in the school appearing on stage, continuing to grow in confidence and self-belief. Our junior pupils have excelled in their HPSED exams, and over 34 pupils have performed in a Musical Assembly this year.

Our continued excellence in all areas led to Highfield Priory being shortlisted for the TES Independent Preparatory School of the Year award. This is a great achievement for the school and a true testament to the hard work and support of our pupils, parents, and teachers.

Our new Nursery building has risen from the ashes this year. It has been the source of much excitement in the playground as the children have watched their new Nursery take shape, witnessing the creation, brick by brick, of the new home our Nursery children will enjoy in the next academic year.

HIGHFIELD PRIORY SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2024

We bid farewell to a valued member of our Highfield community. Mr. Garment stepped down as Governor after 21 years as both a parent and a Governor, and Highfield owes him a tremendous debt of gratitude for the time, expertise, and commitment he has shown to our school.

The accomplishments that have marked this year will inspire even greater success in the future.

Development and Facilities

The Governors are focused on improving the school's facilities, with significant efforts directed toward rebuilding the nursery after the fire. Investments continue in ensuring the school has first-class learning environments.

Financial Review

- Income increased to £1.95 million.
- The school achieved a surplus of £358,256. Excluding insurance monies in relation to the nursery building, the surplus was £7,804. Insurance monies have been re-invested in our new Nursery building.
- Strong cash flow management with no outstanding loans or overdrafts.

Reserves Policy

The school has free reserves of which are allocated for future facility enhancements and bursary support. The Governors monitor the reserves to ensure financial stability.

Investment and Risk Management

- The school does not hold monetary investments, focusing on maintaining liquidity to cover day-to-day needs.
- Risks include financial sustainability, safeguarding, and the impact of market changes. The Governors have systems in place to manage these risks effectively.

Plans for the Future

The primary goal is to continue providing excellent education by investing in facilities and resources.

Governance and Management

The school is governed by a Board of Governors who are also Trustees. There are currently twelve Governors, including parents and co-opted members with relevant skills. Governors are appointed for their expertise and availability to serve the school

The directors who held office during the year and since the year end are detailed below: -

Name of director	Office held in year	Committees attended
D Whitman	Chair of Governors, Chair of Strategic Committee	STR, FGP
E M S Ahmed	Vice Chair of Governors	STR
A M Flynn	Chair of H&S Committee	AUD, STR, HS
V Fundira		
W R Garment		
W Hayhurst		
B R Hall		STR, FGP
M Illsley		STR, FGP
N Mason	Chair of FGP Committee	AUD, STR, FGP
S Magill		
S Moylon		STR, FGP
J A T Nairn	Chair of Safeguarding & Child Protection	AUD, EDU, STR, SCP
P Noall	Chair of Sales & Marketing	
J Southworth	Chair of Audit & Compliance Committee, Chair of Education Committee	AUD, STR, EDU
J R Wood	Chair of Audit & Compliance Committee, Chair of Education Committee	AUD, STR, EDU

The committees to which the Governors are appointed are indicated above, as identified using the key shown below:

AUD	Audit and Compliance
STR	Strategic Committee
SCP	Safeguarding and Child Protection
FGP	Finance and General Purposes Committee (Inc. Marketing)
HS	Health, Safety & Wellbeing
EDU	Education Committee

HIGHFIELD PRIORY SCHOOL LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

Governor Induction and Responsibilities

New governors are introduced to the school's operations, legal status as a limited company and registered charity, and key policies. They receive a range of documents, including the Memorandum and Articles of Association, recent accounts, meeting minutes, and information about their role as trustees. The Chairman, other Governors, Headmaster, and School Business Manager provide ongoing support.

The headmaster manages the day-to-day operations of the school, attending governors' meetings. Governors meet three times a year to discuss general policies and review management. There are sub-committees for Audit and Compliance, Strategic Planning, Finance, Safeguarding, Health and Safety, and Education. Each committee has clear objectives for the year.

Key Management Personnel

The Headmaster, School Business Manager, Senior Management Team, and Governors are the key management personnel. Governors volunteer their time and don't receive compensation. The Pay Review Committee sets salaries for the Head and senior staff, ensuring fair pay in line with sector standards.

Trustees' Responsibilities

The trustees (who are also the directors of Highfield Priory School Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- Choose and apply suitable accounting policies
- Follow the Charities SORP
- Make reasonable and prudent decisions
- State whether UK accounting standards are followed
- Prepare the accounts on the basis of the charity's ongoing operation

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

Auditor

Rushtons have been appointed as the school's auditors for the fourth consecutive year.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared having taken advantage of the small companies' exemption in Companies Act 2006.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..14/04/2025..... and signed on the board's behalf by:



.....
Mrs N Mason - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Opinion

We have audited the financial statements of Highfield Priory School Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustees' 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 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material 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.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (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 trustees 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 trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered a number of issues, such as the nature of the charity's industry, their control environment and business performance. We also discussed amongst our engagement team how and where fraud might occur and any potential indicators of fraud.

We obtained an understanding of the legal and regulatory framework that the charity operates in and focussed our attention on any laws and regulations which might be considered as "showstoppers". We also looked at internal controls in place at the company, established to mitigate risks related to fraud or non-compliance with laws and regulations.

In response to other identified risks, we reviewed the financial statement disclosures, we made enquiries of the charity as to potential litigation and claims, we performed analytical procedures to look for unusual trends or unexpected relationships and we read any available meeting minutes.

We also addressed the risk of fraud through management override of controls by testing appropriate journal entries and other adjustments. We also assessed accounting estimates and considered any significant transactions that might be considered unusual in the normal course of business.

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 Report of the Independent Auditors.

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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

A. Calvert

Adam Calvert ACA (Senior Statutory Auditor)
for and on behalf of Rushtons
Chartered Accountants
Statutory Auditors
Shorrock House
1 Faraday Court
Fulwood
Preston
Lancashire
PR2 9NB

14/04/2025

Date:

HIGHFIELD PRIORY SCHOOL LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	5	1,954,425	-	1,954,425	1,856,660
Other trading activities	3	23,476	-	23,476	19,878
Investment income	4	4,427	-	4,427	2,714
Other income	6	<u>350,452</u>	-	<u>350,452</u>	<u>28,800</u>
Total		<u>2,332,780</u>	-	<u>2,332,780</u>	<u>1,908,052</u>
EXPENDITURE ON					
Charitable activities	7	1,950,852	-	1,950,852	1,794,159
Other	8	<u>23,672</u>	-	<u>23,672</u>	<u>155,060</u>
Total		<u>1,974,524</u>	-	<u>1,974,524</u>	<u>1,949,219</u>
NET INCOME/(EXPENDITURE)		358,256	-	358,256	(41,167)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,520,137</u>	11,637	<u>1,531,774</u>	<u>1,572,941</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,878,393</u></u>	<u><u>11,637</u></u>	<u><u>1,890,030</u></u>	<u><u>1,531,774</u></u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

**BALANCE SHEET
31 AUGUST 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	14	1,897,936	-	1,897,936	1,164,626
CURRENT ASSETS					
Debtors	15	39,637	-	39,637	40,652
Cash at bank and in hand		<u>477,341</u>	<u>11,637</u>	<u>488,978</u>	<u>644,440</u>
		516,978	11,637	528,615	685,092
CREDITORS					
Amounts falling due within one year	16	(536,521)	-	(536,521)	(317,944)
NET CURRENT (LIABILITIES) / ASSETS		<u>(19,543)</u>	<u>11,637</u>	<u>(7,906)</u>	<u>367,148</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,878,393</u>	<u>11,637</u>	<u>1,890,030</u>	<u>1,531,774</u>
NET ASSETS		<u>1,878,393</u>	<u>11,637</u>	<u>1,890,030</u>	<u>1,531,774</u>
FUNDS					
Share Capital	20			13	13
Unrestricted funds	18			1,878,393	1,520,137
Restricted funds	18			<u>11,637</u>	<u>11,637</u>
TOTAL FUNDS				<u>1,890,043</u>	<u>1,531,787</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 11/04/2025 and were signed on its behalf by:

Darren

.....
D Whitman - Trustee

HIGHFIELD PRIORY SCHOOL LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>660,834</u>	<u>234,784</u>
Net cash provided by operating activities		<u>660,834</u>	<u>234,784</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(820,723)	(71,592)
Interest received		<u>4,427</u>	<u>2,714</u>
Net cash used in investing activities		<u>(816,296)</u>	<u>(68,878)</u>
Change in cash and cash equivalents in the reporting period		<u>(155,462)</u>	165,906
Cash and cash equivalents at the beginning of the reporting period		<u>644,440</u>	<u>478,534</u>
Cash and cash equivalents at the end of the reporting period		<u>488,978</u>	<u>644,440</u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2024

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	358,256	(41,167)
Adjustments for:		
Depreciation charges	87,413	78,501
Loss on disposal of fixed assets	-	114,285
Interest received	(4,427)	(2,714)
Decrease in debtors	1,015	2,832
Increase in creditors	<u>218,577</u>	<u>83,047</u>
Net cash provided by operations	<u>660,834</u>	<u>234,784</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.23 £	Cash flow £	At 31.8.24 £
Net cash			
Cash at bank and in hand	<u>644,440</u>	<u>(155,462)</u>	<u>488,978</u>
	<u>644,440</u>	<u>(155,462)</u>	<u>488,978</u>
Total	<u>644,440</u>	<u>(155,462)</u>	<u>488,978</u>

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1. CHARITY INFORMATION

Highfield Priory School Limited is a private company limited by shares incorporated in England and Wales. The registered office is 58 Fulwood Row, Fulwood, Preston, Lancashire, PR2 5RW.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income from charitable activities comprises school fees, net of bursaries, and related receipts, accounted for in the period in which the service is provided. Fees for education to be provided in the next academic year, are carried forward as deferred income in the balance sheet.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Voluntary income including, gifts and donations received for the general purposes of the charity are included in unrestricted funds when received. Where these comprise of donated fixed assets, they are included at market value.

Investment income is recognised on a receivable basis.

Expenditure

Expenditure is accounted for on an accruals basis, including VAT which cannot be recovered.

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

Support costs and governance costs have been allocated to the charitable activities as there is only one main activity undertaken by the charity.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Only items over £150 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	Nil
Freehold properties	1-10% Straight line
Leasehold land and buildings	6.67% Straight line
Furniture	15% Reducing balance
IT equipment	25% Straight line
Motor vehicles	10% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

2. ACCOUNTING POLICIES - continued

Taxation

The school is a registered charity and as such is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Cash at bank

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The charity only had financial assets (debtors, cash and bank balances) and financial liabilities (creditors and accruals) of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pension scheme

The Charity contributes to the Teachers' Pension Defined Benefits Scheme at the rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme, and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. Therefore, in accordance with FRS102 the scheme is accounted for as a defined contribution scheme (see note 22).

The Charity also contributes to defined contribution individual personal pension schemes for certain non-teaching staff at 5%-7.5% of annual basic pay. Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

Leases

Rentals payable charged to the Statement of Financial Activities as incurred over the term of the lease.

Irrecoverable VAT

The charity is not registered for Value Added Tax and accordingly expenditure is shown including irrecoverable Value Added Tax.

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Hire of school and hall	13,061	6,047
Other receipts	<u>10,415</u>	<u>13,831</u>
	<u>23,476</u>	<u>19,878</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

4. INVESTMENT INCOME

	2024	2023
	£	£
Interest receivable	<u>4,427</u>	<u>2,714</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Gross fees	1,964,787	1,870,820
Less: bursaries	<u>(10,362)</u>	<u>(14,160)</u>
	<u>1,954,425</u>	<u>1,856,660</u>

Analysis by fund:
Unrestricted funds
Restricted funds

	1,954,425	1,856,660
	<u>-</u>	<u>-</u>
	<u>1,954,425</u>	<u>1,856,660</u>

6. OTHER INCOME

	2024	2023
	£	£
Insurance monies (see note 8)	<u>350,452</u>	<u>28,800</u>

7. CHARITABLE ACTIVITIES COSTS

	2024	2023
	£	£
Teaching costs, books and school meals	1,208,583	1,149,042
Non-teaching staff costs	351,873	323,783
Premises expenses	291,583	234,043
Depreciation	87,413	78,501
Governance costs	<u>11,400</u>	<u>8,790</u>
	<u>1,950,852</u>	<u>1,794,159</u>

Analysis by fund:
Unrestricted funds
Restricted funds

	1,950,852	1,794,159
	<u>-</u>	<u>-</u>
	<u>1,950,852</u>	<u>1,794,159</u>

8. OTHER – EXCEPTIONAL ITEMS

	2024	2023
Cost of demolishing the nursery building	23,672	40,775
Loss on disposal of fixed asset (nursery building)	<u>-</u>	<u>114,285</u>
	<u>23,672</u>	<u>155,060</u>

During the prior year, the school suffered a destructive arson attack which resulted in the nursery building being destroyed. As a result, the nursery building has been fully demolished, and the asset had been written off in the 2023 accounts.

Included in other income is £350,452 (note 6), being monies received from the insurance company in respect of the rebuilding costs. Whilst it is expected that the ongoing insurance claim will cover the costs associated with rebuilding the nursery, the amount is not certain, and therefore it has not been included in the accounts.

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation - owned assets	<u>87,413</u>	<u>78,500</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
General	1,856,660	-	1,856,660
Other trading activities	19,878	-	19,878
Investment income	2,714	-	2,714
Other income	<u>28,800</u>	-	<u>28,800</u>
Total	<u>1,908,052</u>	-	<u>1,908,052</u>
EXPENDITURE ON			
Charitable activities			
General	1,794,159	-	1,794,159
Other	<u>155,060</u>	-	<u>155,060</u>
Total	<u>1,949,219</u>	-	<u>1,949,219</u>
NET INCOME/(EXPENDITURE)	(41,167)	-	(41,167)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,561,304</u>	<u>11,637</u>	<u>1,572,941</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,520,137</u>	<u>11,637</u>	<u>1,531,774</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

12. AUDITOR'S REMUNERATION

The analysis of auditor's remuneration is as follows:

	2024 £	2023 £
Audit services (inclusive of VAT)	8,500	4,750
Other services (inclusive of VAT)	<u>2,900</u>	<u>4,040</u>
	<u><u>11,400</u></u>	<u><u>8,790</u></u>

13. EMPLOYEES

Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Teachers and Assistants	34	37
Administration	6	6
Domestic	<u>9</u>	<u>12</u>
	<u><u>49</u></u>	<u><u>55</u></u>

Employment costs

	2024 £	2023 £
Wages and salaries	1,185,007	1,118,216
Social security costs	103,745	95,103
Other pension costs	<u>167,935</u>	<u>162,722</u>
	<u><u>1,456,687</u></u>	<u><u>1,376,041</u></u>

The number of employees whose annual remuneration was £60,000 or more were:

	2024 Number	2023 Number
	<u><u>1</u></u>	<u><u>1</u></u>

Of the employees whose emoluments exceed £60,000, 1 (2023: 1) has retirement benefits accruing under defined benefit pension schemes.

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

14. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Motor vehicles £	Totals £
COST					
At 1 September 2023	1,625,658	277,493	650,933	22,053	2,576,137
Additions	<u>758,743</u>	<u>-</u>	<u>24,839</u>	<u>37,141</u>	<u>820,723</u>
At 31 August 2024	<u>2,384,401</u>	<u>277,493</u>	<u>675,772</u>	<u>59,194</u>	<u>3,396,860</u>
DEPRECIATION					
At 1 September 2023	716,502	148,072	524,976	21,961	1,411,511
Charge for year	<u>35,699</u>	<u>18,509</u>	<u>28,751</u>	<u>4,454</u>	<u>87,413</u>
At 31 August 2024	<u>752,201</u>	<u>166,581</u>	<u>553,727</u>	<u>26,415</u>	<u>1,498,924</u>
NET BOOK VALUE					
At 31 August 2024	<u>1,632,200</u>	<u>110,912</u>	<u>122,045</u>	<u>32,779</u>	<u>1,897,936</u>
At 31 August 2023	<u>909,156</u>	<u>129,421</u>	<u>125,957</u>	<u>92</u>	<u>1,164,626</u>

The cost of land and buildings include an amount of £64,917 (2023: £64,917) relating to the cost of land which is not depreciated.

Although there are no bank borrowings at the year end, the bank has a first legal charge over the school and nursery buildings for the agreed overdraft facility.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	3,240	4,330
Other debtors	4,162	4,562
Prepayments	<u>32,235</u>	<u>31,760</u>
	<u>39,637</u>	<u>40,652</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	31,535	60,180
Social security and other taxes	22,651	22,054
Other creditors	8,169	6,345
Fees received in advance	107,387	167,479
Accruals and deferred income	<u>366,779</u>	<u>61,886</u>
	<u>536,521</u>	<u>317,944</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024 £	2023 £
Within one year	3,071	3,071
Between one and five years	2,568	5,159
In more than five years	<u>16,440</u>	<u>16,920</u>
	<u>22,079</u>	<u>25,150</u>

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

18. MOVEMENT IN FUNDS

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	355,511	456,031	(831,084)	(19,542)
Property Asset Fund	1,164,626	(87,413)	820,722	1,897,935
Bursary Fund	-	(10,362)	10,362	-
	1,520,137	358,256	-	1,878,393
Restricted funds				
AEN Early Years Funding	11,637	-	-	11,637
TOTAL FUNDS	1,531,774	358,256	-	1,890,030

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,343,142	(1,887,111)	456,031
Property Asset Fund	-	(87,413)	(87,413)
Bursary Fund	(10,362)	-	(10,362)
	2,332,780	(1,974,524)	358,256
TOTAL FUNDS	2,332,780	(1,974,524)	358,256

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Unrestricted funds				
General fund	262,864	165,778	(73,131)	355,511
Property Asset Fund	1,285,820	(192,785)	71,591	1,164,626
Bursary Fund	12,620	(14,160)	1,540	-
	1,561,304	(41,167)	-	1,520,137
Restricted funds				
AEN Early Years Funding	11,637	-	-	11,637
TOTAL FUNDS	1,572,941	(41,167)	-	1,531,774

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,922,211	(1,756,433)	165,778
Property Asset Fund	1	(192,786)	(192,785)
Bursary Fund	<u>(14,160)</u>	<u>-</u>	<u>(14,160)</u>
	<u>1,908,052</u>	<u>(1,949,219)</u>	<u>(41,167)</u>
TOTAL FUNDS	<u><u>1,908,052</u></u>	<u><u>(1,949,219)</u></u>	<u><u>(41,167)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
Unrestricted funds				
General fund	262,864	621,809	(904,215)	(19,542)
Property Asset Fund	1,285,820	(280,198)	892,313	1,897,935
Bursary Fund	<u>12,620</u>	<u>(24,522)</u>	<u>11,902</u>	<u>-</u>
	1,561,304	317,089	-	1,878,393
Restricted funds				
AEN Early Years Funding	<u>11,637</u>	<u>-</u>	<u>-</u>	<u>11,637</u>
TOTAL FUNDS	<u><u>1,572,941</u></u>	<u><u>317,089</u></u>	<u><u>-</u></u>	<u><u>1,890,030</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,265,353	(3,643,544)	621,809
Property Asset Fund	1	(280,199)	(280,198)
Bursary Fund	<u>(24,522)</u>	<u>-</u>	<u>(24,522)</u>
	<u>4,240,832</u>	<u>(3,923,743)</u>	<u>317,089</u>
TOTAL FUNDS	<u><u>4,240,832</u></u>	<u><u>(3,923,743)</u></u>	<u><u>317,089</u></u>

Unrestricted funds

The general fund is the free reserves of the charity after allowing for all designated funds.

The general fund is currently in deficit as the school has used general reserves to fund part of the re-build of the Nursery in the year. Additional insurance monies will be received in the year ended 31 August 2025, returning the reserves position to a surplus balance.

The property asset fund is represented by monies spent on the tangible fixed assets of the charity.

The transfer of £820,722 (2023: £71,591) from the free reserves represents the funds spent on fixed assets in the current year.

The resources expended of £87,413 (2023: £192,785) represents the depreciation charges and losses on disposal in the current year.

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

18. MOVEMENT IN FUNDS - continued

The bursary fund represents monies designated and set aside to meet the future costs of the bursaries for existing pupils.

Restricted funds

The AEN fund is monies received to support certain children. Any unused funds are carried forward to future years.

19. RELATED PARTY DISCLOSURES

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2024 £	2023 £
Aggregate compensation	<u>391,770</u>	<u>341,150</u>

Benjamin Hall, who resigned as a trustee during the financial year, is a director of Signs Express Limited who supplied signs to the school at a cost of £Nil (2023: £6,094).

One governor received travel expenses totalling £282 during the year (2023: £148). No other governors or persons connected to them received any remuneration and were not reimbursed for any expenses in this or the previous year.

During the year insurance premiums of £284 (2023: £277) were paid by the school in respect of indemnity insurance for the Governors.

20. SHARE CAPITAL

	2024 £	2023 £
Authorised		
13 Ordinary shares of £1 each	<u>13</u>	<u>13</u>

All the assets are held for charitable purposes and cannot be distributed to the members. Should the company be wound up or dissolved, the assets have to be transferred to another charity with similar objects and which also prohibits the distribution of any income or property to its member.

21. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

NatWest hold a letter of set off over credit balances by Highfield Priory School Parents Association allowing the bank to set off the credit balances of the Parents Association account with the debit balances of Highfield Priory School Limited, although there have been no such credit balances to set off during the year.

22. PENSION SCHEMES

The school participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension scheme charge for the year included contributions payable to the TPS of £155,910 (2023: £151,113).

The TPS is an unfunded multi-employer defined benefits scheme governed by The Teachers' Pension Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent valuation of the TPS was prepared as at 31 March 2020 and the valuation report, which was published in October 2023, confirmed an employer contribution rate for the TPS of 28.60% from 1 April 2024. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%. This employer rate is expected to be paid until 31 March 2027.

