

Registration number: 09127321

DEVONSHIRE SCHOOLS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT



DEVONSHIRE SCHOOLS LIMITED
CONTENTS

Company Information	1
Directors' Report	2
Strategic Report	3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 6
Balance Sheet	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9 to 12

DEVONSHIRE SCHOOLS LIMITED
COMPANY INFORMATION

Directors	J A Pickles A N Hassan D J Carr
Registered office	5th Floor South 14-16 Waterloo Place London SW1Y 4AR
Solicitors	Shoosmiths LLP Witan Gate House 500-600 Witan Gate West Milton Keynes MK9 1SH
Bankers	Barclays Bank plc 5 North Colonnade Canary Wharf London E14 4BB
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

DEVONSHIRE SCHOOLS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2016

The directors present their report and the financial statements for the year ended 31 August 2016.

Directors of the company

The directors who held office during the year were as follows:

J A Pickles

A N Hassan

D J Carr (appointed 9 August 2016)

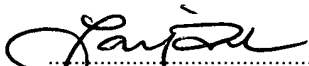
Disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 20/1/17 and signed on its behalf by:


.....
J A Pickles
Director

DEVONSHIRE SCHOOLS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2016

The directors present their strategic report for the year ended 31 August 2016.

Fair review of the business

The company is a holding company and does not trade.

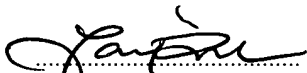
Key performance indicators

Given the nature of the business, the company's directors are of the opinion that key performance indicators are not relevant for a holding company.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to the continued provision of adequate funding and the ongoing compliance with current and future legislation affecting the sector.

Approved by the Board on 20/1/17 and signed on its behalf by:


J A Pickles
Director

DEVONSHIRE SCHOOLS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DEVONSHIRE SCHOOLS LIMITED
INDEPENDENT AUDITOR'S REPORT

We have audited the financial statements of Devonshire Schools Limited for the year ended 31 August 2016, set out on pages 7 to 12. 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).

This report is made solely to the 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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2016 and of its results 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.

Opinion on other matter prescribed by the Companies Act 2006

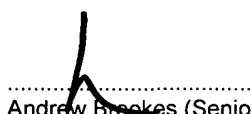
In our opinion the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

DEVONSHIRE SCHOOLS LIMITED
INDEPENDENT AUDITOR'S REPORT

Matters on which we are required to report by exception

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.


.....
Andrew Brookes (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date.....

25 January 2017

DEVONSHIRE SCHOOLS LIMITED
(REGISTRATION NUMBER: 09127321)
BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	31 August 2016 £	31 August 2015 £
Fixed assets			
Investments	4	2,014,647	2,014,647
Creditors: Amounts falling due within one year		<u>(2,014,646)</u>	<u>(2,014,646)</u>
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	6	<u>1</u>	<u>1</u>
Total equity		<u>1</u>	<u>1</u>

Approved and authorised by the Board on 20/1/17 and signed on its behalf by:



J A Pickles
Director

DEVONSHIRE SCHOOLS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2016

	Share capital £
At 1 September 2015 and as at 31 August 2016	<u>1</u>
	Share capital £
At 11 July 2014 and as at 31 August 2015	<u>1</u>

DEVONSHIRE SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

1 General information

The company is a private company limited by shares and incorporated and domiciled in England and Wales.

The address of its registered office is:

5th Floor South
14-16 Waterloo Place
London
SW1Y 4AR

These financial statements are presented in pounds sterling.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

Summary of disclosure exemptions

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

Group accounts not prepared

The company has taken exemption from preparing group accounts as it is included in consolidated accounts for a larger group which are drawn up as full consolidated audited accounts which are filed at Companies House.

Name of parent of group

These financial statements are consolidated in the financial statements of Cavendish Education Limited.

The financial statements of Cavendish Education Limited may be obtained from the company's registered office..

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

DEVONSHIRE SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

2 Accounting policies (continued)

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a 'CGU' is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

DEVONSHIRE SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

3 Operating profit

The auditor's fees are borne by Cavendish Education Limited, the company's holding company.

4 Investments in subsidiaries, joint ventures and associates

	31 August 2016 £	31 August 2015 £
Investments in subsidiaries	<u>2,014,647</u>	<u>2,014,647</u>
Subsidiaries		£
Cost and carrying amount		
At 1 September 2015 and as at 31 August 2016		<u>2,014,647</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2016	2015
Subsidiary undertakings				
Cavendish Bredon Limited	England and Wales	Ordinary	100%	100%
Cavendish TIS Limited	England and Wales	Ordinary	80%	80%
Cavendish Education 1 Limited	England and Wales	Ordinary	100%	100%
Abingdon House School Limited	England and Wales	Ordinary	100%	100%
Bredon School Limited	England and Wales	Ordinary	100%	100%
Bredon School Enterprises 2002 Limited	England and Wales	Ordinary	100%	100%