The charity also runs a scheme for certain non-teaching staff, which is a defined contributions scheme managed by Complete Pension Trust. The cost for the year represents the Charity's contributions to that scheme of £12,025 (2023: £11,609).

This page does not form part of the statutory financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

England & Wales - Charity number 532262

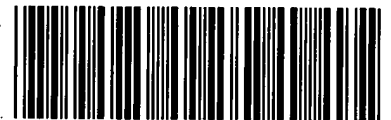
Accounts

REGISTERED COMPANY NUMBER: 01157590 (England and Wales)
REGISTERED CHARITY NUMBER: 532262

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023
FOR
HIGHFIELD PRIORY SCHOOL LIMITED**

Rushtons
Chartered Accountants
Statutory Auditors
Shorrock House
1 Faraday Court
Fulwood
Preston
Lancashire
PR2 9NB

SATURDAY



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18/05/2024

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COMPANIES HOUSE.

HIGHFIELD PRIORY SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	W R Garment D Whitman E M S Ahmed J A T Nairn B R Hall J R Wood N Mason D Patel Smith S Moylon M Illsley P P Noall
Secretary and School Business Manager	RJ Cottom
Headmaster	J Duke BEd Hons
Charity number	532262
Company number	01157590
Registered office	58 Fulwood Row Fulwood Preston Lancashire PR2 5RW
Auditor	Rushtons Chartered Accountants Statutory Auditors Shorrock House 1 Faraday Court Fulwood Preston Lancashire PR2 9NB
Bankers	National Westminster Bank Plc 292 Garstang Road Fulwood Preston PR2 9RQ

HIGHFIELD PRIORY SCHOOL LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2023**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

The Board of Governors present their annual report and the audited financial statements for the year ended 31 August 2023. All Governors of the school are Directors and Trustees of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Principal Activities

The Company's principal activity during the year continued to be that of a registered charity (number: 532262) operating as a school. The school was founded in 1940.

Objectives and activities

The object for which the Company is established (as set out in the Memorandum of Association) is the advancement of education for both boys and girls of all sections of the community, and in connection therewith to conduct and carry on a school in which they may receive a sound general education.

The Governors and Senior Management Team of Highfield Priory School ("Highfield") developed the long term strategy, together with operating plans to achieve the aims, to provide strategic direction and to set out where it plans to carry out actions and allocate resources to achieve its vision and deliver its strategic goals, with due consideration to the general guidance on public benefit required by the Charity Commission.

Provision of bursaries

The Governors of Highfield Priory Independent Day School and Nursery are committed to broadening access to the School by offering to eligible parents/guardians means-tested financial support with the payment of schools fees to enable their child to benefit from the experience of the wonderful teaching, learning and life lessons here in our warm, friendly and family orientated school. Such support is known as a bursary.

Working in the wider community

By supporting and participating in activities in the wider community, Highfield offers a benefit to the public. If the school did not participate and support these events, they may in turn not be viable, which would be detrimental to the public.

Highfield Priory promotes opportunities for continuing professional development and provides supportive performance management and subsequently ensures that all members of staff benefit from an effective training and skills development programme.

The school actively nurtures a sense of benevolence, social responsibility, and community spirit in the children, which will stay with them throughout the rest of their lives. By developing this sense, the children are enthusiastic about engaging in activities which will benefit the community for example supporting specialist charity days and visiting the local old people's home to sing for the residents. Consequently, the beneficiaries are people who receive support from local charities and members of our local community.

The school actively promotes and welcomes the sharing of its facilities and resources to provide benefit to community sports groups, providers of holiday and after school care activities, local children, adults, and various other organisations. The school provides direct employment to local people and indirect employment by utilising local suppliers and contractors. It demonstrates a commitment to provide the widest possible access to the school and not be selective based on gender, geography, social, cultural, ethnic religious background and intellectual ability. Through this commitment the school can benefit children and adults from all sectors of the community.

The school continues to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the school community. By committing to this aim the school can benefit pupils, staff, parents, local contractors, and any one either using the school's facilities or visiting the school.

Although the building does not have "listed" status the trustees ensure that all additions and alterations are made in the most environmentally friendly way and are sympathetic to the existing environment, to the benefits of everyone using the school and the neighbours of the school.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

Aims and intended impact of charitable activities

The main purpose of the charity is to provide an environment in which each child can develop their talents and aspirations encouraging them to develop to their full potential. The School achieves this by providing an excellent standard of teaching, superb facilities, and a wide range of intellectual, cultural and physical opportunities. A central feature in the school's ethos is that each child when they leave school should make a positive contribution to society and consequently the School has developed strong links with the local community.

More specifically the charity aims to:

- Provide a high-quality education which is tailored to individual pupils' needs.
- Develop a respect for cultural diversity and tolerance for the beliefs of others.
- Provide a wide curriculum and extra curriculum to ensure that the maximum potential of each pupil is achieved.
- Ensure a secure level of self-confidence, integrity, good moral judgment and a consideration for others.
- Create a community within the school where all members are fully involved and to develop excellent relationships between trustees, parents, pupils, staff and former pupils. Enabling our community to foster links with and make a positive contribution to the wider community, locally, nationally and internationally.
- Promote and facilitate the sharing of best practice and knowledge transfer.
- Develop leadership and teamwork skills and ensure that the children have a sense of pride in their achievements.
- Support and participate in activities within the wider community.
- Promote opportunities for continuing professional development and provide supportive performance management.
- Develop a sense of benevolence, social responsibility and community spirit which will stay with them throughout the rest of their lives.
- Promote and facilitate the sharing of facilities and resources.
- Contribute to and support the development of the local economy.
- Demonstrate commitment to the widest possible access to the school and not be selective based on gender, social, geography, cultural, ethnic religious background and intellectual ability.
- Continue to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the community.
- To preserve the building and environment around the school in an appropriate and sympathetic matter.

Main objectives for the year

The main objectives for the year were:

- To continue to provide a good quality education by providing the best possible facilities and resources from which pupils could learn.
- To obtain good quality training for all staff to enable them to carry out their duties as proficiently and effectively as possible.
- To prepare pupils for each stage throughout Highfield Priory School so that they may confidently go onwards to the senior school of their choice.

Strategies adopted to achieve objectives

- Continuous improvement of the facilities used to teach the children.
- Provide the best possible education and practice mock examination papers for entrance exams.
- Provide a family-orientated atmosphere where children are encouraged to think for themselves, ask questions and explore their ideas within a supportive environment.

Achievements and performance

The academic year 2022/23 started with the announcement that Highfield Priory School was ranked 5th = Independent Preparatory School in the country by The Sunday Times and 1st in the North West. This is the highest position the school has achieved on record. The school has now held a top thirty position for the last thirteen years. This level of consistency has only been achieved by three other schools in the country and the school was delighted to receive this recognition for our hard-working pupils, staff and parents.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

The school was hit with adversity in October when our Nursery building fell victim to an arson attack. The fire was shocking and devastating to the whole Highfield community, but with the natural resilience of youth and the taught resilience of Highfield, our school and community quickly bounced back. There were so many beautiful, powerful and positive moments in the first term that they far outweighed the negative act of arson itself. The Nursery staff and pupils rose to the challenge of making themselves a new home within the school with smiles on their faces and determination in their feet; The PTA raised funds to provide new equipment, toys and games for our Nursery children; and families came to school laden with donations eager to support the school and replace some of what was lost. The council accepted the plans for the new Nursery build at the end of the Academic Year.

Our students have shown remarkable growth and progress in their studies this year, demonstrating their thirst for knowledge and their determination to reach their full potential. Our Year Six has, once again, achieved excellent results 17(100% Pass Rate) children passed the Grammar School Examination, 3 achieved a scholarship and all children who took entrance examinations were accepted by their chosen Independent School. In the NCT Examinations we achieved: 111 English, 111 Maths and 115 SPAG, which is significantly above the National Average.

The School's Geography exhibition saw the children researching the world around them and producing many models to support their investigations, including a Volcano, a Sea World and a Sustainable House.

Beyond the classroom, we have witnessed musical assemblies that have showcased our students' remarkable musical talents on instruments ranging from the trombone to the flute. These musical endeavours have allowed our students to express their creativity and nurture their love for the arts as well as building their confidence performing in front of a large audience.

At Highfield, the children work hard to build confidence and self-belief. The school productions are an important part of this, from our Pre-schoolers' Christmas Dance performance; to our Infant Boogie-Woogie Nativity; to our Junior Christmas Concert; to the Years 3 and 5 performance of Archibald's War; to the Year 4 production of The Jungle Book at the Landmark Theatre; and culminating, with our Year 6's final Highfield play: Jill and Fred's Hysterical, Historical Adventure. Through these performances, our students have embraced the power of storytelling, teamwork, and self-expression. They build confidence each year and enjoy celebrating each other's moment in the spotlight.

Sporting success has also shone brightly throughout this year. Our students have exhibited remarkable sportsmanship, dedication, and skill in various competitions and tournaments. They celebrate not only their victories but also the lessons they have learned through hard work, perseverance, and resilience. This year our hockey players reached the final of the SMH tournament, they won the Division One of the Preston Schools' Swimming Gala, they were runners up in the ISA Kwik Cricket tournament and semi-finalists in the Preston Girls' Football Tournament. Individually, Zaidan, Aibhlin, Grace and Wei Ann all qualified for National events with Aibhlin winning gold in the long jump and relay, and silver in the 75m. Naina has represented England at tennis, Aibhlin has represented the North and the County at hockey and Lyla has represented Preston North End Football Club and has joined the FA England Women's Pathway.

This year we also paid tribute to our long-serving staff, whose dedication and commitment have shaped our school's legacy. Their years of service have touched the lives of countless students, leaving an impact on their education and personal growth. Their passion, resilience, and support have made our school a nurturing and inspiring place to learn and thrive. Each member of staff is greatly valued by us all, but today I would like to mention those who have served twenty or more years at Highfield:

Mrs Haythornthwaite, Miss Macklam, Mrs Bennett, Mrs McIlwaine, Miss Catherall, Mrs Wilson, Mrs Hayes, Miss Jewitt and Mrs Jones.

At Highfield, community is central to all we do, where dreams flourish, ambitions thrive and futures are transformed. The achievements and challenges that have defined this year will lead the school to embrace greater challenges and inspire the school to even greater success in the future.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

Developments

The Governors are committed to the ongoing improvement of school facilities. The main focus of investment continues to centre on the provision of first class learning and teaching facilities. We continued to improve the security of the buildings and grounds. Significant progress has been made in the year on plans for the rebuild of our nursery building, after it was destroyed in an arson attack. The Governors are looking at it as an opportunity to review the nursery facilities and improve provision. The re-designed nursery will be an incredible asset for the School.

Financial review

The results for the year are set out in the Statement of Financial Activities on page 11.

Income shows an increase to £1,908,051. We have managed to maintain consistent pupil numbers and termly fees being held at a competitive level. Maintaining fees at a competitive level ensures that as many pupils as possible can access the school, whilst ensuring that the best teaching resources and learning environment are provided.

The overall results show a deficit of £41,167. The School Business Manager maintains a strong cash and working capital position with no bank overdraft or loans outstanding at the year end.

Reserves Policy

The Governors regularly review the finances, budgets and spend against budget together with cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums in the School buildings and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. As shown in note 18 to the accounts, the school has free reserves of £145,954 supported by available cash which will be utilised for future enhancements to facilities and to support committed bursary places through those pupils time at Highfield. The high proportion of designated funds illustrates the extent of the investment in our School, in line with the capital investment plans. The Governors are comfortable with the reserves position given the stability of cash flows from fee income, the ongoing popularity of the School and the available banking facilities.

The Governors recognise that the level of reserves fluctuates during periods of significant investment in the School and continually monitor the availability of free cash flows and available banking facilities to manage the School's needs.

Investment Policy

The Board aims to safeguard its funds and ensure sufficient availability of liquid resources to meet the day to day needs of the School. The School does not hold any monetary investments.

Risk Management

The Governors have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Financial sustainability

The school is at risk from economic factors which may impact on the affordability of fees. The Governors also seek to ensure that fees are retained at a level which maximises the accessibility of the education provided at Highfield Priory whilst also ensuring that reserves are available to maintain and develop facilities at the school. A prudent approach to budgeting is adopted each year and performance is monitored throughout the year.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

Safeguarding and welfare

The safety of pupils is a significant risk in any school environment. A separate committee is in place which reviews all elements of safeguarding and ensures that training is in place for all staff and Governors.

ISI Inspection

The risk of non-compliance and failing to meet standards as a result of an ISI inspection are managed by the establishment and continuous review of robust policies and procedures.

Academic Results

The risk of a deterioration in the excellent results achieved by the school is managed by continuous review of provision and results by both staff and Governors. The academic progress of each pupil is monitored as part of their overall development.

Risks within the market or industry sector

The school faces the risk of losing the accolades and awards of academic excellence, it has always achieved in past years. There is always the concern that parents may move the younger child of an older sibling when he/she goes to senior school. Competition is strong, both in the industry sector and in the local geographic area. There is a risk of the demographic changing as mobility of populations is so volatile. The School has also considered the effects of proposed new housing developments. It is uncertain as to whether population growth will avail it of a wider admission base or if it will have an adverse effect.

Plans for future periods

The Governors have strategic and operating plans that are regularly reviewed. At the core of the plans is the key objective to continue to provide a good quality education to the pupils at Highfield Priory School by investing in the facilities and resources required to do so.

Structure, governance and management

Highfield Priory School Ltd is a charitable company limited by shares. The charity is governed by the company's Memorandum and Article of Association and regulated by the Companies Act 2006 and the Charity Commission for England and Wales. The maximum number of governors is thirteen. All governors of the school are directors and trustees of the charity.

The number of current governors is ten, consisting of two governors who are parents of children at the school and eight co-opted governors. Governors are appointed by the Board on recommendation from a nominations committee.

Governors are recruited and appointed based on specialist skills, personal competence, eligibility and availability to serve the school.

All of the Governors of the School are Directors and Trustees of the charity.

The directors who held office during the year and since the year end are detailed below:-

Name of director	Office held in year	Committees attended
D Whitman	Chair of Governors, Chair of Strategic Committee	AUD, STR, FGP
E M S Ahmed	Vice Chair of Governors	STR
S Moylon	Chair of H&S Committee	AUD, STR, HS
W R Garment		STR, FGP
B R Hall		STR, FGP
M Illsley		STR, FGP
N Mason	Chair of FGP Committee	AUD, STR, FGP
J A T Nairn	Chair of Safeguarding & Child Protection	AUD, EDU, STR, SCP
P Noall		STR
J R Wood	Chair of Audit & Compliance Committee, Chair of Education Committee	AUD, STR, EDU

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

Governors are inducted into the workings of the school and of its legal status of a limited company and as a registered charity. The induction includes familiarisation of all policy and procedures. The induction documentation contains the Memorandum and Articles of Association, the last two years' final accounts, the latest management accounts, previous minutes, information on the role of a school governor and charity commission publications regarding the responsibilities of a trustee and Terms of Reference for sub-committees. The Chairman, fellow Governors, Headmaster and School Business Manager provide ongoing support.

The day-to-day management of the Charity is delegated to the Headteacher, Mr J Duke who attends the governors' meetings.

The governors meet three times per year to determine the general policy and review its overall controls and management structure. There are sub-committees covering Audit and Compliance, Strategic Planning, Finance and General Purposes, Safeguarding and Child Protection, Health and Safety and Education. Objectives for each Committee are set at the start of the year as part of a wider review of the strategy of the charity.

The committees to which the Governors are appointed are indicated above, as identified using the key shown below:

AUD Audit and Compliance
STR Strategic Committee
SCP Safeguarding and Child Protection
FGP Finance and General Purposes Committee (Inc. Marketing)
HS Health, Safety & Wellbeing
EDU Education Committee

Sub-committees are chaired by a governor and other members of the governing body, the Senior Management Team and other school employees.

Key management personnel

The Governors, together with the Headmaster, the School Business Manager and the Senior Management Team comprise the Key Management Personnel (see note 17 to the accounts). The Governors volunteer their time and do not receive any remuneration or benefit in consideration of the time given. The pay and remuneration of the Head and senior staff is determined by the Pay Review Committee under the terms of the Pay Policy, which aims to set out the framework for making decisions on the pay for all school staff, not just senior leaders. It has been developed to meet the aims the school taking into consideration that it is an independent school which is susceptible to political and economic external influences outside its control, the school aims to offer attractive salaries and pay progression, when compared with the education and educational support sector generally to support recruitment and retention and ensure accountability, transparency, objectivity and equality of opportunity.

Statement of trustees' responsibilities

The trustees, who are also the directors of Highfield Priory School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

Rushtons have been appointed as the school's auditors for the third consecutive year.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023**

AUDITORS

The auditors, Rushtons, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared having taken advantage of the small companies exemption in Companies Act 2006.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on15/05/2024..... and signed on the board's behalf by:

Nicola Mason

.....
Mrs N Mason - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Opinion

We have audited the financial statements of Highfield Priory School Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustees' 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 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material 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.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (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 trustees 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 trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance.
- Enquiring of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud, and;
- Obtaining an understanding of the legal and regulatory frameworks that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements, such as provisions of the UK Companies Act, pensions legislation and tax legislation or that had a fundamental effect on the operations of the company, including the General Data Protection requirements, Anti-bribery and corruption policies and Environmental laws and regulations pertaining to this industry.

In addition to the above, our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading available minutes of meetings of those charged with governance; and
- Testing journal entries to identify unusual transactions.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HIGHFIELD PRIORY SCHOOL LIMITED**

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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

A. Calvert

Adam Calvert ACA (Senior Statutory Auditor)
for and on behalf of Rushtons
Chartered Accountants
Statutory Auditors
Shorrock House
1 Faraday Court
Fulwood
Preston
Lancashire
PR2 9NB

Date: 15/05/2024

HIGHFIELD PRIORY SCHOOL LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	5	1,856,660	-	1,856,660	1,808,909
Other trading activities	3	19,878	-	19,878	29,662
Investment income	4	2,713	-	2,713	140
Other income	6	<u>28,800</u>	-	<u>28,800</u>	<u>213</u>
Total		<u>1,908,051</u>	-	<u>1,908,051</u>	<u>1,838,924</u>
EXPENDITURE ON					
Charitable activities	7	1,794,158	-	1,794,158	1,790,062
Exceptional item	8	<u>155,060</u>	-	<u>155,060</u>	-
Total		<u>1,949,218</u>	-	<u>1,949,218</u>	<u>1,790,062</u>
NET INCOME/(EXPENDITURE)		<u>(41,167)</u>	-	<u>(41,167)</u>	<u>48,862</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,561,304</u>	11,637	<u>1,572,941</u>	<u>1,524,079</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,520,137</u></u>	<u><u>11,637</u></u>	<u><u>1,531,774</u></u>	<u><u>1,572,941</u></u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED (REGISTERED NUMBER: 01157590)

BALANCE SHEET
31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	14	1,164,626	-	1,164,626	1,285,820
CURRENT ASSETS					
Debtors	15	40,652	-	40,652	43,484
Cash at bank and in hand		<u>632,803</u>	<u>11,637</u>	<u>644,440</u>	<u>478,534</u>
		673,455	11,637	685,092	522,018
CREDITORS					
Amounts falling due within one year	16	<u>(317,944)</u>	-	<u>(317,944)</u>	<u>(234,897)</u>
NET CURRENT ASSETS		<u>355,511</u>	<u>11,637</u>	<u>367,148</u>	<u>287,121</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,520,137</u>	<u>11,637</u>	<u>1,531,774</u>	<u>1,572,941</u>
NET ASSETS		<u>1,520,137</u>	<u>11,637</u>	<u>1,531,774</u>	<u>1,572,941</u>
FUNDS					
Share capital	20			13	13
Unrestricted funds	18			1,520,137	1,561,304
Restricted funds	18			<u>11,637</u>	<u>11,637</u>
TOTAL FUNDS				<u>1,531,787</u>	<u>1,572,954</u>

14/05/2024

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



.....
D Whitman - Trustee

HIGHFIELD PRIORY SCHOOL LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>234,785</u>	<u>93,934</u>
Net cash provided by operating activities		<u>234,785</u>	<u>93,934</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(71,592)	(23,696)
Interest received		<u>2,713</u>	<u>140</u>
Net cash used in investing activities		<u>(68,879)</u>	<u>(23,556)</u>
Change in cash and cash equivalents in the reporting period		165,906	70,378
Cash and cash equivalents at the beginning of the reporting period		<u>478,534</u>	<u>408,156</u>
Cash and cash equivalents at the end of the reporting period		<u>644,440</u>	<u>478,534</u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(41,167)	48,862
Adjustments for:		
Depreciation charges	78,500	79,542
Loss on disposal of fixed assets	114,286	-
Interest received	(2,713)	(140)
Decrease in debtors	2,832	3,751
Increase/(decrease) in creditors	<u>83,047</u>	<u>(38,081)</u>
Net cash provided by operations	<u>234,785</u>	<u>93,934</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22 £	Cash flow £	At 31.8.23 £
Net cash			
Cash at bank and in hand	<u>478,534</u>	<u>165,906</u>	<u>644,440</u>
Total	<u>478,534</u>	<u>165,906</u>	<u>644,440</u>

HIGHFIELD PRIORY SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. CHARITY INFORMATION

Highfield Priory School Limited is a private company limited by shares incorporated in England and Wales. The registered office is 58 Fulwood Row, Fulwood, Preston, Lancashire, PR2 5RW.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income from charitable activities comprises school fees, net of bursaries, and related receipts, accounted for in the period in which the service is provided. Fees for education to be provided in the next academic year, are carried forward as deferred income in the balance sheet.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Voluntary income including, gifts and donations received for the general purposes of the charity are included in unrestricted funds when received. Where these comprise of donated fixed assets, they are included at market value.

Investment income is recognised on a receivable basis.

Expenditure

Expenditure is accounts for on an accruals basis, including VAT which cannot be recovered.

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

Support costs and governance costs have been allocated to the charitable activities as there is only one main activity undertaken by the charity.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Only items over £150 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	Nil
Freehold properties	1-10% Straight line
Furniture and equipment	15% Reducing balance
IT equipment	25% Straight line
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

HIGHFIELD PRIORY SCHOOL LIMITED

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

2. ACCOUNTING POLICIES - continued

Taxation

The school is a registered charity and as such is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Cash at bank

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The charity only had financial assets (debtors, cash and bank balances) and financial liabilities (creditors and accruals) of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expenses when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pension scheme

The Charity contributes to the Teachers' Pension Defined Benefits Scheme at the rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. Therefore, in accordance with FRS102 the scheme is accounted for as a defined contribution scheme (see note 23).

The Charity also contributes to defined contribution individual personal pension schemes for certain non-teaching staff at 5%-7.5% of annual basic pay. Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

Leases

Rentals payable charged to the Statement of Financial Activities as incurred over the term of the lease.

Irrecoverable VAT

The charity is not registered for Value Added Tax and accordingly expenditure is shown including irrecoverable Value Added Tax.

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Hire of school and hall	6,047	4,504
Other receipts	<u>13,831</u>	<u>25,158</u>
	<u>19,878</u>	<u>29,662</u>

HIGHFIELD PRIORY SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

4. INVESTMENT INCOME

	2023	2022
	£	£
Interest receivable	<u>2,713</u>	<u>140</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Gross fees	1,870,820	1,825,521
Less: bursaries	<u>(14,160)</u>	<u>(16,612)</u>
	<u>1,856,660</u>	<u>1,808,909</u>
Analysis by fund:		
Unrestricted funds	1,851,901	1,804,290
Restricted funds	<u>4,759</u>	<u>4,619</u>
	<u>1,856,660</u>	<u>1,808,909</u>

6. OTHER INCOME

	2023	2022
	£	£
Coronavirus Job Retention Scheme	-	213
Insurance monies (see note 8)	<u>28,800</u>	<u>-</u>
	<u>28,800</u>	<u>213</u>

7. CHARITABLE ACTIVITIES COSTS

	2023	2022
	£	£
Teaching costs, books and school meals	1,149,042	1,095,806
Non teaching staff costs	323,783	328,980
Premises expenses	234,124	278,033
Depreciation	78,419	79,542
Governance costs	<u>8,790</u>	<u>7,701</u>
	<u>1,794,158</u>	<u>1,790,062</u>
Analysis by fund:		
Unrestricted funds	1,794,158	1,784,505
Restricted funds	<u>-</u>	<u>5,557</u>
	<u>1,794,158</u>	<u>1,790,062</u>

HIGHFIELD PRIORY SCHOOL LIMITED

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

8. EXCEPTIONAL ITEMS

	2023	2022
Cost of demolishing the nursery building	40,775	-
Loss on disposal of fixed asset (nursery building)	<u>114,285</u>	<u>-</u>
	<u><u>155,060</u></u>	<u><u>-</u></u>

During the year, the school suffered a destructive arson attack which resulted in the nursery building being destroyed. As a result the nursery building has been fully demolished and the asset has been written off in the accounts.

Included in other income is £28,800 (note 6), being monies received from the insurance company in respect of the demolition costs. Whilst it is expected that the ongoing insurance claim will cover the costs associated with rebuilding the nursery, the amount is not certain, and therefore it has not been included in the accounts.

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	78,500	79,542
Deficit on disposal of fixed assets	114,285	-

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2023 nor for the year ended 31 August 2022.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
General	1,804,290	4,619	1,808,909
Other trading activities	29,662	-	29,662
Investment income	140	-	140
Other income	<u>213</u>	<u>-</u>	<u>213</u>
Total	<u><u>1,834,305</u></u>	<u><u>4,619</u></u>	<u><u>1,838,924</u></u>
EXPENDITURE ON			
Charitable activities			
General	<u>1,784,505</u>	<u>5,557</u>	<u>1,790,062</u>
NET INCOME/(EXPENDITURE)	49,800	(938)	48,862
RECONCILIATION OF FUNDS			
Total funds brought forward	1,511,504	12,575	1,524,079

HIGHFIELD PRIORY SCHOOL LIMITED

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>1,561,304</u>	<u>11,637</u>	<u>1,572,941</u>

12. AUDITOR'S REMUNERATION

The analysis of auditors remuneration is as follows:

	2023 £	2022 £
Audit services	4,750	4,500
Other services	<u>4,040</u>	<u>3,201</u>
	<u>8,790</u>	<u>7,701</u>

13. EMPLOYEES

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teachers and Assistants	37	36
Administration	6	5
Domestic	<u>12</u>	<u>10</u>
	<u>55</u>	<u>51</u>

Employment costs

	2023 £	2022 £
Wages and salaries	1,118,216	1,078,076
Social security costs	95,103	91,012
Other pension costs	<u>162,722</u>	<u>158,411</u>
	<u>1,376,041</u>	<u>1,327,499</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2023 Number	2022 Number
80,001 - 90,000	<u>1</u>	<u>1</u>

Of the employees whose emoluments exceed £60,000, 1 (2022: 1) has retirement benefits accruing under defined benefit pension schemes.

HIGHFIELD PRIORY SCHOOL LIMITED

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

14. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Motor vehicles £	Totals £
COST					
At 1 September 2022	1,791,231	277,493	634,033	22,053	2,724,810
Additions	54,692	-	16,900	-	71,592
Disposals	(220,265)	-	-	-	(220,265)
At 31 August 2023	<u>1,625,658</u>	<u>277,493</u>	<u>650,933</u>	<u>22,053</u>	<u>2,576,137</u>
DEPRECIATION					
At 1 September 2022	787,735	129,563	499,762	21,930	1,438,990
Charge for year	34,746	18,509	25,214	31	78,500
Eliminated on disposal	(105,979)	-	-	-	(105,979)
At 31 August 2023	<u>716,502</u>	<u>148,072</u>	<u>524,976</u>	<u>21,961</u>	<u>1,411,511</u>
NET BOOK VALUE					
At 31 August 2023	<u>909,156</u>	<u>129,421</u>	<u>125,957</u>	<u>92</u>	<u>1,164,626</u>
At 31 August 2022	<u>1,003,496</u>	<u>147,930</u>	<u>134,271</u>	<u>123</u>	<u>1,285,820</u>

The cost of land and buildings include an amount of £64,917 (2022: £64,917) relating to the cost of land which is not depreciated.

Although there are no bank borrowings at the year end, the bank have a first legal charge over the school for the agreed overdraft facility.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	4,330	6,190
Other debtors	4,562	113
Prepayments	<u>31,760</u>	<u>37,181</u>
	<u>40,652</u>	<u>43,484</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	60,180	18,474
Social security and other taxes	22,054	20,704
Other creditors	6,345	4,908
Fees received in advance	167,479	123,346
Accruals and deferred income	<u>61,886</u>	<u>67,465</u>
	<u>317,944</u>	<u>234,897</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £	2022 £
Within one year	3,071	3,071
Between one and five years	5,159	7,750
In more than five years	<u>16,920</u>	<u>17,400</u>
	<u>25,150</u>	<u>28,221</u>

HIGHFIELD PRIORY SCHOOL LIMITED

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

18. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Unrestricted funds				
General fund	262,864	165,779	(73,132)	355,510
Property Asset Fund	1,285,820	(192,786)	71,592	1,164,626
Bursary Fund	<u>12,620</u>	<u>(14,160)</u>	<u>1,540</u>	<u>-</u>
	1,561,304	(41,167)	-	1,520,137
Restricted funds				
AEN Early Years Funding	<u>11,637</u>	<u>-</u>	<u>-</u>	<u>11,637</u>
TOTAL FUNDS	<u>1,572,941</u>	<u>(41,167)</u>	<u>-</u>	<u>1,531,774</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,922,211	(1,756,432)	165,779
Property Asset Fund	-	(192,786)	(192,786)
Bursary Fund	<u>(14,160)</u>	<u>-</u>	<u>(14,160)</u>
	<u>1,908,051</u>	<u>(1,949,218)</u>	<u>(41,167)</u>
TOTAL FUNDS	<u>1,908,051</u>	<u>(1,949,218)</u>	<u>(41,167)</u>

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General fund	140,606	145,954	(23,696)	262,864
Property Asset Fund	1,341,666	(79,542)	23,696	1,285,820
Bursary Fund	<u>29,232</u>	<u>(16,612)</u>	<u>-</u>	<u>12,620</u>
	1,511,504	49,800	-	1,561,304
Restricted funds				
AEN Early Years Funding	<u>12,575</u>	<u>(938)</u>	<u>-</u>	<u>11,637</u>
TOTAL FUNDS	<u>1,524,079</u>	<u>48,862</u>	<u>-</u>	<u>1,572,941</u>

HIGHFIELD PRIORY SCHOOL LIMITED

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

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,850,917	(1,704,963)	145,954
Property Asset Fund	-	(79,542)	(79,542)
Bursary Fund	<u>(16,612)</u>	<u>-</u>	<u>(16,612)</u>
	1,834,305	(1,784,505)	49,800
Restricted funds			
AEN Early Years Funding	4,619	(5,557)	(938)
	<u>1,838,924</u>	<u>(1,790,062)</u>	<u>48,862</u>

Unrestricted funds

The general fund is the free reserves of the charity after allowing for all designated funds.

The property asset fund is represented by monies spent on the tangible fixed assets of the charity (note 8).

The transfer of £71,592 (2022: £23,696) from the free reserves represents the funds spent on fixed assets in the current year.

The resources expended of £192,786 (2022: £79,542) represents the depreciation charges and losses on disposal in the current year.

The bursary fund represents monies designated and set aside to meet the future costs of the bursaries for existing pupils.

Restricted funds

The AEN fund is monies received to support certain children. Any unused funds are carried forward to future years.

19. RELATED PARTY DISCLOSURES

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2023 £	2022 £
Aggregate compensation	<u>341,150</u>	<u>290,889</u>

Benjamin Hall, trustee, is a director of Signs Express Limited who supplied signs to the school at a cost of £6,094 (2022: 1,669).

One governor received travel expenses totalling £148 during the year (2022: £221). No other governors or persons connected to them received any remuneration, and were not reimbursed for any expenses in this or the previous year.

During the year insurance premiums of £277 (2022: £1,663) were paid by the school in respect of indemnity insurance for the Governors.

HIGHFIELD PRIORY SCHOOL LIMITED

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

20. SHARE CAPITAL

	2023 £	2022 £
Authorised		
13 Ordinary shares of £1 each	<u>13</u>	<u>13</u>

All the assets are held for charitable purposes and cannot be distributed to the members. Should the company be wound up or dissolved, the assets have to be transferred to another charity with similar objects and which also prohibits the distribution of any income or property to its member.

21. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

Natwest hold a letter of set off over credit balances by Highfield Priory School Parents Association allowing the bank to set off the credit balances of the Parents Association account with the debit balances of Highfield Priory School Limited, although there has been no such credit balances to set off during the year.

22. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension scheme charge for the year included contributions payable to the TPS of £151,113 (2022: £146,623) and at the year end £16,775 (2022: £15,820) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits scheme governed by The Teachers' Pension Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent valuation of the TPS was prepared as at 31 March 2020 and the valuation report, which was published in October 2023, confirmed an employer contribution rate for the TPS of 28.60% from 1 April 2024. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%. This employer rate is expected to be paid until 31 March 2027.

The charity also runs a scheme for certain non-teaching staff, which is a defined contributions scheme managed by Complete Pension Trust. The cost for the year represents the Charity's contributions to that scheme of £11,609 (2022: £11,788).

HIGHFIELD PRIORY SCHOOL LIMITED

England & Wales - Charity number 532262

Accounts

REGISTERED COMPANY NUMBER: 01157590 (England and Wales)
REGISTERED CHARITY NUMBER: 532262

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022
FOR
HIGHFIELD PRIORY SCHOOL LIMITED**

Rushtons
Chartered Accountants
Statutory Auditors
Shorrock House
1 Faraday Court
Fulwood
Preston
Lancashire
PR2 9NB

HIGHFIELD PRIORY SCHOOL LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2022**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

The Board of Governors present their annual report and the audited financial statements for the year ended 31 August 2022. All Governors of the school are Directors and Trustees of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Principal Activities

The Company's principal activity during the year continued to be that of a registered charity (number: 532262) operating as a school. The school was founded in 1940.

Objectives and activities

The object for which the Company is established (as set out in the Memorandum of Association) is the advancement of education for both boys and girls of all sections of the community, and in connection therewith to conduct and carry on a school in which they may receive a sound general education.

The Governors and Senior Management Team of Highfield Priory School ("Highfield") developed the long term strategy, together with operating plans to achieve the aims, to provide strategic direction and to set out where it plans to carry out actions and allocate resources to achieve its vision and deliver its strategic goals, with due consideration to the general guidance on public benefit required by the Charity Commission.

Provision of bursaries

The Governors of Highfield Priory Independent Day School and Nursery are committed to broadening access to the School by offering to eligible parents/guardians means-tested financial support with the payment of schools fees to enable their child to benefit from the experience of the wonderful teaching, learning and life lessons here in our warm, friendly and family orientated school. Such support is known as a bursary.

Working in the wider community

By supporting and participating in activities in the wider community, the benefit to the public is that, if the school did not participate and support these events, they may not be viable which would be detrimental to the public.

Highfield Priory promotes opportunities for continuing professional development and provides supportive performance management and subsequently ensures that all members of staff benefit from an effective training and skills development programme.

The school actively nurtures a sense of benevolence, social responsibility, and community spirit in the children, which will stay with them throughout the rest of their lives. By developing this sense, the children are enthusiastic about engaging in activities which will benefit the community for example supporting specialist charity days and visiting the local old people's home to sing for the residents. Consequently, the beneficiaries are people who receive support from local charities and members of our local community.

The school actively promotes and welcomes the sharing of its facilities and resources to provide benefit to community sports groups, providers of holiday and after school care activities, local children, adults, and various other organisations.

The school provides direct employment to local people and indirect employment by utilising local suppliers and contractors.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

It demonstrates a commitment to provide the widest possible access to the school and not be selective based on gender, geography, social, cultural, ethnic religious background and intellectual ability. Through this commitment the school can benefit children and adults from all sectors of the community.

The school continues to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the school community. By committing to this aim the school can benefit pupils, staff, parents, local contractors, and any one either using the school's facilities or visiting the school.

Although the building does not have "listed" status the trustees ensure that all additions and alterations are made in the most environmentally friendly way and are sympathetic to the existing environment, to the benefits of everyone using the school and the neighbours of the school.

Aims and intended impact of charitable activities

The main purpose of the charity is to provide an environment in which each child can develop their talents and aspirations encouraging them to develop to their full potential. The School achieves this by providing an excellent standard of teaching, superb facilities, and a wide range of intellectual, cultural and physical opportunities. A central feature in the school's ethos is that each child when they leave school should make a positive contribution to society and consequently the School has developed strong links with the local community.

More specifically the charity aims to:

- Provide a high-quality education which is tailored to individual pupils' needs.
- Develop a respect for cultural diversity and tolerance for the beliefs of others.
- Provide a wide curriculum and extra curriculum to ensure that the maximum potential of each pupil is achieved.
- Ensure a secure level of self-confidence, integrity, good moral judgment and a consideration for others.
- Create a community within the school where all members are fully involved and to develop excellent relationships between trustees, parents, pupils, staff and former pupils. Enabling our community to foster links with and make a positive contribution to the wider community, locally, nationally and internationally.
- Promote and facilitate the sharing of best practice and knowledge transfer.
- Develop leadership and teamwork skills and ensure that the children have a sense of pride in their achievements.
- Support and participate in activities within the wider community.
- Promote opportunities for continuing professional development and provide supportive performance management.
- Develop a sense of benevolence, social responsibility and community spirit which will stay with them throughout the rest of their lives.
- Promote and facilitate the sharing of facilities and resources.
- Contribute to and support the development of the local economy.
- Demonstrate commitment to the widest possible access to the school and not be selective based on gender, social, geography, cultural, ethnic religious background and intellectual ability.
- Continue to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the community.
- To preserve the building and environment around the school in an appropriate and sympathetic matter.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

Main objectives for the year

The main objectives for the year were:

- To continue to provide a good quality education by providing the best possible facilities and resources from which pupils could learn.
- To obtain good quality training for all staff to enable them to carry out their duties as proficiently and effectively as possible.
- To prepare pupils for each stage throughout Highfield Priory School so that they may confidently go onwards to the senior school of their choice.

Strategies adopted to achieve objectives

- Continuous improvement of the facilities used to teach the children.
- Provide the best possible education and practice mock examination papers for entrance exams.
- Provide a family-orientated atmosphere where children are encouraged to think for themselves, ask questions and explore their ideas within a supportive environment.

Achievements and performance

The academic year 2021/22 started with the announcement that Highfield Priory School was ranked 5th = Independent Preparatory School in the country by The Sunday Times and first in the North West. This is the highest position the school has achieved on record. The school has now held a top thirty position for the last eleven years. This level of consistency has only been achieved by three other schools in the country and the school was delighted to receive this recognition for our hard-working pupils, staff and parents.

Our Year Six has, once again, achieved excellent results 14 children passed the Grammar School Examination, 5 achieved a scholarship and all children who took entrance examinations were accepted by their chosen Independent School.

Highfield has presented four theatrical productions across the school this year: the Infant Nativity, Year 4's production of the Wizard of Oz, which also involved children from Reception to Year 6, the Year 3 and 5 production of The Tempest and our end of Year 6 performance of Go for Goal. The children's dramatic pursuits continue to instil in them a natural confidence and self-belief which has a positive effect on all their endeavours.

The School's Musical Assemblies and Concerts throughout the year have charted the Junior children's progress on an array of instruments and we have watched them perform as accomplished musicians and choristers who are inspiring future generations at Highfield.

In the summer, a large group of children travelled to Manor Adventure in Shropshire and enjoyed a weekend of adventurous activity. The teamwork and leadership skills learnt were incredibly valuable and the trip was a real highlight of the year for the children.

At our annual Prize Giving, we also said goodbye to our Year Six. We know we have given them the very best start in life at Highfield and we need only look at some of our recent Alumni to see where a start at Highfield can take them. Three of our former pupils have finished their time as leaders of their school at LRGS, Bolton and Preston Girls Muslim School and another Highfield pupil is about to take her place as the Head Girl at Clitheroe Grammar School. In the field of sport this year, former pupil, James Hill, has been signed to play for Bournemouth, in the Premiership Division, and has played for England Under 20s. In the Performing Arts, former pupil, Daniel Dable, has just won a place in the National Youth Jazz Collective and the National Youth Theatre this summer.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

It is not just our past pupils who are achieving great things. Naina in Year 5 is performing as the Number One in the country for Tennis. Naina, Aibhlin and Samira qualified to take part in National Athletics and Swimming events in which they represented the North of England. Melissa, in Year 4 has been accepted on the Junior Development Program with the Northern Ballet in Leeds. And Imogen, also in Year 4, came 3rd nationally in her age group for Artistic Swimming.

Highfield Priory School and Nursery continues to thrive and the school will be looking to continue to build on the fantastic achievements of our current children in the years to come.

Developments

The Governors are committed to the ongoing improvement of pupil development, safety and school facilities. The main focus of investment continues to centre on the provision of first class learning and teaching facilities. We continued to improve the security of the buildings and grounds and develop the capability of our staff.

Unfortunately, after the financial year-end the nursery at Highfield suffered a destructive arson attack, which was a devastating time to both the staff and pupils. Despite this, we are grateful that no one was hurt in the incident, and we extend our gratitude to everyone who offered support during this challenging time. Fortunately, the day-to-day running of the nursery has not been affected as they have been relocated to the main school building, ensuring that the children's care and education can continue without interruption.

Moving forward, we plan to design and build a bespoke nursery facility over the coming years. The Governors are taking this as an opportunity to enhance the nursery facilities to provide a more integrated early years' experience for the children.

Financial review

The results for the year are set out in the Statement of Financial Activities on page 13.

Income shows an increase to £1,838,924. We have managed to maintain consistent pupil numbers and termly fees being held at a competitive level. Maintaining fees at a competitive level ensures that as many pupils as possible can access the school, whilst ensuring that the best teaching resources and learning environment are provided.

The overall results show a surplus of £48,862. The School Business Manager maintains a strong cash and working capital position with no bank overdraft or loans outstanding at the year end.

Reserves Policy

The Governors regularly review the finances, budgets and spend against budget together with cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums in the School buildings and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. As shown in note 14 to the accounts, the school has free reserves of £262,864 supported by available cash which will be utilised for future enhancements to facilities and to support committed bursary places through those pupil's time at Highfield. The high proportion of designated funds illustrates the extent of the investment in our School, in line with the capital investment plans. The Governors are comfortable with the reserves position given the stability of cash flows from fee income, the ongoing popularity of the School and the available banking facilities

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

The Governors recognise that the level of reserves fluctuates during periods of significant investment in the School and continually monitor the availability of free cash flows and available banking facilities to manage the School's needs.

Investment Policy

The Board aims to safeguard its funds and ensure sufficient availability of liquid resources to meet the day to day needs of the School. The School does not hold any monetary investments.

Risk Management

The Governors have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Governors examine the major risks that the school faces each financial year when preparing and updating the annual budgets and strategic plan. The Charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the school in the future.

The major risks faced by the charity are considered to be:-

Financial sustainability

The school is at risk from economic factors which may impact on the affordability of fees. The Governors also seek to ensure that fees are retained at a level which maximises the accessibility of the education provided at Highfield Priory whilst also ensuring that reserves are available to maintain and develop facilities at the school. A prudent approach to budgeting is adopted each year and performance is monitored throughout the year.

Safeguarding and welfare

The safety of pupils is a significant risk in any school environment. A separate committee is in place which reviews all elements of safeguarding and ensures that training is in place for all staff and Governors.

ISI Inspection

The risk of non-compliance and failing to meet standards as a result of an ISI inspection are managed by the establishment and continuous review of robust policies and procedures.

Academic Results

The risk of a deterioration in the excellent results achieved by the school is managed by continuous review of provision and results by both staff and Governors. The academic progress of each pupil is monitored as part of their overall development.

Risks within the market or industry sector

The school faces the risk of losing the accolades and awards of academic excellence, it has always achieved in past years. There is always the concern that parents may move the younger child of an older sibling when he/she goes to senior school. Competition is strong, both in the industry sector and in the local geographic area. There is a risk of the demographic changing as mobility of populations is so volatile. The School has also considered the effects of proposed new housing developments. It is uncertain as to whether population growth will avail it of a wider admission base or if it will have an adverse effect.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

Plans for future periods

The Governors have strategic and operating plans that are regularly reviewed. At the core of the plans is the key objective to continue to provide a good quality education to the pupils at Highfield Priory School by investing in the facilities and resources required to do so.

Structure, governance and management

Highfield Priory School Ltd is a charitable company limited by shares. The charity is governed by the company's Memorandum and Article of Association and regulated by the Companies Act 2006 and the Charity Commission for England and Wales. The maximum number of governors is thirteen. All governors of the school are directors and trustees of the charity.

The number of current governors is ten, consisting of two governors who are parents of children at the school and eight co-opted governors. Governors are appointed by the Board on recommendation from a nominations committee.

Governors are recruited and appointed based on specialist skills, personal competence, eligibility and availability to serve the school.

All of the Governors of the School are Directors and Trustees of the charity.

The directors who held office during the year and since the year end are detailed below: -

Name of director	Office held in year	Committees attended
D Whitman	Chair of Governors, Chair of Strategic Committee	AUD, STR, FGP
E M S Ahmed	Vice Chair of Governors	STR
S Moylon (appointed 1 February 2022)	Chair of H&S Committee	AUD, STR, HS
W R Garment		STR, FGP
B R Hall		STR, FGP
M Illsley (appointed 1 July 2018)		AUD, STR, FGP
N Mason	Chair of FGP Committee	AUD, STR, FGP
J A T Nairn	Chair of Safeguarding & Child Protection	AUD, EDU, STR, SCP
D Patel-Smith (appointed 27 April 2017)		STR
J R Wood	Chair of Audit & Compliance Committee, Chair of Education Committee	AUD, STR, EDU

Governors are inducted into the workings of the school and of its legal status of a limited company and as a registered charity. The induction includes familiarisation of all policy and procedures. The induction documentation contains the Memorandum and Articles of Association, the last two years' final accounts, the latest management accounts, previous minutes, information on the role of a school governor and charity commission publications regarding the responsibilities of a trustee and Terms of Reference for sub-committees. The Chairman, fellow Governors, Headmaster and School Business Manager provide ongoing support.

The day-to-day management of the Charity is delegated to the Headmaster, who attends the governors' meetings.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

The governors meet three times per year to determine the general policy and review its overall controls and management structure. There are sub-committees covering Audit and Compliance, Strategic Planning, Finance and General Purposes, Safeguarding and Child Protection, Health and Safety and Education. Objectives for each Committee are set at the start of the year as part of a wider review of the strategy of the charity.

The committees to which the Governors are appointed are indicated above, as identified using the key shown below:

AUD	Audit and Compliance
STR	Strategic Committee
SCP	Safeguarding and Child Protection
FGP	Finance and General Purposes Committee (Inc. Marketing)
HS	Health & Safety
EDU	Education Committee

Sub-committees are chaired by a governor and other members of the governing body, the Senior Management Team and other school employees.

Key management personnel

The Governors, together with the Headmaster, the School Business Manager and the Senior Management Team comprise the Key Management Personnel (see note 15 to the accounts). The Governors volunteer their time and do not receive any remuneration or benefit in consideration of the time given. The pay and remuneration of the Head and senior staff is determined by the Pay Review Committee under the terms of the Pay Policy, which aims to set out the framework for making decisions on the pay for all school staff, not just senior leaders. It has been developed to meet the aims the school taking into consideration that it is an independent school which is susceptible to political and economic external influences outside its control, the school aims to offer attractive salaries and pay progression, when compared with the education and educational support sector generally to support recruitment and retention and ensure accountability, transparency, objectivity and equality of opportunity.

Statement of trustees' responsibilities

The trustees, who are also the directors of Highfield Priory School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

Auditor

Rushtons have been appointed as the school's auditors for the second consecutive year.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on21/03/2023..... and signed on the board's behalf by:



N Mason

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Opinion

We have audited the financial statements of Highfield Priory School Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustees' 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 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (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 trustees 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 trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance.
- Enquiring of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud, and;
- Obtaining an understanding of the legal and regulatory frameworks that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements, such as provisions of the UK Companies Act, pensions legislation and tax legislation or that had a fundamental effect on the operations of the company, including the General Data Protection requirements, Anti-bribery and corruption policies and Environmental laws and regulations pertaining to this industry.

In addition to the above, our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading available minutes of meetings of those charged with governance; and
- Testing journal entries to identify unusual transactions.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HIGHFIELD PRIORY SCHOOL LIMITED**

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 Report of the Independent Auditors.

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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Adam Calvert ACA (Senior Statutory Auditor)
for and on behalf of Rushtons
Chartered Accountants
Statutory Auditors
Shorrock House
1 Faraday Court
Fulwood
Preston
Lancashire
PR2 9NB

Date:

HIGHFIELD PRIORY SCHOOL LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	5	1,804,290	4,619	1,808,909	1,794,219
Other trading activities	3	29,662	-	29,662	15,946
Investment income	4	140	-	140	30
Other income		<u>213</u>	<u>-</u>	<u>213</u>	<u>21,820</u>
Total		<u>1,834,305</u>	<u>4,619</u>	<u>1,838,924</u>	<u>1,832,015</u>
EXPENDITURE ON					
Charitable activities	6	<u>1,784,505</u>	<u>5,557</u>	<u>1,790,062</u>	<u>1,759,496</u>
NET INCOME/(EXPENDITURE)		49,800	(938)	48,862	72,519
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,511,504</u>	<u>12,575</u>	<u>1,524,079</u>	<u>1,451,560</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,561,304</u></u>	<u><u>11,637</u></u>	<u><u>1,572,941</u></u>	<u><u>1,524,079</u></u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED (REGISTERED NUMBER: 01157590)

**BALANCE SHEET
31 AUGUST 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	1,285,820	-	1,285,820	1,341,666
CURRENT ASSETS					
Debtors	12	43,484	-	43,484	47,235
Cash at bank and in hand		<u>466,897</u>	<u>11,637</u>	<u>478,534</u>	<u>408,156</u>
		510,381	11,637	522,018	455,391
CREDITORS					
Amounts falling due within one year	13	(234,897)	-	(234,897)	(272,978)
		<u>275,484</u>	<u>11,637</u>	<u>287,121</u>	<u>182,413</u>
NET CURRENT ASSETS					
		<u>275,484</u>	<u>11,637</u>	<u>287,121</u>	<u>182,413</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,561,304</u>	<u>11,637</u>	<u>1,572,941</u>	<u>1,524,079</u>
NET ASSETS					
		<u><u>1,561,304</u></u>	<u><u>11,637</u></u>	<u><u>1,572,941</u></u>	<u><u>1,524,079</u></u>
FUNDS					
Share capital	16			13	13
Unrestricted funds	14			1,561,304	1,511,504
Restricted funds	14			<u>11,637</u>	<u>12,575</u>
TOTAL FUNDS					
				<u><u>1,572,954</u></u>	<u><u>1,524,092</u></u>

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

.....
D Whitman - Trustee

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

Notes	2022 £	2021 £
Cash flows from operating activities		
Cash generated from operations 1	<u>93,934</u>	<u>159,010</u>
Net cash provided by operating activities	<u>93,934</u>	<u>159,010</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(23,696)	(102,905)
Sale of tangible fixed assets	-	4,149
Interest received	<u>140</u>	<u>30</u>
Net cash used in investing activities	<u>(23,556)</u>	<u>(98,726)</u>
Cash flows from financing activities		
Loan repayments in year	<u>-</u>	<u>(50,000)</u>
Net cash provided by/(used in) financing activities	<u>-</u>	<u>(50,000)</u>
Change in cash and cash equivalents in the reporting period		
	70,378	10,284
Cash and cash equivalents at the beginning of the reporting period	<u>408,169</u>	<u>397,885</u>
Cash and cash equivalents at the end of the reporting period	<u>478,547</u>	<u>408,169</u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	48,862	72,519
Adjustments for:		
Depreciation charges	79,542	80,873
Interest received	(140)	(30)
Decrease in debtors	3,751	8,948
Decrease in creditors	<u>(38,081)</u>	<u>(3,300)</u>
Net cash provided by operations	<u><u>93,934</u></u>	<u><u>159,010</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank and in hand	<u>408,169</u>	<u>70,378</u>	<u>478,547</u>
	<u>408,169</u>	<u>70,378</u>	<u>478,547</u>
Total	<u><u>408,169</u></u>	<u><u>70,378</u></u>	<u><u>478,547</u></u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1. CHARITY INFORMATION

Highfield Priory School Limited is a private company limited by shares incorporated in England and Wales. The registered office is 58 Fulwood Row, Fulwood, Preston, Lancashire, PR2 5RW.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income from charitable activities comprises school fees, net of bursaries, and related receipts, accounted for in the period in which the service is provided. Fees for education to be provided in the next academic year, are carried forward as deferred income in the balance sheet.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Voluntary income including, gifts and donations received for the general purposes of the charity are included in unrestricted funds when received. Where these comprise of donated fixed assets, they are included at market value.

Investment income is recognised on a receivable basis.

Expenditure

Expenditure is accounted for on an accruals basis, including VAT which cannot be recovered.

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

Support costs and governance costs have been allocated to the charitable activities as there is only one main activity undertaken by the charity.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Only items over £150 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	Nil
Freehold properties	1-10% Straight line
Furniture and equipment	15% Reducing balance
IT equipment	25% Straight line
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Taxation

The school is a registered charity and as such is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Cash at bank

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The charity only had financial assets (debtors, cash and bank balances) and financial liabilities (creditors and accruals) of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

2. ACCOUNTING POLICIES - continued

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expenses when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pension scheme

The Charity contributes to the Teachers' Pension Defined Benefits Scheme at the rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. Therefore, in accordance with FRS102 the scheme is accounted for as a defined contribution scheme (see note 19).

The Charity also contributes to defined contribution individual personal pension schemes for certain non-teaching staff at 5%-7.5% of annual basic pay. Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

Leases

Rentals payable charged to the Statement of Financial Activities as incurred over the term of the lease.

Irrecoverable VAT

The charity is not registered for Value Added Tax and accordingly expenditure is shown including irrecoverable Value Added Tax.

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Hire of school and hall	4,504	866
Other receipts	<u>25,158</u>	<u>15,080</u>
	<u>29,662</u>	<u>15,946</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable	<u>140</u>	<u>30</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

5. INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Gross fees	1,825,521	1,803,932
Less: bursaries	<u>(16,612)</u>	<u>(9,713)</u>
	<u>1,808,909</u>	<u>1,794,219</u>
Analysis by fund:		
Unrestricted funds	1,804,290	1,792,056
Restricted funds	<u>4,619</u>	<u>2,163</u>
	<u>1,808,909</u>	<u>1,794,219</u>

6. CHARITABLE ACTIVITIES COSTS

	2022 £	2021 £
Teaching costs, books and school meals	1,095,806	1,136,988
Non-teaching staff costs	328,980	309,585
Premises expenses	278,033	222,143
Depreciation	79,542	80,873
Governance costs	<u>7,701</u>	<u>9,907</u>
	<u>1,790,062</u>	<u>1,759,496</u>
Analysis by fund:		
Unrestricted funds	1,784,505	1,756,200
Restricted funds	<u>5,557</u>	<u>3,296</u>
	<u>1,790,062</u>	<u>1,759,496</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation - owned assets	<u>79,542</u>	<u>80,873</u>

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
General	1,792,056	2,163	1,794,219
Other trading activities	15,946	-	15,946
Investment income	30	-	30
Other income	<u>21,820</u>	<u>-</u>	<u>21,820</u>
Total	<u>1,829,852</u>	<u>2,163</u>	<u>1,832,015</u>
 EXPENDITURE ON			
Charitable activities			
General	<u>1,756,200</u>	<u>3,296</u>	<u>1,759,496</u>
NET INCOME/(EXPENDITURE)	73,652	(1,133)	72,519
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,437,852</u>	<u>13,708</u>	<u>1,451,560</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,511,504</u>	<u>12,575</u>	<u>1,524,079</u>

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

9. AUDITOR'S REMUNERATION

The analysis of auditor's remuneration is as follows:

	2022 £	2021 £
Audit services	4,500	5,300
Other services	<u>3,201</u>	<u>4,607</u>
	<u>7,701</u>	<u>9,907</u>

10. EMPLOYEES

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Teachers and Assistants	36	39
Administration	5	5
Domestic	<u>10</u>	<u>10</u>
	<u>51</u>	<u>54</u>

Employment costs

	2022 £	2021 £
Wages and salaries	1,078,076	1,112,873
Social security costs	91,012	91,495
Other pension costs	<u>158,411</u>	<u>168,168</u>
	<u>1,327,499</u>	<u>1,372,536</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2022 Number	2021 Number
80,001 - 90,000	<u>1</u>	<u>1</u>

Of the employees whose emoluments exceed £60,000, 1 (2020: 1) has retirement benefits accruing under defined benefit pension schemes.

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

11. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Motor vehicles £	Totals £
COST					
At 1 September 2021	1,779,744	277,493	621,824	22,053	2,701,114
Additions	<u>11,487</u>	<u>-</u>	<u>12,209</u>	<u>-</u>	<u>23,696</u>
At 31 August 2022	<u>1,791,231</u>	<u>277,493</u>	<u>634,033</u>	<u>22,053</u>	<u>2,724,810</u>
DEPRECIATION					
At 1 September 2021	753,605	111,054	472,900	21,889	1,359,448
Charge for year	<u>34,130</u>	<u>18,509</u>	<u>26,862</u>	<u>41</u>	<u>79,542</u>
At 31 August 2022	<u>787,735</u>	<u>129,563</u>	<u>499,762</u>	<u>21,930</u>	<u>1,438,990</u>
NET BOOK VALUE					
At 31 August 2022	<u>1,003,496</u>	<u>147,930</u>	<u>134,271</u>	<u>123</u>	<u>1,285,820</u>
At 31 August 2021	<u>1,026,139</u>	<u>166,439</u>	<u>148,924</u>	<u>164</u>	<u>1,341,666</u>

The cost of land and buildings include an amount of £64,917 (2021: £64,917) relating to the cost of land which is not depreciated.

Although there are no bank borrowings at the year end, the bank have a first legal charge over the school and nursery buildings for the agreed overdraft facility.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	6,190	12,170
Other debtors	113	113
Prepayments	<u>37,181</u>	<u>34,952</u>
	<u>43,484</u>	<u>47,235</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	18,474	55,001
Social security and other taxes	20,704	21,725
Other creditors	4,908	-
Fees received in advance	123,346	137,070
Accruals and deferred income	<u>67,465</u>	<u>59,182</u>
	<u><u>234,897</u></u>	<u><u>272,978</u></u>

14. MOVEMENT IN FUNDS

	At 1.9.21	Net movement in funds	Transfers between funds	At 31.8.22
	£	£	£	£
Unrestricted funds				
General fund	140,606	145,954	(23,696)	262,864
Property Asset Fund	1,341,666	(79,542)	23,696	1,285,820
Bursary Fund	<u>29,232</u>	<u>(16,612)</u>	<u>-</u>	<u>12,620</u>
	1,511,504	49,800	-	1,561,304
Restricted funds				
AEN Early Years Funding	<u>12,575</u>	<u>(938)</u>	<u>-</u>	<u>11,637</u>
	<u>12,575</u>	<u>(938)</u>	<u>-</u>	<u>11,637</u>
TOTAL FUNDS	<u><u>1,524,079</u></u>	<u><u>48,862</u></u>	<u><u>-</u></u>	<u><u>1,572,941</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,850,917	(1,704,963)	145,954
Property Asset Fund	-	(79,542)	(79,542)
Bursary Fund	<u>(16,612)</u>	<u>-</u>	<u>(16,612)</u>
	1,834,305	(1,784,505)	49,800
Restricted funds			
AEN Early Years Funding	<u>4,619</u>	<u>(5,557)</u>	<u>(938)</u>
TOTAL FUNDS	<u><u>1,838,924</u></u>	<u><u>(1,790,062)</u></u>	<u><u>48,862</u></u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	85,532	168,144	(113,070)	140,606
Property Asset Fund	1,323,784	(84,779)	102,661	1,341,666
Bursary Fund	<u>28,536</u>	<u>(9,713)</u>	<u>10,409</u>	<u>29,232</u>
	1,437,852	73,652	-	1,511,504
Restricted funds				
AEN Early Years Funding	<u>13,708</u>	<u>(1,133)</u>	<u>-</u>	<u>12,575</u>
	<u>13,708</u>	<u>(1,133)</u>	<u>-</u>	<u>12,575</u>
TOTAL FUNDS	<u><u>1,451,560</u></u>	<u><u>72,519</u></u>	<u><u>-</u></u>	<u><u>1,524,079</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,839,565	(1,671,421)	168,144
Property Asset Fund	-	(84,779)	(84,779)
Bursary Fund	<u>(9,713)</u>	<u>-</u>	<u>(9,713)</u>
	1,829,852	(1,756,200)	73,652
Restricted funds			
AEN Early Years Funding	<u>2,163</u>	<u>(3,296)</u>	<u>(1,133)</u>
TOTAL FUNDS	<u><u>1,832,015</u></u>	<u><u>(1,759,496)</u></u>	<u><u>72,519</u></u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General fund	85,532	314,098	(136,766)	262,864
Property Asset Fund	1,323,784	(164,321)	126,357	1,285,820
Bursary Fund	<u>28,536</u>	<u>(26,325)</u>	<u>10,409</u>	<u>12,620</u>
	1,437,852	123,452	-	1,561,304
Restricted funds				
AEN Early Years Funding	<u>13,708</u>	<u>(2,071)</u>	<u>-</u>	<u>11,637</u>
	<u>13,708</u>	<u>(2,071)</u>	<u>-</u>	<u>11,637</u>
TOTAL FUNDS	<u><u>1,451,560</u></u>	<u><u>121,381</u></u>	<u><u>-</u></u>	<u><u>1,572,941</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,690,482	(3,376,384)	314,098
Property Asset Fund	-	(164,321)	(164,321)
Bursary Fund	<u>(26,325)</u>	<u>-</u>	<u>(26,325)</u>
	3,664,157	(3,540,705)	123,452
Restricted funds			
AEN Early Years Funding	<u>6,782</u>	<u>(8,853)</u>	<u>(2,071)</u>
TOTAL FUNDS	<u><u>3,670,939</u></u>	<u><u>(3,549,558)</u></u>	<u><u>121,381</u></u>

Unrestricted funds

The general fund is the free reserves of the charity after allowing for all designated funds.

The property asset fund is represented by monies spent on the tangible fixed assets of the charity (note 11).

The transfer of £23,696 (2021: £102,661) from the free reserves represents the funds spent on fixed assets in the current year.

The resources expended of £79,542 (2021: £84,779) represents the depreciation charges and losses on disposal in the current year.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

14. MOVEMENT IN FUNDS - continued

The bursary fund represents monies designated and set aside to meet the future costs of the bursaries for existing pupils.

Restricted funds

The AEN fund is monies received to support certain children. Any unused funds are carried forward to future years.

15. RELATED PARTY DISCLOSURES

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2022 £	2021 £
Aggregate compensation	<u>290,889</u>	<u>290,766</u>

Benjamin Hall, trustee, is a director of Signs Express Limited who supplied signs to the school at a cost of £4,452 (2021: £2,485).

One governor received travel expenses totalling £221 during the year (2021: £111). No other governors or persons connected to them received any remuneration, and were not reimbursed for any expenses in this or the previous year.

During the year insurance premiums of £1,663 (2021: £664) were paid by the school in respect of indemnity insurance for the Governors.

16. SHARE CAPITAL

	2022 £	2021 £
Authorised 13 Ordinary shares of £1 each	<u>13</u>	<u>13</u>

All the assets are held for charitable purposes and cannot be distributed to the members. Should the company be wound up or dissolved, the assets have to be transferred to another charity with similar objects and which also prohibits the distribution of any income or property to it's member.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

17. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

Natwest hold a letter of set off over credit balances by Highfield Priory School Parents Association allowing the bank to set off the credit balances of the Parents Association account with the debit balances of Highfield Priory School Limited, although there has been no such credit balances to set off during the year.

18. OPERATING LEASE COMMITMENTS

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, mainly in respect of the sports field which fall due as follows:

	2022 £	2021 £
Within one year	3,071	3,071
Between two and five years	7,751	10,342
In over five years	<u>17,400</u>	<u>17,880</u>
	<u>28,222</u>	<u>31,293</u>

19. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension scheme charge for the year included contributions payable to the TPS of £146,623 (2021: £155,047) and at the year end £15,820 (2021: £15,430) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits scheme governed by The Teachers' Pension Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent valuation of the TPS was prepared as at 31 March 2016 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 23.60% from 1 September 2019. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%. This employer rate will be payable until the completion and outcome of the next actuarial valuation which is being prepared as at 31 March 2020. At the time of preparing this report, the actuarial valuation was not available.

The charity also runs a scheme for certain non-teaching staff, which is a defined contributions scheme managed by Complete Pension Trust. The cost for the year represents the Charity's contributions to that scheme of £11,788 (2021: £13,120).

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**

20. SUBSEQUENT EVENTS

After the financial year-end, the nursery building at Highfield experienced a devastating arson attack. The nursery has been relocated to the main school building, and the day-to-day operations have resumed without any disruptions, ensuring that the income from the nursery fees has not been impacted.

The costs arising from the fire are expected to be recovered by insurers. It is anticipated that Highfield's financial position will not be affected.

HIGHFIELD PRIORY SCHOOL LIMITED

England & Wales - Charity number 532262

Accounts

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The Board of Governors present their annual report and the audited financial statements for the year ended 31 August 2022. All Governors of the school are Directors and Trustees of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Principal Activities

The Company's principal activity during the year continued to be that of a registered charity (number: 532262) operating as a school. The school was founded in 1940.

Objectives and activities

The object for which the Company is established (as set out in the Memorandum of Association) is the advancement of education for both boys and girls of all sections of the community, and in connection therewith to conduct and carry on a school in which they may receive a sound general education.

The Governors and Senior Management Team of Highfield Priory School ("Highfield") developed the long term strategy, together with operating plans to achieve the aims, to provide strategic direction and to set out where it plans to carry out actions and allocate resources to achieve its vision and deliver its strategic goals, with due consideration to the general guidance on public benefit required by the Charity Commission.

Provision of bursaries

The Governors of Highfield Priory Independent Day School and Nursery are committed to broadening access to the School by offering to eligible parents/guardians means-tested financial support with the payment of schools fees to enable their child to benefit from the experience of the wonderful teaching, learning and life lessons here in our warm, friendly and family orientated school. Such support is known as a bursary.

Working in the wider community

By supporting and participating in activities in the wider community, the benefit to the public is that, if the school did not participate and support these events, they may not be viable which would be detrimental to the public.

Highfield Priory promotes opportunities for continuing professional development and provides supportive performance management and subsequently ensures that all members of staff benefit from an effective training and skills development programme.

The school actively nurtures a sense of benevolence, social responsibility and community spirit in the children, which will stay with them throughout the rest of their lives. By developing this sense, the children are enthusiastic about engaging in activities which will benefit the community for example supporting specialist charity days and visiting the local old people's home to sing for the residents. Consequently, the beneficiaries are people who receive support from local charities and members of our local community.

The school actively promotes and welcomes the sharing of its facilities and resources to provide benefit to community sports groups, providers of holiday and after school care activities, local children, adults, and various other organisations.

The school provides direct employment to local people and indirect employment by utilising local suppliers and contractors.

It demonstrates a commitment to provide the widest possible access to the school and not be selective based on gender, geography, social, cultural, ethnic religious

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

background and intellectual ability. Through this commitment the school can benefit children and adults from all sectors of the community.

The school continues to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the school community. By committing to this aim the school can benefit pupils, staff, parents, local contractors, and any one either using the school's facilities or visiting the school

Although the building does not have "listed" status the trustees ensure that all additions and alterations are made in the most environmentally friendly way and are sympathetic to the existing environment, to the benefits of everyone using the school and the neighbours of the school.

Aims and intended impact of charitable activities

The main purpose of the charity is to provide an environment in which each child can develop their talents and aspirations encouraging them to develop to their full potential. The School achieves this by providing an excellent standard of teaching, superb facilities, and a wide range of intellectual, cultural and physical opportunities. A central feature in the school's ethos is that each child when they leave school should make a positive contribution to society and consequently the School has developed strong links with the local community.

More specifically the charity aims to:

- Provide a high-quality education which is tailored to individual pupils' needs.
- Develop a respect for cultural diversity and tolerance for the beliefs of others.
- Provide a wide curriculum and extra curriculum to ensure that the maximum potential of each pupil is achieved.
- Ensure a secure level of self-confidence, integrity, good moral judgment and a consideration for others.
- Create a community within the school where all members are fully involved and to develop excellent relationships between trustees, parents, pupils, staff and former pupils. Enabling our community to foster links with and make a positive contribution to the wider community, locally, nationally and internationally.
- Promote and facilitate the sharing of best practice and knowledge transfer.
- Develop leadership and teamwork skills and ensure that the children have a sense of pride in their achievements.
- Support and participate in activities within the wider community.
- Promote opportunities for continuing professional development and provide supportive performance management.
- Develop a sense of benevolence, social responsibility and community spirit which will stay with them throughout the rest of their lives.
- Promote and facilitate the sharing of facilities and resources.
- Contribute to and support the development of the local economy.
- Demonstrate commitment to the widest possible access to the school and not be selective based on gender, social, geography, cultural, ethnic religious background and intellectual ability.
- Continue to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the community.
- To preserve the building and environment around the school in an appropriate and sympathetic matter.

Main objectives for the year

The main objectives for the year were:

- To continue to provide a good quality education by providing the best possible facilities and resources from which pupils could learn.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

- To obtain good quality training for all staff to enable them to carry out their duties as proficiently and effectively as possible.
- To prepare pupils for each stage throughout Highfield Priory School so that they may confidently go onwards to the senior school of their choice.

Strategies adopted to achieve objectives

- Continuous improvement of the facilities used to teach the children.
- Provide the best possible education and practice mock examination papers for entrance exams.
- Provide a family-orientated atmosphere where children are encouraged to think for themselves, ask questions and explore their ideas within a supportive environment.

Achievements and performance

The academic year 2020/21 started with the announcement that Highfield Priory School was ranked 7th Independent Preparatory School in the country by The Sunday Times and first in the North West. The school has now held a top thirty position for the last ten years. This level of consistency has only been achieved by three other schools in the country and the school was delighted to receive this recognition for our hard-working pupils, staff and parents.

Our Year Six has, once again, achieved excellent examination results. 12 children achieved a place at a Grammar School, 5 achieved a scholarship and all children who took entrance examinations were accepted by their chosen Independent School.

Highfield has presented four theatrical productions across the school this year: the Infant Nativity, Year 4's production of the BFG, which also involved children from Reception to Year 6, the Year 3 and 5 production of Pandora's Box and our end of Year 6 performance of Treasure Island. The children's dramatic pursuits continue to instill in them a natural confidence and self-belief which has a positive effect on all their endeavours.

Highfield Priory was one of the first cohort of schools in the country allowed to resume overnight trips away from school. A large group of children travelled to Manor Adventure in Shropshire and enjoyed a weekend of adventurous activity. The teamwork and leadership skills learnt were incredibly valuable and the trip was a real highlight of the year for the children.

The school has managed the global pandemic as a community with children, staff, governors, and parents working incredibly hard to provide as safe and secure an environment as possible. Even though there was disruption to the year groups at the start of the year, the staff was able to adapt to live online lessons quickly and continued to run a normal timetable including games, art, HPSED, music lessons and assemblies. During the second lockdown, once again the school was able to respond quickly and ran a full timetable live to students at home and at school. This was a challenge as many classes were running at over 50% capacity with the school accommodating a significant number of key worker children. The children demonstrated incredible resilience throughout each period at home, and throughout the lockdown, and continued to aim high in all endeavours. The children maintained their academic progress throughout the year which was monitored through tests and homework; they also made incredible progress in their handling of technology.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

This has been a year that the school will never forget. Despite the obvious negatives,

Highfield has managed to pull a great deal of positives from this experience. This has mostly been seen in the attitude, teamwork, and resilience of the whole school community.

Developments

The Governors are committed to the ongoing improvement of school facilities. The main focus of investment continues to centre on the provision of first class learning and teaching facilities. We continued to improve the security of the buildings and grounds.

Financial review

The results for the year are set out in the Statement of Financial Activities on page 11.

Income shows a decrease to £1,879,652 which is due to the impact from COVID 19. We have managed to maintain consistent pupil numbers and termly fees being held at a competitive level. Maintaining fees at a competitive level ensures that as many pupils as possible can access the school, whilst ensuring that the best teaching resources and learning environment are provided.

The overall results show a surplus of £72,527, despite the impact from COVID 19. The School Business Manager maintains a strong cash and working capital position with no bank overdraft or loans outstanding at the year end.

Reserves Policy

The Governors regularly review the finances, budgets and spend against budget together with cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums in the School buildings and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. As shown in note 13 to the accounts, the school has free reserves of £156,272 supported by available cash which will be utilised for future enhancements to facilities and to support committed bursary places through those pupils time at Highfield. The high proportion of designated funds illustrates the extent of the investment in our School, in line with the capital investment plans. The Governors are comfortable with the reserves position given the stability of cash flows from fee income, the ongoing popularity of the School and the available banking facilities

The Governors recognise that the level of reserves fluctuates during periods of significant investment in the School and continually monitor the availability of free cash flows and available banking facilities to manage the School's needs.

Investment Policy

The Board aims to safeguard its funds and ensure sufficient availability of liquid resources to meet the day to day needs of the School. The School does not hold any monetary investments.

Risk Management

The Governors have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
 - the establishment of systems and procedures to mitigate those risks identified in the plan; and
 - the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.
-

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors examine the major risks that the school faces each financial year when preparing and updating the annual budgets and strategic plan. The Charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the school in the future.

The major risks faced by the charity are considered to be:-

Financial sustainability

The school is at risk from economic factors which may impact on the affordability of fees. The Governors also seek to ensure that fees are retained at a level which maximises the accessibility of the education provided at Highfield Priory whilst also ensuring that reserves are available to maintain and develop facilities at the school. A prudent approach to budgeting is adopted each year and performance is monitored throughout the year. The Trustees are conscious of the impact of Government restrictions in relation to Covid-19 and will continue to monitor fees levels and debts through the year. The impact is likely to continue both in terms of increased staffing costs in relation to isolation and provision for pupils to catch up on any teaching missed.

Safeguarding and welfare

The safety of pupils is a significant risk in any school environment. A separate committee is in place which reviews all elements of safeguarding and ensures that training is in place for all staff and Governors.

ISI Inspection

The risk of non-compliance and failing to meet standards as a result of an ISI inspection are managed by the establishment and continuous review of robust policies and procedures.

Academic Results

The risk of a deterioration in the excellent results achieved by the school is managed by continuous review of provision and results by both staff and Governors. The academic progress of each pupil is monitored as part of their overall development.

Risks within the market or industry sector

The school faces the risk of losing the accolades and awards of academic excellence, it has always achieved in past years. There is always the concern that parents may move the younger child of an older sibling when he/she goes to senior school. Competition is strong, both in the industry sector and in the local geographic area. There is a risk of the demographic changing as mobility of populations is so volatile. The School has also considered the effects of proposed new housing developments. It is uncertain as to whether population growth will avail it of a wider admission base or if it will have an adverse effect.

Plans for future periods

The Governors have strategic and operating plans that are regularly reviewed. At the core of the plans is the key objective to continue to provide a good quality education to the pupils at Highfield Priory School by investing in the facilities and resources required to do so.

Structure, governance and management

Highfield Priory School Ltd is a charitable company limited by shares. The charity is governed by the company's Memorandum and Article of Association and regulated by the Companies Act 2006 and the Charity Commission for England and Wales. The maximum number of governors is thirteen. All governors of the school are directors and trustees of the charity.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The number of current governors is ten, consisting of two governors who are parents of children at the school and eight co-opted governors. Governors are appointed by the Board on recommendation from a nominations committee.

Governors are recruited and appointed based on specialist skills, personal competence, eligibility and availability to serve the school.

All of the Governors of the School are Directors and Trustees of the charity.

The directors who held office during the year and since the year end are detailed below:-

Name of director	Office held in year	Committees attended
D Whitman	Chair of Governors,- Chair of Strategic Committee Vice Chair of Governors	AUD, STR, FGP STR
E M S Ahmed M Booker (appointed 1 July 2018) W R Garment B R Hall M Illsley (appointed 1 July 2018)	Chair of H&S Committee	AUD, STR, HS STR, FGP STR, FGP
N Mason J A T Nairn	Chair of FGP Committee Chair of Safeguarding & Child Protection	AUD, STR, FGP AUD, EDU, STR, SCP
D Patel-Smith (Appointed 27 April 2017) J R Wood	Chair of Audit & Compliance Committee, Chair of Education Committee	STR AUD, STR, EDU

Governors are inducted into the workings of the school and of its legal status of a limited company and as a registered charity. The induction includes familiarisation of all policy and procedures. The induction documentation contains the Memorandum and Articles of Association, the last two years' final accounts, the latest management accounts, previous minutes, information on the role of a school governor and charity commission publications regarding the responsibilities of a trustee and Terms of Reference for sub-committees. The Chairman, fellow Governors, Headmaster and School Business Manager provide ongoing support.

The day-to-day management of the Charity is delegated to the Headmaster, who attends the governors' meetings.

The governors meet three times per year to determine the general policy and review its overall controls and management structure. There are sub-committees covering Audit and Compliance, Strategic Planning, Finance and General Purposes, Safeguarding and Child Protection, Health and Safety and Education. Objectives for each Committee are set at the start of the year as part of a wider review of the strategy of the charity.

The committees to which the Governors are appointed are indicated above, as identified using the key shown below:

AU Audit and Compliance

D

STR Strategic Committee

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

SCP Safeguarding and Child Protection

FGP Finance and General Purposes Committee (Inc. Marketing)

HS Health & Safety

ED Education Committee

U

Sub-committees are chaired by a governor and other members of the governing body, the Senior Management Team and other school employees.

Key management personnel

The Governors, together with the Headmaster, the School Business Manager and the Senior Management Team comprise the Key Management Personnel (see note 17 to the accounts). The Governors volunteer their time and do not receive any remuneration or benefit in consideration of the time given. The pay and remuneration of the Head and senior staff is determined by the Pay Review Committee under the terms of the Pay Policy, which aims to set out the framework for making decisions on the pay for all school staff, not just senior leaders. It has been developed to meet the aims the school taking into consideration that it is an independent school which is susceptible to political and economic external influences outside its control, the school aims to offer attractive salaries and pay progression, when compared with the education and educational support sector generally to support recruitment and retention and ensure accountability, transparency, objectivity and equality of opportunity.

Statement of trustees' responsibilities

The trustees, who are also the directors of Highfield Priory School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

After discussion with the board, Rushton's have been appointed as the school's auditors, previously Azets.

Disclosure of information to auditor

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

.....

N Mason

Trustee

Dated:

REGISTERED COMPANY NUMBER: 01157590 (England and Wales)
REGISTERED CHARITY NUMBER:

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
HIGHFIELD PRIORY SCHOOL LIMITED**

Rushtons
Chartered Accountants
Statutory Auditors
Shorrock House
1 Faraday Court
Fulwood
Preston
Lancashire
PR2 9NB

HIGHFIELD PRIORY SCHOOL LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2021**

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HIGHFIELD PRIORY SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

The Board of Governors present their annual report and the audited financial statements for the year ended 31 August 2021. All Governors of the school are Directors and Trustees of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Principal Activities

The Company's principal activity during the year continued to be that of a registered charity (number: 532262) operating as a school. The school was founded in 1940.

Objectives and activities

The object for which the Company is established (as set out in the Memorandum of Association) is the advancement of education for both boys and girls of all sections of the community, and in connection therewith to conduct and carry on a school in which they may receive a sound general education.

The Governors and Senior Management Team of Highfield Priory School ("Highfield") developed the long term strategy, together with operating plans to achieve the aims, to provide strategic direction and to set out where it plans to carry out actions and allocate resources to achieve its vision and deliver its strategic goals, with due consideration to the general guidance on public benefit required by the Charity Commission.

Provision of bursaries

The Governors of Highfield Priory Independent Day School and Nursery are committed to broadening access to the School by offering to eligible parents/guardians means-tested financial support with the payment of schools fees to enable their child to benefit from the experience of the wonderful teaching, learning and life lessons here in our warm, friendly and family orientated school. Such support is known as a bursary.

Working in the wider community

By supporting and participating in activities in the wider community, the benefit to the public is that, if the school did not participate and support these events, they may not be viable which would be detrimental to the public.

Highfield Priory promotes opportunities for continuing professional development and provides supportive performance management and subsequently ensures that all members of staff benefit from an effective training and skills development programme.

The school actively nurtures a sense of benevolence, social responsibility and community spirit in the children, which will stay with them throughout the rest of their lives. By developing this sense, the children are enthusiastic about engaging in activities which will benefit the community for example supporting specialist charity days and visiting the local old people's home to sing for the residents. Consequently, the beneficiaries are people who receive support from local charities and members of our local community.

The school actively promotes and welcomes the sharing of its facilities and resources to provide benefit to community sports groups, providers of holiday and after school care activities, local children, adults, and various other organisations.

The school provides direct employment to local people and indirect employment by utilising local suppliers and contractors.

HIGHFIELD PRIORY SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

It demonstrates a commitment to provide the widest possible access to the school and not be selective based on gender, geography, social, cultural, ethnic religious background and intellectual ability. Through this commitment the school can benefit children and adults from all sectors of the community.

The school continues to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the school community. By committing to this aim the school can benefit pupils, staff, parents, local contractors, and any one either using the school's facilities or visiting the school

Although the building does not have "listed" status the trustees ensure that all additions and alterations are made in the most environmentally friendly way and are sympathetic to the existing environment, to the benefits of everyone using the school and the neighbours of the school.

Aims and intended impact of charitable activities

The main purpose of the charity is to provide an environment in which each child can develop their talents and aspirations encouraging them to develop to their full potential. The School achieves this by providing an excellent standard of teaching, superb facilities, and a wide range of intellectual, cultural and physical opportunities. A central feature in the school's ethos is that each child when they leave school should make a positive contribution to society and consequently the School has developed strong links with the local community.

More specifically the charity aims to:

- Provide a high-quality education which is tailored to individual pupils' needs.
- Develop a respect for cultural diversity and tolerance for the beliefs of others.
- Provide a wide curriculum and extra curriculum to ensure that the maximum potential of each pupil is achieved.
- Ensure a secure level of self-confidence, integrity, good moral judgment and a consideration for others.
- Create a community within the school where all members are fully involved and to develop excellent relationships between trustees, parents, pupils, staff and former pupils. Enabling our community to foster links with and make a positive contribution to the wider community, locally, nationally and internationally.
- Promote and facilitate the sharing of best practice and knowledge transfer.
- Develop leadership and teamwork skills and ensure that the children have a sense of pride in their achievements.
- Support and participate in activities within the wider community.
- Promote opportunities for continuing professional development and provide supportive performance management.
- Develop a sense of benevolence, social responsibility and community spirit which will stay with them throughout the rest of their lives.
- Promote and facilitate the sharing of facilities and resources.
- Contribute to and support the development of the local economy.
- Demonstrate commitment to the widest possible access to the school and not be selective based on gender, social, geography, cultural, ethnic religious background and intellectual ability.
- Continue to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the community.
- To preserve the building and environment around the school in an appropriate and sympathetic matter.

HIGHFIELD PRIORY SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

Main objectives for the year

The main objectives for the year were:

- To continue to provide a good quality education by providing the best possible facilities and resources from which pupils could learn.
- To obtain good quality training for all staff to enable them to carry out their duties as proficiently and effectively as possible.
- To prepare pupils for each stage throughout Highfield Priory School so that they may confidently go onwards to the senior school of their choice.

Strategies adopted to achieve objectives

- Continuous improvement of the facilities used to teach the children.
- Provide the best possible education and practice mock examination papers for entrance exams.
- Provide a family-orientated atmosphere where children are encouraged to think for themselves, ask questions and explore their ideas within a supportive environment.

Achievements and performance

The academic year 2020/21 started with the announcement that Highfield Priory School was ranked 7th Independent Preparatory School in the country by The Sunday Times and first in the North West. The school has now held a top thirty position for the last ten years. This level of consistency has only been achieved by three other schools in the country and the school was delighted to receive this recognition for our hard-working pupils, staff and parents.

Our Year Six has, once again, achieved excellent examination results. 12 children achieved a place at a Grammar School, 5 achieved a scholarship and all children who took entrance examinations were accepted by their chosen Independent School.

Highfield has presented four theatrical productions across the school this year: the Infant Nativity, Year 4's production of the BFG, which also involved children from Reception to Year 6, the Year 3 and 5 production of Pandora's Box and our end of Year 6 performance of Treasure Island. The children's dramatic pursuits continue to instill in them a natural confidence and self-belief which has a positive effect on all their endeavours.

Highfield Priory was one of the first cohort of schools in the country allowed to resume overnight trips away from school. A large group of children travelled to Manor Adventure in Shropshire and enjoyed a weekend of adventurous activity. The teamwork and leadership skills learnt were incredibly valuable and the trip was a real highlight of the year for the children.

The school has managed the global pandemic as a community with children, staff, governors, and parents working incredibly hard to provide as safe and secure an environment as possible. Even though there was disruption to the year groups at the start of the year, the staff was able to adapt to live online lessons quickly and continued to run a normal timetable including games, art, HPSED, music lessons and assemblies. During the second lockdown, once again the school was able to respond quickly and ran a full timetable live to students at home and at school. This was a challenge as many classes were running at over 50% capacity with the school accommodating a significant number of key worker children. The children demonstrated incredible resilience throughout each period at home, and throughout the lockdown, and continued to aim high in all endeavours. The children maintained their academic progress throughout the year which was monitored through tests and homework; they also made incredible progress in their handling of technology.

This has been a year that the school will never forget. Despite the obvious negatives, Highfield has managed to pull a great deal of positives from this experience. This has mostly been seen in the attitude, teamwork, and resilience of the whole school community.

HIGHFIELD PRIORY SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

Developments

The Governors are committed to the ongoing improvement of school facilities. The main focus of investment continues to centre on the provision of first class learning and teaching facilities. We continued to improve the security of the buildings and grounds.

Financial review

The results for the year are set out in the Statement of Financial Activities on page 12.

Income shows a decrease to £1,832,015 which is due to the impact from COVID 19. We have managed to maintain consistent pupil numbers and termly fees being held at a competitive level. Maintaining fees at a competitive level ensures that as many pupils as possible can access the school, whilst ensuring that the best teaching resources and learning environment are provided. The overall results show a surplus of £72,519, despite the impact from COVID 19. The School Business Manager maintains a strong cash and working capital position with no bank overdraft or loans outstanding at the year end.

Reserves Policy

The Governors regularly review the finances, budgets and spend against budget together with cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums in the School buildings and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. As shown in note 17 to the accounts, the school has free reserves of £140,606 supported by available cash which will be utilised for future enhancements to facilities and to support committed bursary places through those pupils time at Highfield. The high proportion of designated funds illustrates the extent of the investment in our School, in line with the capital investment plans. The reserves policy is to aim for approximately £161,000 reserves based on 20 pupils. The Governors will continue to review the reserves position but given the stability of cash flows from fee income, the ongoing popularity of the School and the available banking facilities there are no concerns.

The Governors recognise that the level of reserves fluctuates during periods of significant investment in the School and continually monitor the availability of free cash flows and available banking facilities to manage the School's needs.

Investment Policy

The Board aims to safeguard its funds and ensure sufficient availability of liquid resources to meet the day to day needs of the School. The School does not hold any monetary investments.

Risk Management

The Governors have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Governors examine the major risks that the school faces each financial year when preparing and updating the annual budgets and strategic plan. The Charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the school in the future.

HIGHFIELD PRIORY SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

The major risks faced by the charity are considered to be:-

Financial sustainability

The school is at risk from economic factors which may impact on the affordability of fees. The Governors also seek to ensure that fees are retained at a level which maximises the accessibility of the education provided at Highfield Priory whilst also ensuring that reserves are available to maintain and develop facilities at the school. A prudent approach to budgeting is adopted each year and performance is monitored throughout the year. The Trustees are conscious of the impact of Government restrictions in relation to Covid19 and will continue to monitor fees levels and debts through the year. The impact is likely to continue both in terms of increased staffing costs in relation to isolation and provision for pupils to catch up on any teaching missed.

Safeguarding and welfare

The safety of pupils is a significant risk in any school environment. A separate committee is in place which reviews all elements of safeguarding and ensures that training is in place for all staff and Governors.

ISI Inspection

The risk of non-compliance and failing to meet standards as a result of an ISI inspection are managed by the establishment and continuous review of robust policies and procedures.

Academic Results

The risk of a deterioration in the excellent results achieved by the school is managed by continuous review of provision and results by both staff and Governors. The academic progress of each pupil is monitored as part of their overall development.

Risks within the market or industry sector

The school faces the risk of losing the accolades and awards of academic excellence, it has always achieved in past years. There is always the concern that parents may move the younger child of an older sibling when he/she goes to senior school. Competition is strong, both in the industry sector and in the local geographic area. There is a risk of the demographic changing as mobility of populations is so volatile. The School has also considered the effects of proposed new housing developments. It is uncertain as to whether population growth will avail it of a wider admission base or if it will have an adverse effect.

Plans for future periods

The Governors have strategic and operating plans that are regularly reviewed. At the core of the plans is the key objective to continue to provide a good quality education to the pupils at Highfield Priory School by investing in the facilities and resources required to do so.

Structure, governance and management

Highfield Priory School Ltd is a charitable company limited by shares. The charity is governed by the company's Memorandum and Article of Association and regulated by the Companies Act 2006 and the Charity Commission for England and Wales. The maximum number of governors is thirteen. All governors of the school are directors and trustees of the charity.

The number of current governors is ten, consisting of two governors who are parents of children at the school and eight co-opted governors. Governors are appointed by the Board on recommendation from a nominations committee.

Governors are recruited and appointed based on specialist skills, personal competence, eligibility and availability to serve the school.

All of the Governors of the School are Directors and Trustees of the charity.

HIGHFIELD PRIORY SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

The directors who held office during the year and since the year end are detailed below:-

Name of director	Office held in year	Committees attended
D Whitman	Chair of Governors, Chair of Strategic Committee	AUD, STR, FGP STR
E M S Ahmed	Vice Chair of Governors	AUD, STR, HS
M Booker	Chair of H&S Committee	STR, FGP
W R Garment		STR, FGP
B R Hall		STR, FGP
M Illsley		AUD, STR, FGP
N Mason	Chair of FGP Committee	AUD, EDU, STR, SCP
J A T Nairn	Chair of Safeguarding & Child Protection	STR
D Patel-Smith		
J R Wood	Chair of Audit & Compliance Committee, Chair of Education Committee	AUD, STR, EDU

Governors are inducted into the workings of the school and of its legal status of a limited company and as a registered charity. The induction includes familiarisation of all policy and procedures. The induction documentation contains the Memorandum and Articles of Association, the last two years' final accounts, the latest management accounts, previous minutes, information on the role of a school governor and charity commission publications regarding the responsibilities of a trustee and Terms of Reference for sub-committees. The Chairman, fellow Governors, Headmaster and School Business Manager provide ongoing support.

The day-to-day management of the Charity is delegated to the Headmaster, who attends the governors' meetings.

The governors meet three times per year to determine the general policy and review its overall controls and management structure. There are sub-committees covering Audit and Compliance, Strategic Planning, Finance and General Purposes, Safeguarding and Child Protection, Health and Safety and Education. Objectives for each Committee are set at the start of the year as part of a wider review of the strategy of the charity.

The committees to which the Governors are appointed are indicated above, as identified using the key shown below:

AUD	Audit and Compliance
STR	Strategic Committee
SCP	Safeguarding and Child Protection
FGP	Finance and General Purposes Committee (Inc. Marketing)
HS	Health & Safety
EDU	Education Committee

Sub-committees are chaired by a governor and other members of the governing body, the Senior Management Team and other school employees.

HIGHFIELD PRIORY SCHOOL LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

Key management personnel

The Governors, together with the Headmaster, the School Business Manager and the Senior Management Team comprise the Key Management Personnel (see note 18 to the accounts). The Governors volunteer their time and do not receive any remuneration or benefit in consideration of the time given. The pay and remuneration of the Head and senior staff is determined by the Pay Review Committee under the terms of the Pay Policy, which aims to set out the framework for making decisions on the pay for all school staff, not just senior leaders. It has been developed to meet the aims the school taking into consideration that it is an independent school which is susceptible to political and economic external influences outside its control, the school aims to offer attractive salaries and pay progression, when compared with the education and educational support sector generally to support recruitment and retention and ensure accountability, transparency, objectivity and equality of opportunity.

Statement of trustees' responsibilities

The trustees, who are also the directors of Highfield Priory School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

After discussion with the board, Rushtons Chartered Accountants have been appointed as the school's auditors, previously Azets.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees on

.....
N Mason - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Opinion

We have audited the financial statements of Highfield Priory School Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 trustees' 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 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (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 trustees 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 trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Identifying and assessing potential risks related to irregularities

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance;
- Enquiring of trustees, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud, and;
- Obtaining an understanding of the legal and regulatory frameworks that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements, such as provisions of the Charities Act, pensions legislation and tax legislation or that had a fundamental effect on the operations of the company, including the General Data Protection requirements, Anti-bribery and corruption policies.

Audit response to risks identified

As a result of performing the above procedures, we did not identify any key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of trustees, in-house legal counsel concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance.

In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all of the engagement team, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HIGHFIELD PRIORY SCHOOL LIMITED**

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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Adam Calvert ACA (Senior Statutory Auditor)
for and on behalf of Rushtons
Chartered Accountants
Statutory Auditors
Shorrock House
1 Faraday Court
Fulwood
Preston
Lancashire
PR2 9NB

Date:

HIGHFIELD PRIORY SCHOOL LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	-	-	-	500
Charitable activities	6	1,792,056	2,163	1,794,219	1,753,209
Other trading activities	4	15,946	-	15,946	11,243
Investment income	5	31	-	31	424
Other income		<u>21,820</u>	<u>-</u>	<u>21,820</u>	<u>100,487</u>
Total		1,829,852	2,163	1,832,015	1,865,863
 EXPENDITURE ON					
Charitable activities	7	1,756,200	3,296	1,759,496	1,941,186
		<u>1,756,200</u>	<u>3,296</u>	<u>1,759,496</u>	<u>1,941,186</u>
NET INCOME/(EXPENDITURE)		73,652	(1,133)	72,519	(75,323)
 RECONCILIATION OF FUNDS					
Total funds brought forward		1,437,852	13,708	1,451,560	1,526,883
		<u>1,437,852</u>	<u>13,708</u>	<u>1,451,560</u>	<u>1,526,883</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,511,504</u></u>	<u><u>12,575</u></u>	<u><u>1,524,079</u></u>	<u><u>1,451,560</u></u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

**BALANCE SHEET
31 AUGUST 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	1,341,666	-	1,341,666	1,323,783
CURRENT ASSETS					
Debtors	13	47,235	-	47,235	56,183
Cash at bank and in hand		<u>395,581</u>	<u>12,575</u>	<u>408,169</u>	<u>397,885</u>
		442,816	12,588	455,404	454,068
CREDITORS					
Amounts falling due within one year	14	(272,978)	-	(272,978)	(276,278)
		<u>169,838</u>	<u>12,575</u>	<u>182,426</u>	<u>177,790</u>
NET CURRENT ASSETS					
		1,511,504	12,575	1,524,092	1,501,573
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS					
Amounts falling due after more than one year	15	-	-	-	(50,000)
		<u>1,511,504</u>	<u>12,575</u>	<u>1,524,092</u>	<u>1,451,573</u>
NET ASSETS					
FUNDS					
Share capital	19			13	13
Unrestricted funds	17			1,511,504	1,437,852
Restricted funds	17			<u>12,575</u>	<u>13,708</u>
TOTAL FUNDS				<u>1,524,092</u>	<u>1,451,573</u>

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

.....
D Whitman - Trustee

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

Notes	2021 £	2020 £
Cash flows from operating activities		
Cash generated from operations 1	<u>159,009</u>	<u>35,192</u>
Net cash provided by operating activities	<u>159,009</u>	<u>35,192</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(102,905)	(53,447)
Sale of tangible fixed assets	4,149	-
Interest received	<u>31</u>	<u>424</u>
Net cash used in investing activities	<u>(98,725)</u>	<u>(53,023)</u>
Cash flows from financing activities		
New loans in year	-	50,000
Loan repayments in year	<u>(50,000)</u>	<u>-</u>
Net cash (used in)/provided by financing activities	<u>(50,000)</u>	<u>50,000</u>
<hr/>		
Change in cash and cash equivalents in the reporting period	10,284	32,169
Cash and cash equivalents at the beginning of the reporting period	<u>397,885</u>	<u>365,716</u>
Cash and cash equivalents at the end of the reporting period	<u><u>408,169</u></u>	<u><u>397,885</u></u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	72,519	(75,323)
Adjustments for:		
Depreciation charges	80,873	82,388
Interest received	(31)	(424)
Decrease/(increase) in debtors	8,948	(5,112)
(Decrease)/increase in creditors	<u>(3,300)</u>	<u>33,663</u>
Net cash provided by operations	<u>159,009</u>	<u>35,192</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank and in hand	<u>397,885</u>	<u>10,284</u>	<u>408,169</u>
	<u>397,885</u>	<u>10,284</u>	<u>408,169</u>
Debt			
Debts falling due after 1 year	<u>(50,000)</u>	<u>50,000</u>	<u>-</u>
	<u>(50,000)</u>	<u>50,000</u>	<u>-</u>
Total	<u>347,885</u>	<u>60,284</u>	<u>408,169</u>

The notes form part of these financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1. CHARITY INFORMATION

Highfield Priory School Limited is a private company limited by shares incorporated in England and Wales. The registered office is 58 Fulwood Row, Fulwood, Preston, Lancashire, PR2 5RW.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income from charitable activities comprises school fees, net of bursaries, and related receipts, accounted for in the period in which the service is provided. Fees for education to be provided in the next academic year, are carried forward as deferred income in the balance sheet.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Voluntary income including, gifts and donations received for the general purposes of the charity are included in unrestricted funds when received. Where these comprise of donated fixed assets, they are included at market value.

Investment income is recognised on a receivable basis.

Expenditure

Expenditure is accounted for on an accruals basis, including VAT which cannot be recovered.

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

Support costs and governance costs have been allocated to the charitable activities as there is only one main activity undertaken by the charity.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Only items over £150 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	Nil
Freehold properties	1-10% Straight line
Furniture and equipment	15% Reducing balance
IT equipment	25% Straight line
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Taxation

The school is a registered charity and as such is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Cash at bank

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The charity only had financial assets (debtors, cash and bank balances) and financial liabilities (creditors and accruals) of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES - continued

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expenses when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pension scheme

The Charity contributes to the Teachers' Pension Defined Benefits Scheme at the rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. Therefore, in accordance with FRS102 the scheme is accounted for as a defined contribution scheme (see note 23).

The Charity also contributes to defined contribution individual personal pension schemes for certain non-teaching staff at 5%-7.5% of annual basic pay. Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

Leases

Rentals payable charged to the Statement of Financial Activities as incurred over the term of the lease.

Irrecoverable VAT

The charity is not registered for Value Added Tax and accordingly expenditure is shown including irrecoverable Value Added Tax.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	<u>-</u>	<u>500</u>

4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Hire of school and hall	866	3,666
Other receipts	<u>15,080</u>	<u>7,577</u>
	<u>15,946</u>	<u>11,243</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

5. INVESTMENT INCOME

	2021	2020
	£	£
Interest receivable	<u>31</u>	<u>424</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Gross fees	1,803,932	1,766,465
Less: bursaries	<u>(9,713)</u>	<u>(13,256)</u>
	<u>1,794,219</u>	<u>1,753,209</u>
 Analysis by fund:		
Unrestricted funds	1,792,056	1,747,937
Restricted funds	<u>2,163</u>	<u>5,272</u>
	<u>1,794,219</u>	<u>1,753,209</u>

7. CHARITABLE ACTIVITIES COSTS

	2021	2020
	£	£
Teaching costs, books and school meals	1,136,988	1,317,636
Non teaching staff costs	309,585	300,358
Premises expenses	222,143	230,866
Depreciation	80,873	82,388
Governance costs	<u>9,907</u>	<u>9,938</u>
	<u>1,759,496</u>	<u>1,941,186</u>
 Analysis by fund:		
Unrestricted funds	1,756,200	1,940,603
Restricted funds	<u>3,296</u>	<u>583</u>
	<u>1,759,496</u>	<u>1,941,186</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	<u>80,873</u>	<u>82,388</u>

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	500	-	500
Charitable activities			
General	1,747,937	5,272	1,753,209
Other trading activities	11,243	-	11,243
Investment income	424	-	424
Other income	<u>100,487</u>	<u>-</u>	<u>100,487</u>
Total	1,860,591	5,272	1,865,863
EXPENDITURE ON			
Charitable activities			
General	<u>1,940,603</u>	<u>583</u>	<u>1,941,186</u>
NET INCOME/(EXPENDITURE)	(80,012)	4,689	(75,323)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,517,864</u>	<u>9,032</u>	<u>1,526,896</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,437,852</u></u>	<u><u>13,721</u></u>	<u><u>1,451,573</u></u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

10. AUDITOR'S REMUNERATION

The analysis of auditors remuneration is as follows:

	2021 £	2020 £
Audit services	5,300	5,200
Other services	<u>4,607</u>	<u>3,818</u>
	<u><u>9,907</u></u>	<u><u>9,018</u></u>

11. EMPLOYEES

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teachers and Assistants	39	42
Administration	5	5
Domestic	<u>10</u>	<u>10</u>
	<u><u>54</u></u>	<u><u>57</u></u>

Employment costs

	2021 £	2020 £
Wages and salaries	1,112,873	1,246,828
Social security costs	91,495	107,096
Other pension costs	<u>168,168</u>	<u>190,849</u>
	<u><u>1,372,536</u></u>	<u><u>1,544,773</u></u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
80,001 - 90,000	<u>1</u>	<u>1</u>

Of the employees whose emoluments exceed £60,000, 1 (2020: 1) has retirement benefits accruing under defined benefit pension schemes.

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Motor vehicles £	Totals £
COST					
At 1 September 2020	1,708,816	277,493	651,671	22,053	2,660,033
Additions	70,928	-	31,977	-	102,905
Disposals	-	-	(61,824)	-	(61,824)
	<u>1,779,744</u>	<u>277,493</u>	<u>621,824</u>	<u>22,053</u>	<u>2,701,114</u>
DEPRECIATION					
At 1 September 2020	719,601	92,545	502,270	21,834	1,336,250
Charge for year	34,004	18,509	28,305	55	80,873
Eliminated on disposal	-	-	(57,675)	-	(57,675)
	<u>753,605</u>	<u>111,054</u>	<u>472,900</u>	<u>21,889</u>	<u>1,359,448</u>
NET BOOK VALUE					
At 31 August 2021	<u>1,026,139</u>	<u>166,439</u>	<u>148,924</u>	<u>164</u>	<u>1,341,666</u>
At 31 August 2020	<u>989,215</u>	<u>184,948</u>	<u>149,401</u>	<u>219</u>	<u>1,323,783</u>

The cost of land and buildings include an amount of £64,917 (2020: £64,917) relating to the cost of land which is not depreciated.

Although there are no bank borrowings at the year end, the bank have a first legal charge over the school and nursery buildings for the agreed overdraft facility.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	12,170	11,815
Other debtors	113	16,113
Prepayments	<u>34,952</u>	<u>28,255</u>
	<u>47,235</u>	<u>56,183</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	55,001	39,112
Social security and other taxes	21,725	25,139
Other creditors	-	4,093
Fees received in advance	137,070	141,513
Accruals and deferred income	<u>59,182</u>	<u>66,421</u>
	<u>272,978</u>	<u>276,278</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 17)	<u>-</u>	<u>50,000</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>-</u>	<u>50,000</u>

17. MOVEMENT IN FUNDS

	At 1.9.20	Net movement	Transfers	At
	£	in funds	between	31.8.21
	£	£	funds	£
Unrestricted funds				
General fund	85,532	168,144	(113,070)	140,606
Property Asset Fund	1,323,784	(84,779)	102,661	1,341,666
Bursary Fund	<u>28,536</u>	<u>(9,713)</u>	<u>10,409</u>	<u>29,232</u>
	1,437,852	73,652	-	1,511,504
Restricted funds				
AEN Early Years Funding	<u>13,708</u>	<u>(1,133)</u>	<u>-</u>	<u>12,575</u>
TOTAL FUNDS	<u>1,451,560</u>	<u>72,519</u>	<u>-</u>	<u>1,524,079</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,839,565	(1,671,421)	168,144
Property Asset Fund	-	(84,779)	(84,779)
Bursary Fund	(9,713)	-	(9,713)
	1,829,852	(1,756,200)	73,652
Restricted funds			
AEN Early Years Funding	2,163	(3,296)	(1,133)
TOTAL FUNDS	<u>1,832,015</u>	<u>(1,759,496)</u>	<u>72,519</u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	117,795	15,632	(47,895)	85,532
Property Asset Fund	1,352,725	(82,388)	53,447	1,323,784
Bursary Fund	47,344	(13,256)	(5,552)	28,536
	1,517,864	(80,012)	-	1,437,852
Restricted funds				
AEN Early Years Funding	9,019	4,689	-	13,708
TOTAL FUNDS	<u>1,526,883</u>	<u>(75,323)</u>	<u>-</u>	<u>1,451,560</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,873,847	(1,858,215)	15,632
Property Asset Fund	-	(82,388)	(82,388)
Bursary Fund	(13,256)	-	(13,256)
	1,860,591	(1,940,603)	(80,012)
Restricted funds			
AEN Early Years Funding	5,272	(583)	4,689
TOTAL FUNDS	<u>1,865,863</u>	<u>(1,941,186)</u>	<u>(75,323)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	117,795	183,776	(160,965)	140,606
Property Asset Fund	1,352,725	(167,167)	156,108	1,341,666
Bursary Fund	47,344	(22,969)	4,857	29,232
	1,517,864	(6,360)	-	1,511,504
Restricted funds				
AEN Early Years Funding	9,019	3,556	-	12,575
TOTAL FUNDS	<u>1,526,883</u>	<u>(2,804)</u>	<u>-</u>	<u>1,524,079</u>

HIGHFIELD PRIORY SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,713,412	(3,529,636)	183,776
Property Asset Fund	-	(167,167)	(167,167)
Bursary Fund	(22,969)	-	(22,969)
	3,690,443	(3,696,803)	(6,360)
Restricted funds			
AEN Early Years Funding	7,435	(3,879)	3,556
TOTAL FUNDS	<u>3,697,878</u>	<u>(3,700,682)</u>	<u>(2,804)</u>

Unrestricted funds

The general fund is the free reserves of the charity after allowing for all designated funds.

The property asset fund is represented by monies spent on the tangible fixed assets of the charity (note 8).

The transfer of £102,661 (2020: £53,447) from the free reserves represents the funds spent on fixed assets in the current year.

The resources expended of £84,779 (2020: £52,388) represents the depreciation charges and losses on disposal in the current year.

The bursary fund represents monies designated and set aside to meet the future costs of the bursaries for existing pupils.

Restricted funds

The AEN fund is monies received to support certain children. Any unused funds are carried forward to future years.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

18. RELATED PARTY DISCLOSURES

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2021 £	2020 £
Aggregate compensation	<u>290,766</u>	<u>305,300</u>

Benjamin Hall, trustee, is a director of Signs Express Limited who supplied signs to the school at a cost of £2,485 (2020: £1,365).

One governor received travel expenses totalling £111 during the year (2020: £111). No other governors or persons connected to them received any remuneration, and were not reimbursed for any expenses in this or the previous year.

During the year insurance premiums of £664 (2020: £664) were paid by the school in respect of indemnity insurance for the Governors.

19. SHARE CAPITAL

	2021 £	2020 £
Authorised 13 Ordinary shares of £1 each	<u>13</u>	<u>13</u>

All the assets are held for charitable purposes and cannot be distributed to the members. Should the company be wound up or dissolved, the assets have to be transferred to another charity with similar objects and which also prohibits the distribution of any income or property to it's member.

20. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

Natwest hold a letter of set off over credit balances by Highfield Priory School Parents Association allowing the bank to set off the credit balances of the Parents Association account with the debit balances of Highfield Priory School Limited, although there has been no such credit balances to set off during the year.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

21. OPERATING LEASE COMMITMENTS

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, mainly in respect of the sports field which fall due as follows:

	2021 £	2020 £
Within one year	3,071	2,202
Between two and five years	10,342	1,920
In over five years	17,880	18,360
	<u>31,293</u>	<u>22,482</u>

22. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension scheme charge for the year included contributions payable to the TPS of £155,047 (2020: £167,372) and at the year-end £15,430 (2020: £19,622) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits scheme governed by The Teachers' Pension Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent valuation of the TPS was prepared as at 31 March 2016 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 23.60% from 1 September 2019. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%. This employer rate will be payable until the completion and outcome of the next actuarial valuation which is being prepared as at 31 March 2020. At the time of preparing this report, the actuarial valuation was not available.

The charity also runs a scheme for certain non-teaching staff, which is a defined contributions scheme managed by Complete Pension Trust. The cost for the year represents the Charity's contributions to that scheme of £13,120 (2020: £23,477).

HIGHFIELD PRIORY SCHOOL LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	-	500
Other trading activities		
Hire of school and hall	866	3,666
Other receipts	<u>15,080</u>	<u>7,577</u>
	15,946	11,243
Investment income		
Interest receivable	31	424
Charitable activities		
School fees	1,794,219	1,753,209
Other income		
Coronavirus Job Retention Scheme	<u>21,820</u>	<u>100,487</u>
Total incoming resources	1,832,015	1,865,863
EXPENDITURE		
Charitable activities		
Teaching costs, books and school meals	1,136,988	1,317,636
Non teaching staff costs	309,585	300,358
Premises expenses	222,143	230,866
Governance costs	9,907	9,938
Depreciation of tangible fixed assets	<u>80,873</u>	<u>82,388</u>
	<u>1,759,496</u>	<u>1,941,186</u>
Total resources expended	<u>1,759,496</u>	<u>1,941,186</u>
Net income/(expenditure)	<u><u>72,519</u></u>	<u><u>(75,323)</u></u>

This page does not form part of the statutory financial statements

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The Board of Governors present their annual report and the audited financial statements for the year ended 31 August 2022. All Governors of the school are Directors and Trustees of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Principal Activities

The Company's principal activity during the year continued to be that of a registered charity (number: 532262) operating as a school. The school was founded in 1940.

Objectives and activities

The object for which the Company is established (as set out in the Memorandum of Association) is the advancement of education for both boys and girls of all sections of the community, and in connection therewith to conduct and carry on a school in which they may receive a sound general education.

The Governors and Senior Management Team of Highfield Priory School ("Highfield") developed the long term strategy, together with operating plans to achieve the aims, to provide strategic direction and to set out where it plans to carry out actions and allocate resources to achieve its vision and deliver its strategic goals, with due consideration to the general guidance on public benefit required by the Charity Commission.

Provision of bursaries

The Governors of Highfield Priory Independent Day School and Nursery are committed to broadening access to the School by offering to eligible parents/guardians means-tested financial support with the payment of schools fees to enable their child to benefit from the experience of the wonderful teaching, learning and life lessons here in our warm, friendly and family orientated school. Such support is known as a bursary.

Working in the wider community

By supporting and participating in activities in the wider community, the benefit to the public is that, if the school did not participate and support these events, they may not be viable which would be detrimental to the public.

Highfield Priory promotes opportunities for continuing professional development and provides supportive performance management and subsequently ensures that all members of staff benefit from an effective training and skills development programme.

The school actively nurtures a sense of benevolence, social responsibility and community spirit in the children, which will stay with them throughout the rest of their lives. By developing this sense, the children are enthusiastic about engaging in activities which will benefit the community for example supporting specialist charity days and visiting the local old people's home to sing for the residents. Consequently, the beneficiaries are people who receive support from local charities and members of our local community.

The school actively promotes and welcomes the sharing of its facilities and resources to provide benefit to community sports groups, providers of holiday and after school care activities, local children, adults, and various other organisations.

The school provides direct employment to local people and indirect employment by utilising local suppliers and contractors.

It demonstrates a commitment to provide the widest possible access to the school and not be selective based on gender, geography, social, cultural, ethnic religious

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

background and intellectual ability. Through this commitment the school can benefit children and adults from all sectors of the community.

The school continues to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the school community. By committing to this aim the school can benefit pupils, staff, parents, local contractors, and any one either using the school's facilities or visiting the school

Although the building does not have "listed" status the trustees ensure that all additions and alterations are made in the most environmentally friendly way and are sympathetic to the existing environment, to the benefits of everyone using the school and the neighbours of the school.

Aims and intended impact of charitable activities

The main purpose of the charity is to provide an environment in which each child can develop their talents and aspirations encouraging them to develop to their full potential. The School achieves this by providing an excellent standard of teaching, superb facilities, and a wide range of intellectual, cultural and physical opportunities. A central feature in the school's ethos is that each child when they leave school should make a positive contribution to society and consequently the School has developed strong links with the local community.

More specifically the charity aims to:

- Provide a high-quality education which is tailored to individual pupils' needs.
- Develop a respect for cultural diversity and tolerance for the beliefs of others.
- Provide a wide curriculum and extra curriculum to ensure that the maximum potential of each pupil is achieved.
- Ensure a secure level of self-confidence, integrity, good moral judgment and a consideration for others.
- Create a community within the school where all members are fully involved and to develop excellent relationships between trustees, parents, pupils, staff and former pupils. Enabling our community to foster links with and make a positive contribution to the wider community, locally, nationally and internationally.
- Promote and facilitate the sharing of best practice and knowledge transfer.
- Develop leadership and teamwork skills and ensure that the children have a sense of pride in their achievements.
- Support and participate in activities within the wider community.
- Promote opportunities for continuing professional development and provide supportive performance management.
- Develop a sense of benevolence, social responsibility and community spirit which will stay with them throughout the rest of their lives.
- Promote and facilitate the sharing of facilities and resources.
- Contribute to and support the development of the local economy.
- Demonstrate commitment to the widest possible access to the school and not be selective based on gender, social, geography, cultural, ethnic religious background and intellectual ability.
- Continue to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the community.
- To preserve the building and environment around the school in an appropriate and sympathetic matter.

Main objectives for the year

The main objectives for the year were:

- To continue to provide a good quality education by providing the best possible facilities and resources from which pupils could learn.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

- To obtain good quality training for all staff to enable them to carry out their duties as proficiently and effectively as possible.
- To prepare pupils for each stage throughout Highfield Priory School so that they may confidently go onwards to the senior school of their choice.

Strategies adopted to achieve objectives

- Continuous improvement of the facilities used to teach the children.
- Provide the best possible education and practice mock examination papers for entrance exams.
- Provide a family-orientated atmosphere where children are encouraged to think for themselves, ask questions and explore their ideas within a supportive environment.

Achievements and performance

The academic year 2020/21 started with the announcement that Highfield Priory School was ranked 7th Independent Preparatory School in the country by The Sunday Times and first in the North West. The school has now held a top thirty position for the last ten years. This level of consistency has only been achieved by three other schools in the country and the school was delighted to receive this recognition for our hard-working pupils, staff and parents.

Our Year Six has, once again, achieved excellent examination results. 12 children achieved a place at a Grammar School, 5 achieved a scholarship and all children who took entrance examinations were accepted by their chosen Independent School.

Highfield has presented four theatrical productions across the school this year: the Infant Nativity, Year 4's production of the BFG, which also involved children from Reception to Year 6, the Year 3 and 5 production of Pandora's Box and our end of Year 6 performance of Treasure Island. The children's dramatic pursuits continue to instill in them a natural confidence and self-belief which has a positive effect on all their endeavours.

Highfield Priory was one of the first cohort of schools in the country allowed to resume overnight trips away from school. A large group of children travelled to Manor Adventure in Shropshire and enjoyed a weekend of adventurous activity. The teamwork and leadership skills learnt were incredibly valuable and the trip was a real highlight of the year for the children.

The school has managed the global pandemic as a community with children, staff, governors, and parents working incredibly hard to provide as safe and secure an environment as possible. Even though there was disruption to the year groups at the start of the year, the staff was able to adapt to live online lessons quickly and continued to run a normal timetable including games, art, HPSED, music lessons and assemblies. During the second lockdown, once again the school was able to respond quickly and ran a full timetable live to students at home and at school. This was a challenge as many classes were running at over 50% capacity with the school accommodating a significant number of key worker children. The children demonstrated incredible resilience throughout each period at home, and throughout the lockdown, and continued to aim high in all endeavours. The children maintained their academic progress throughout the year which was monitored through tests and homework; they also made incredible progress in their handling of technology.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

This has been a year that the school will never forget. Despite the obvious negatives,

Highfield has managed to pull a great deal of positives from this experience. This has mostly been seen in the attitude, teamwork, and resilience of the whole school community.

Developments

The Governors are committed to the ongoing improvement of school facilities. The main focus of investment continues to centre on the provision of first class learning and teaching facilities. We continued to improve the security of the buildings and grounds.

Financial review

The results for the year are set out in the Statement of Financial Activities on page 11.

Income shows a decrease to £1,879,652 which is due to the impact from COVID 19. We have managed to maintain consistent pupil numbers and termly fees being held at a competitive level. Maintaining fees at a competitive level ensures that as many pupils as possible can access the school, whilst ensuring that the best teaching resources and learning environment are provided.

The overall results show a surplus of £72,527, despite the impact from COVID 19. The School Business Manager maintains a strong cash and working capital position with no bank overdraft or loans outstanding at the year end.

Reserves Policy

The Governors regularly review the finances, budgets and spend against budget together with cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums in the School buildings and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. As shown in note 13 to the accounts, the school has free reserves of £156,272 supported by available cash which will be utilised for future enhancements to facilities and to support committed bursary places through those pupils time at Highfield. The high proportion of designated funds illustrates the extent of the investment in our School, in line with the capital investment plans. The Governors are comfortable with the reserves position given the stability of cash flows from fee income, the ongoing popularity of the School and the available banking facilities

The Governors recognise that the level of reserves fluctuates during periods of significant investment in the School and continually monitor the availability of free cash flows and available banking facilities to manage the School's needs.

Investment Policy

The Board aims to safeguard its funds and ensure sufficient availability of liquid resources to meet the day to day needs of the School. The School does not hold any monetary investments.

Risk Management

The Governors have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
 - the establishment of systems and procedures to mitigate those risks identified in the plan; and
 - the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.
-

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors examine the major risks that the school faces each financial year when preparing and updating the annual budgets and strategic plan. The Charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the school in the future.

The major risks faced by the charity are considered to be:-

Financial sustainability

The school is at risk from economic factors which may impact on the affordability of fees. The Governors also seek to ensure that fees are retained at a level which maximises the accessibility of the education provided at Highfield Priory whilst also ensuring that reserves are available to maintain and develop facilities at the school. A prudent approach to budgeting is adopted each year and performance is monitored throughout the year. The Trustees are conscious of the impact of Government restrictions in relation to Covid-19 and will continue to monitor fees levels and debts through the year. The impact is likely to continue both in terms of increased staffing costs in relation to isolation and provision for pupils to catch up on any teaching missed.

Safeguarding and welfare

The safety of pupils is a significant risk in any school environment. A separate committee is in place which reviews all elements of safeguarding and ensures that training is in place for all staff and Governors.

ISI Inspection

The risk of non-compliance and failing to meet standards as a result of an ISI inspection are managed by the establishment and continuous review of robust policies and procedures.

Academic Results

The risk of a deterioration in the excellent results achieved by the school is managed by continuous review of provision and results by both staff and Governors. The academic progress of each pupil is monitored as part of their overall development.

Risks within the market or industry sector

The school faces the risk of losing the accolades and awards of academic excellence, it has always achieved in past years. There is always the concern that parents may move the younger child of an older sibling when he/she goes to senior school. Competition is strong, both in the industry sector and in the local geographic area. There is a risk of the demographic changing as mobility of populations is so volatile. The School has also considered the effects of proposed new housing developments. It is uncertain as to whether population growth will avail it of a wider admission base or if it will have an adverse effect.

Plans for future periods

The Governors have strategic and operating plans that are regularly reviewed. At the core of the plans is the key objective to continue to provide a good quality education to the pupils at Highfield Priory School by investing in the facilities and resources required to do so.

Structure, governance and management

Highfield Priory School Ltd is a charitable company limited by shares. The charity is governed by the company's Memorandum and Article of Association and regulated by the Companies Act 2006 and the Charity Commission for England and Wales. The maximum number of governors is thirteen. All governors of the school are directors and trustees of the charity.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The number of current governors is ten, consisting of two governors who are parents of children at the school and eight co-opted governors. Governors are appointed by the Board on recommendation from a nominations committee.

Governors are recruited and appointed based on specialist skills, personal competence, eligibility and availability to serve the school.

All of the Governors of the School are Directors and Trustees of the charity.

The directors who held office during the year and since the year end are detailed below:-

Name of director	Office held in year	Committees attended
D Whitman	Chair of Governors,- Chair of Strategic Committee Vice Chair of Governors	AUD, STR, FGP STR
E M S Ahmed M Booker (appointed 1 July 2018) W R Garment B R Hall M Illsley (appointed 1 July 2018)	Chair of H&S Committee	AUD, STR, HS STR, FGP STR, FGP
N Mason J A T Nairn	Chair of FGP Committee Chair of Safeguarding & Child Protection	AUD, STR, FGP AUD, EDU, STR, SCP
D Patel-Smith (Appointed 27 April 2017) J R Wood	Chair of Audit & Compliance Committee, Chair of Education Committee	STR AUD, STR, EDU

Governors are inducted into the workings of the school and of its legal status of a limited company and as a registered charity. The induction includes familiarisation of all policy and procedures. The induction documentation contains the Memorandum and Articles of Association, the last two years' final accounts, the latest management accounts, previous minutes, information on the role of a school governor and charity commission publications regarding the responsibilities of a trustee and Terms of Reference for sub-committees. The Chairman, fellow Governors, Headmaster and School Business Manager provide ongoing support.

The day-to-day management of the Charity is delegated to the Headmaster, who attends the governors' meetings.

The governors meet three times per year to determine the general policy and review its overall controls and management structure. There are sub-committees covering Audit and Compliance, Strategic Planning, Finance and General Purposes, Safeguarding and Child Protection, Health and Safety and Education. Objectives for each Committee are set at the start of the year as part of a wider review of the strategy of the charity.

The committees to which the Governors are appointed are indicated above, as identified using the key shown below:

AU Audit and Compliance

D

STR Strategic Committee

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

SCP Safeguarding and Child Protection

FGP Finance and General Purposes Committee (Inc. Marketing)

HS Health & Safety

ED Education Committee

U

Sub-committees are chaired by a governor and other members of the governing body, the Senior Management Team and other school employees.

Key management personnel

The Governors, together with the Headmaster, the School Business Manager and the Senior Management Team comprise the Key Management Personnel (see note 17 to the accounts). The Governors volunteer their time and do not receive any remuneration or benefit in consideration of the time given. The pay and remuneration of the Head and senior staff is determined by the Pay Review Committee under the terms of the Pay Policy, which aims to set out the framework for making decisions on the pay for all school staff, not just senior leaders. It has been developed to meet the aims the school taking into consideration that it is an independent school which is susceptible to political and economic external influences outside its control, the school aims to offer attractive salaries and pay progression, when compared with the education and educational support sector generally to support recruitment and retention and ensure accountability, transparency, objectivity and equality of opportunity.

Statement of trustees' responsibilities

The trustees, who are also the directors of Highfield Priory School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

After discussion with the board, Rushton's have been appointed as the school's auditors, previously Azets.

Disclosure of information to auditor

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

.....

N Mason

Trustee

Dated:

HIGHFIELD PRIORY SCHOOL LIMITED

England & Wales - Charity number 532262

Accounts

Charity Registration No. 532262

Company Registration No. 01157590 (England and Wales)

HIGHFIELD PRIORY SCHOOL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

HIGHFIELD PRIORY SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	W R Garment D Whitman E M S Ahmed J A T Nairn B R Hall J R Wood N Mason D Patel Smith M Booker M Illsley
Secretary and School Business Manager	A J Heywood
Headmaster	J Duke BEd Hons
Charity number	532262
Company number	01157590
Registered office	58 Fulwood Row Fulwood Preston Lancashire PR2 5RW
Auditor	Azets Audit Services Charter House Pittman Way Fulwood Preston Lancashire PR2 9ZD
Bankers	National Westminster Bank Plc 292 Garstang Road Fulwood Preston PR2 9RQ
Solicitors	DLA Piper UK LLP India Buildings Water Street Liverpool L2 0NH

HIGHFIELD PRIORY SCHOOL LIMITED

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HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Board of Governors present their annual report and the audited financial statements for the year ended 31 August 2020. All Governors of the school are Directors and Trustees of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Principal Activities

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The Governors and Senior Management Team of Highfield Priory School ("Highfield") developed the long term strategy, together with operating plans to achieve the aims, to provide strategic direction and to set out where it plans to carry out actions and allocate resources to achieve its vision and deliver its strategic goals, with due consideration to the general guidance on public benefit required by the Charity Commission.

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Working in the wider community

By supporting and participating in activities in the wider community, the benefit to the public is that, if the school did not participate and support these events, they may not be viable which would be detrimental to the public.

Highfield Priory promotes opportunities for continuing professional development and provides supportive performance management and subsequently ensures that all members of staff benefit from an effective training and skills development programme.

The school actively nurtures a sense of benevolence, social responsibly and community spirit in the children, which will stay with them throughout the rest of their lives. By developing this sense, the children are enthusiastic about engaging in activities which will benefit the community for example supporting specialist charity days and visiting the local old people's home to sing for the residents. Consequently, the beneficiaries are people who receive support from local charities and members of our local community.

The school actively promotes and welcomes the sharing of its facilities and resources to provide benefit to community sports groups, providers of holiday and after school care activities, local children, adults, and various other organisations. We plan to engage local nurseries and be a centre for training and professional development.

The school provides direct employment to local people and indirect employment by utilising local suppliers and contractors.

It demonstrates a commitment to provide the widest possible access to the school and not be selective based on gender, geography, social, cultural, ethnic religious background and intellectual ability. Through this commitment the school can benefit children and adults from all sectors of the community.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The school continues to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the school community. By committing to this aim the school can benefit pupils, staff, parents, local contractors, and any one either using the school's facilities or visiting the school.

Although the building does not have "listed" status the trustees ensure that all additions and alterations are made in the most environmentally friendly way and are sympathetic to the existing environment, to the benefits of everyone using the school and the neighbours of the school.

Aims and intended impact of charitable activities

The main purpose of the charity is to provide an environment in which each child can develop their talents and aspirations encouraging them to develop to their full potential. The School achieves this by providing an excellent standard of teaching, superb facilities, and a wide range of intellectual, cultural and physical opportunities. A central feature in the school's ethos is that each child when they leave school should make a positive contribution to society and consequently the School has developed strong links with the local community.

More specifically the charity aims to:

- Provide a high-quality education which is tailored to individual pupils' needs.
- Develop a respect for cultural diversity and tolerance for the beliefs of others.
- Provide a wide curriculum and extra curriculum to ensure that the maximum potential of each pupil is achieved.
- Ensure a secure level of self-confidence, integrity, good moral judgment and a consideration for others.
- Create a community within the school where all members are fully involved and to develop excellent relationships between trustees, parents, pupils, staff and former pupils. Enabling our community to foster links with and make a positive contribution to the wider community, locally, nationally and internationally.
- Promote and facilitate the sharing of best practice and knowledge transfer.
- Develop leadership and teamwork skills and ensure that the children have a sense of pride in their achievements.
- Support and participate in activities within the wider community.
- Promote opportunities for continuing professional development and provide supportive performance management.
- Develop a sense of benevolence, social responsibility and community spirit which will stay with them throughout the rest of their lives.
- Promote and facilitate the sharing of facilities and resources.
- Contribute to and support the development of the local economy.
- Demonstrate commitment to the widest possible access to the school and not be selective based on gender, social, geography, cultural, ethnic religious background and intellectual ability.
- Continue to improve and develop its facilities and systems thereby providing a safe and well-maintained environment for the benefit of the community.
- To preserve the building and environment around the school in an appropriate and sympathetic matter.

Main objectives for the year

The main objectives for the year were:

- To continue to provide a good quality education by providing the best possible facilities and resources from which pupils could learn.
- To obtain good quality training for all staff to enable them to carry out their duties as proficiently and effectively as possible.
- To prepare pupils for each stage throughout Highfield Priory School so that they may confidently go onwards to the senior school of their choice.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2020

Strategies adopted to achieve objectives

- Continuous improvement of the facilities used to teach the children.
- Provide the best possible education and practice mock examination papers for entrance exams.
- Provide a family-orientated atmosphere where children are encouraged to think for themselves, ask questions and explore their ideas within a supportive environment.

Achievements and performance

The academic year 2019/20 started with the publication of Highfield's Inspection Report from the Independent Schools Inspectorate. It declared the school to be 'Outstanding' (EYFS) and 'Excellent' across all areas (School). Highfield Priory School was also ranked 6th Independent Preparatory School in the country by The Sunday Times and first in the North West in November. The school has now held a top thirty position for the last nine years which is set to continue this year. This is the school's highest ever position and its second year in the top ten. This level of consistency has only been achieved by three other schools in the country and the school was delighted to receive this recognition for our hard-working pupils, staff and parents.

Our Year Six has, once again, achieved excellent examinations results. Fourteen children achieved a place at a Grammar School, four achieved a scholarship and all children who took entrance examinations were accepted by their chosen Independent School.

Highfield has presented two theatrical productions across the school this year: the Infant Nativity, Year 4's Alice in Wonderland at The Landmark Theatre, which also involved 99 children from Reception to Year 6. The children's dramatic pursuits continue to instill in them a natural confidence and self-belief which has a positive effect on all their endeavours.

The school has also had success in sport with our swimmers becoming the Preston Schools' Swimming Champions. Children from across the school have also competed in District and National events in swimming, rugby, netball, hockey and football.

Our musical assemblies continue to be a source of great delight for performer and spectator alike. We have enjoyed performances on a variety of brass instruments as well as the guitar, flute, recorder and piano and solo vocalists. The choir has also been busy entertaining the residents of Bethany House and delivering an incredibly moving and professional Carol Service at Christmas.

The school has raised over £1,170 this year from a variety of charitable events throughout the year. This money will be divided between Derian House, Children in Need, Water Aid and Make a Wish, which was chosen by the children as this year's school charity.

In March, we were all sent home due to the enforced school closure and Government lockdown as the world was faced with fighting the coronavirus pandemic. This has been one of the most challenging periods in the school's, and indeed in our country's, history. Highfield pupils have always proved themselves to be resilient, good at problem-solving, caring, thoughtful and they aim high in everything they do. Never has this been more evident than during the past few months. Our pupils have looked after each other, celebrated the key workers in our community, embraced online learning, worked hard from their desks at home and in school and they continued to aim high each day to the end of the academic year.

Developments

The Governors' are committed to the ongoing improvement of school facilities. The main focus of investment continues to centre on the provision of first class learning and teaching facilities. We continued to improve the security of the buildings and grounds, specifically the movement of traffic on site with the enhancement and expansion of the front of school car park and drop-off area. We have added a safe walkway in front of the school and better lighting.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

The results for the year are set out in the Statement of Financial Activities on page 11.

Income shows an decrease to £1,865,863 which is a direct result of the impact of the pandemic. Pupil numbers remain consistent but discounts were offered to pupils who could not attend school during the governments first national lockdown. Additionally, the demand for wrap around care and other income streams changed as parents moved to working from home.

The overall results show a deficit of £75,323. The School Business Manager maintains a strong cash and working capital position and financial support has been obtained through a Business Bounce Back Loan of £50,000.

Reserves Policy

The Governors regularly review the finances, budgets and spend against budget together with cash flow analysis as part of the effective stewardship of the School.

In common with other independent schools, the Governors have invested substantial sums in the School buildings and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. As shown in note 16 to the accounts, the school has free reserves of £85,533, supported by available cash which will be utilised for future enhancements to facilities and to support committed bursary places through those pupils time at Highfield. The high proportion of designated funds illustrates the extent of the investment in our School, in line with the capital investment plans. The Governors are comfortable with the reserves position given the stability of cash flows from fee income, the ongoing popularity of the School and the available banking facilities.

The Governors recognise that the level of reserves fluctuates during periods of significant investment in the School and continually monitor the availability of free cash flows and available banking facilities to manage the School's needs.

Investment Policy

The Board aims to safeguard its funds and ensure sufficient availability of liquid resources to meet the day to day needs of the School. The School does not hold any monetary investments.

Risk Management

The Governors have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Governors examine the major risks that the school faces each financial year when preparing and updating the annual budgets and strategic plan. The Charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the school in the future.

The major risks faced by the charity are considered to be:-

Financial sustainability

The school is at risk from economic factors which may impact on the affordability of fees. The Governors also seek to ensure that fees are retained at a level which maximises the accessibility of the education provided at Highfield Priory whilst also ensuring that reserves are available to maintain and develop facilities at the school. A prudent approach to budgeting is adopted each year and performance is monitored throughout the year.

The Trustees are conscious of the impact of Government restrictions in relation to Covid19 and will continue to monitor fees levels and debts through the year. The impact is likely to continue both in terms of increased staffing costs in relation to isolation and provision for pupils to catch up on any teaching missed.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2020

Safeguarding and welfare

The safety of pupils is a significant risk in any school environment. A separate committee is in place which reviews all elements of safeguarding and ensures that training is in place for all staff and Governors.

ISI Inspection

The risk of non-compliance and failing to meet standards as a result of an ISI inspection are managed by the establishment and continuous review of robust policies and procedures. The recently formed Audit and Compliance committee oversees the process of review each term.

Academic Results

The risk of a deterioration in the excellent results achieved by the school is managed by continuous review of provision and results by both staff and Governors. The academic progress of each pupil is monitored as part of their overall development.

Risks within the market or industry sector

The school faces the risk of losing the accolades and awards of academic excellence, it has always achieved in past years. There is always the concern that parents may move the younger child of an older sibling when he/she goes to senior school. Competition is strong, both in the industry sector and in the local geographic area. There is a risk of the demographic changing as mobility of populations is so volatile. The School has also considered the effects of proposed new housing developments. It is uncertain as to whether population growth will avail it of a wider admission base or if it will have an adverse effect.

Plans for future periods

The Governors have strategic and operating plans that are regularly reviewed. At the core of the plans is the key objective to continue to provide a good quality education to the pupils at Highfield Priory School by investing in the facilities and resources required to do so.

Structure, governance and management

Highfield Priory School Ltd is a charitable company limited by shares. The charity is governed by the company's Memorandum and Article of Association and regulated by the Companies Act 2006 and the Charity Commission for England and Wales. The maximum number of governors is thirteen. All governors of the school are directors and trustees of the charity.

The number of current governors is eleven, consisting of four governors who are parents of children at the school and seven co-opted governors. Governors are appointed by the Board on recommendation from a nominations committee.

Governors are recruited and appointed based on specialist skills, personal competence, eligibility and availability to serve the school.

All of the Governors of the School are Directors and Trustees of the charity.

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The directors who held office during the year and since the year end are detailed below:-

Name of director	Office held in year	Committees attended
M Conlon (resigned 19 January 2021)	Chair of Governors	AUD, STR, FGP
D Whitman	Vice Chair of Governors, Chair of Strategic Committee	STR
E M S Ahmed	Chair of H&S Committee	AUD, STR, HS
M Booker		STR, FGP
W R Garment		
B R Hall		STR, FGP
M Illsley		STR, FGP
N Mason	Chair of FGP Committee	AUD, STR, FGP
J A T Nairn	Chair of Safeguarding & Child Protection	AUD, EDU, STR, SCP
D Patel-Smith		STR
J R Wood	Chair of Audit & Compliance Committee, Chair of Education Committee	AUD, STR, EDU

Following M Conlon's resignation, D Whitman was appointed as Chair of Governors.

Governors are inducted into the workings of the school and of its legal status of a limited company and as a registered charity. The induction includes familiarisation of all policy and procedures. The induction documentation contains the Memorandum and Articles of Association, the last two years' final accounts, the latest management accounts, previous minutes, information on the role of a school governor and charity commission publications regarding the responsibilities of a trustee and Terms of Reference for sub-committees. The Chairman, fellow Governors, Headmaster and School Business Manager provide ongoing support.

The day-to-day management of the Charity is delegated to the Headmaster, who attends the governors' meetings.

The full board of governors meet three times per year to determine the general policy and review its overall controls and management structure, although, during the first months of the pandemic they met almost each week to provide dedicated support to the school leadership. There are sub-committees covering Audit and Compliance, Strategic Planning, Finance and General Purposes, Safeguarding and Child Protection, Health and Safety and Education. Objectives for each Committee are set at the start of the year as part of a wider review of the strategy of the charity.

The committees to which the Governors are appointed are indicated above, as identified using the key shown below:

AUD	Audit and Compliance
STR	Strategic Committee
SCP	Safeguarding and Child Protection
FGP	Finance and General Purposes Committee (Inc. Marketing)
HS	Health & Safety
EDU	Education Committee

HIGHFIELD PRIORY SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Sub-committees are chaired by a governor and attended by other members of the governing body, the Senior Management Team and other school employees.

Key management personnel

The Governors, together with the Headmaster, the School Business Manager and the Senior Management Team comprise the Key Management Personnel (see note 17 to the accounts). The Governors volunteer their time and do not receive any remuneration or benefit in consideration of the time given. The pay and remuneration of the Head and senior staff is determined by the Pay Review Committee under the terms of the Pay Policy, which aims to set out the framework for making decisions on the pay for all school staff, not just senior leaders. It has been developed to meet the aims the school taking into consideration that it is an independent school which is susceptible to political and economic external influences outside its control, the school aims to offer attractive salaries and pay progression, when compared with the education and educational support sector generally to support recruitment and retention and ensure accountability, transparency, objectivity and equality of opportunity.

Statement of trustees' responsibilities

The trustees, who are also the directors of Highfield Priory School Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

HIGHFIELD PRIORY SCHOOL LIMITED

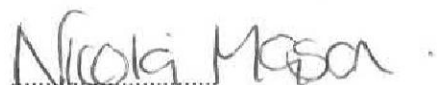
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



N Mason

Trustee

Dated: 22/4/21.

HIGHFIELD PRIORY SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Opinion

We have audited the financial statements of Highfield Priory School Limited (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, 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 charity 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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

HIGHFIELD PRIORY SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HIGHFIELD PRIORY SCHOOL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trustees and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the 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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Julie Flintoff BA(Hons) FCA (Senior Statutory Auditor)

For and on behalf of

Azets Audit Services

Statutory Auditor

Preston

Date:26/5/21

HIGHFIELD PRIORY SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<u>Income and endowments from:</u>					
Donations and legacies	2	500	-	500	3,500
Charitable activities - income	3	1,747,937	5,272	1,753,209	2,021,074
Other trading activities	4	11,243	-	11,243	27,873
Investments	5	424	-	424	-
Other income	6	100,487	-	100,487	-
Total income		1,860,591	5,272	1,865,863	2,052,447
<u>Expenditure on:</u>					
Charitable activities - expenditure	7	1,940,603	583	1,941,186	2,050,555
Net (expenditure)/income for the year					
Net movement in funds		(80,012)	4,689	(75,323)	1,892
Fund balances at 1 September 2019		1,517,877	9,019	1,526,896	1,525,004
Fund balances at 31 August 2020	15, 16	1,437,865	13,708	1,451,573	1,526,896

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.


HIGHFIELD PRIORY SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	10		1,323,783		1,352,723
Current assets					
Debtors	11	56,184		51,072	
Cash at bank and in hand		397,885		365,716	
		<u>454,069</u>		<u>416,788</u>	
Creditors: amounts falling due within one year	12	<u>(276,279)</u>		<u>(242,615)</u>	
Net current assets			177,790		174,173
Total assets less current liabilities			<u>1,501,573</u>		<u>1,526,896</u>
Creditors: amounts falling due after more than one year	13		(50,000)		-
Net assets			<u>1,451,573</u>		<u>1,526,896</u>
Income funds					
Restricted funds	15		13,708		9,019
<u>Unrestricted funds:</u>					
Designated funds	16	1,352,319		1,400,067	
General unrestricted funds		85,533		117,797	
Share capital	17	13		13	
		<u>1,437,865</u>		<u>1,517,877</u>	
			<u>1,451,573</u>		<u>1,526,896</u>

The accounts were approved by the Trustees on 22/4/2021.



D Whitman
Chair of Governors

Company Registration No. 01157590

HIGHFIELD PRIORY SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	23		35,192		118,233
Investing activities					
Purchase of tangible fixed assets		(53,447)		(141,202)	
Interest received		424		-	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(53,023)		(141,202)
Financing activities					
Bank loans advanced		50,000		-	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) financing activities			50,000		-
			<u> </u>		<u> </u>
Net increase/(decrease) in cash and cash equivalents			32,169		(22,969)
Cash and cash equivalents at beginning of year			365,716		388,685
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>397,885</u>		<u>365,716</u>

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Highfield Priory School Limited is a private company limited by shares incorporated in England and Wales. The registered office is 58 Fulwood Row, Fulwood, Preston, Lancashire, PR2 5RW.

1.1 Accounting convention

The accounts have been prepared in accordance with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income from charitable activities comprises school fees, net of bursaries, and related receipts, accounted for in the period in which the service is provided. Fees for education to be provided in the next academic year, are carried forward as deferred income in the balance sheet.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Voluntary income including, gifts and donations received for the general purposes of the charity are included in unrestricted funds when received. Where these comprise of donated fixed assets, they are included at market value.

Investment income is recognised on a receivable basis.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis, including VAT which cannot be recovered.

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

Support costs and governance costs have been allocated to charitable activities as there is only one main activity undertaken by the Charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Only items over £150 are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	Nil
Freehold properties	1-10% Straight line
Furniture and equipment	15% Reducing balance
IT equipment	25% Straight line
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Cash at bank

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.8 Financial instruments

The charity only has financial assets (debtors, cash and bank balances) and financial liabilities (creditors and accruals) of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Pension scheme

The Charity contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. Therefore, in accordance with FRS102 the scheme is accounted for as a defined contribution scheme (see note 22).

The Charity also contributes to defined contribution individual personal pension schemes for certain non-teaching staff at 5%-7.5% of annual basic pay. Contributions to both schemes are charged in the SOFA as they become payable in accordance with the rules of the schemes.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.11 Leases

Rentals payable are charged to the Statement of Financial Activities as incurred over the term of the lease.

1.12 Irrecoverable VAT

The charity is not registered for Value Added Tax and accordingly expenditure is shown including irrecoverable Value Added Tax.

1.13 Taxation

The school is a registered charity and as such is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

2 Donations and legacies

	2020	2019
	£	£
Parents association gift	500	3,500

3 Charitable activities - income

	2020	2019
	£	£
Gross fees	1,769,056	2,036,921
Less : Bursaries	(13,256)	(15,847)
	<u>1,753,209</u>	<u>2,021,074</u>
Analysis by fund:		
Unrestricted funds	1,747,937	2,017,866
Restricted funds	5,272	3,208
	<u>1,753,209</u>	<u>2,021,074</u>

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

4 Other trading activities

	2020	2019
	£	£
Hire of school and hall	3,666	6,360
Other receipts	7,577	21,513
	<u>11,243</u>	<u>27,873</u>

5 Investments

	2020	2019
	£	£
Interest receivable	<u>424</u>	<u>-</u>

6 Other income

	Unrestricted funds	Total
	2020	2019
	£	£
Coronavirus Job Retention Scheme	<u>100,487</u>	<u>-</u>

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

7 Charitable activities - expenditure

	2020 £	2019 £
Teaching costs, books and school meals	1,317,636	1,391,818
Non teaching staff costs	300,358	306,191
Premises expenses	230,866	262,344
Depreciation	82,388	80,221
Governance costs	9,938	9,981
	<u>1,941,186</u>	<u>2,050,555</u>
Analysis by fund:		
Unrestricted funds	1,940,603	2,049,449
Restricted funds	583	1,106
	<u>1,941,186</u>	<u>2,050,555</u>

8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2020 £	2019 £
Audit services	5,200	5,115
Other services	3,818	3,818
	<u>9,018</u>	<u>8,933</u>

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

9 Employees

Number of employees

The average monthly number employees during the year was:

	2020	2019
	Number	Number
Teachers and Assistants	42	47
Administration	10	11
Domestic	5	5
	<u>57</u>	<u>63</u>

Employment costs

	2020	2019
	£	£
Wages and salaries	1,246,828	1,354,053
Social security costs	107,096	111,964
Other pension costs	190,849	142,625
	<u>1,544,773</u>	<u>1,608,642</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2020	2019
	Number	Number
80,001 - 90,000	<u>1</u>	<u>1</u>

Of the employees whose emoluments exceed £60,000, 1 (2019: 1) has retirement benefits accruing under defined benefit pension schemes.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

10 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Furniture and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2019	1,694,443	277,493	612,597	22,053	2,606,586
Additions	14,373	-	39,074	-	53,447
At 31 August 2020	1,708,816	277,493	651,671	22,053	2,660,033
Depreciation and impairment					
At 1 September 2019	688,488	74,036	469,579	21,759	1,253,862
Depreciation charged in the year	31,113	18,509	32,691	75	82,388
At 31 August 2020	719,601	92,545	502,270	21,834	1,336,250
Carrying amount					
At 31 August 2020	989,215	184,948	149,401	219	1,323,783
At 31 August 2019	1,005,954	203,457	143,018	294	1,352,723

The cost of land and buildings include an amount of £64,917 (2019: £64,917) relating to the cost of land which is not depreciated.

Although there are no bank borrowings at the year end, the bank have a first legal charge over the school and nursery buildings for the agreed overdraft facility.

11 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Fee debtors	11,816	5,973
Other debtors	16,113	3,623
Prepayments and accrued income	28,255	41,476
	56,184	51,072

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

12 Creditors: amounts falling due within one year		2020	2019
		£	£
Other taxation and social security		25,139	25,234
Fees received in advance		141,513	63,734
Trade creditors		39,113	36,818
Other creditors		4,093	4,882
Accruals		66,421	111,947
		<u>276,279</u>	<u>242,615</u>

13 Creditors: amounts falling due after more than one year		2020	2019
		£	£
	Notes		
Bank loans	14	<u>50,000</u>	<u>-</u>

14 Loans and overdrafts		2020	2019
		£	£
Bank loans		<u>50,000</u>	<u>-</u>
Payable after one year		<u>50,000</u>	<u>-</u>
Amounts included above which fall due after five years:			
Payable by instalments		<u>10,457</u>	<u>-</u>

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

15 Restricted funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
AEN Early Years Funding	9,019	5,272	583	13,708
	<u>9,019</u>	<u>5,272</u>	<u>583</u>	<u>13,708</u>

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Balance at 31 August 2019 £
AEN Early Years Funding	6,917	3,208	(1,106)	9,019
	<u>6,917</u>	<u>3,208</u>	<u>(1,106)</u>	<u>9,019</u>

The AEN fund is monies received to support certain children. Any unused funds are carried forward to future years.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

16 Unrestricted funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2020 £
General fund	117,797	1,860,591	(1,844,959)	(47,895)	85,533
Designated funds:					
Property Asset Fund	1,352,723	-	(82,388)	53,447	1,323,783
Bursary fund	47,344	-	(13,256)	(5,552)	28,536
	<u>1,517,864</u>	<u>1,860,591</u>	<u>(1,940,603)</u>	<u>-</u>	<u>1,437,852</u>

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2019 £
General fund	143,847	2,049,239	(1,950,427)	(124,862)	117,797
Designated funds:					
Property Asset fund	1,302,819	-	(83,175)	133,079	1,352,723
Bursary fund	71,408	-	(15,847)	(8,217)	47,344
	<u>1,518,074</u>	<u>2,049,239</u>	<u>(2,049,449)</u>	<u>-</u>	<u>1,517,864</u>

General fund

The general fund is the free reserves of the charity after allowing for all designated funds.

Designated funds

The property asset fund is represented by monies spent on the tangible fixed assets of the charity (note 10).

The transfer of £53,447 (2019: £133,079) from the free reserves represents the funds spent on fixed assets in the current year.

The resources expended of £82,388 (2019: £83,175) represents the depreciation charge and losses on disposal in the current year.

The bursary fund represents monies designated and set aside to meet the future costs of the bursaries for existing pupils.

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Share capital	2020	2019
	£	£
Authorised		
13 Ordinary shares of £1 each	13	13
	<u> </u>	<u> </u>

All the assets are held for charitable purposes and cannot be distributed to the members. Should the company be wound up or dissolved, the assets have to be transferred to another charity with similar objects and which also prohibits the distribution of any income or property to its members.

18 Analysis of net assets between funds

	General fund	Designated	Restricted Fund	Total
	£	£	£	£
Fund balances at 31 August 2020 are represented by:				
Tangible assets	-	1,323,783	-	1,323,783
Current assets/(liabilities)	135,546	28,536	13,708	177,790
Long term liabilities	(50,000)	-	-	(50,000)
	<u>85,546</u>	<u>1,352,319</u>	<u>13,708</u>	<u>1,451,573</u>

	General fund	Designated	Restricted Fund	Total
	£	£	£	£
Fund balances at 31 August 2019 are represented by:				
Tangible assets	-	1,352,723	-	1,352,723
Current assets/(liabilities)	117,810	47,344	9,019	174,173
	<u>117,810</u>	<u>1,400,067</u>	<u>9,019</u>	<u>1,526,896</u>

19 Financial commitments, guarantees and contingent liabilities

Natwest hold a letter of set off over credit balances by Highfield Priory School Parents Association allowing the bank to set off the credit balances of the Parents Association account with the debit balances of Highfield Priory School Limited, although there has been no such credit balances to set off during the year.

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, mainly in respect of the sports field which fall due as follows:

	2020	2019
	£	£
Within one year	2,202	3,432
Between two and five years	1,920	3,642
In over five years	18,360	18,840
	<u>22,482</u>	<u>25,914</u>

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	305,300	299,093

Benjamin Hall, trustee, is a director of Signs Express Limited who supplied signs to the school at a cost of £1,365 (2019: £3,060).

One governor received travel expenses totalling £111 during the year (2019 : £369). No other governors or persons connected with them received any remuneration, and were not reimbursed for any expenses in this or the previous year.

During the year insurance premiums of £664 (2019 : £1,131) were paid by the school in respect of indemnity insurance for the Governors.

22 Pension schemes

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £167,372 (2019: £120,853) and at the year-end £19,622 (2019: £15,737) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 23.60% from 1 September 2019. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%. This employer rate will be payable until the completion and outcome of the next actuarial valuation which is being prepared as at 31 March 2020. At the time of preparing this report, the actuarial valuation was not available.

The Charity also runs a scheme for certain non-teaching staff, which is a defined contributions scheme managed by Complete Pension Trust. The cost for the year represents the Charity's contributions to that scheme of £23,477 (2019: £21,772).

HIGHFIELD PRIORY SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 Cash generated from operations	2020	2019
	£	£
(Deficit)/surplus for the year	(75,323)	1,892
Adjustments for:		
Investment income recognised in statement of financial activities	(424)	-
(Gain)/loss on disposal of tangible fixed assets	-	8,123
Depreciation and impairment of tangible fixed assets	82,388	83,175
Movements in working capital:		
(Increase) in debtors	(5,112)	(5,811)
(Decrease)/increase in creditors	(44,115)	58,474
Increase/(decrease) in deferred income	77,779	(27,620)
Cash generated from operations	<u>35,192</u>	<u>118,233</u>

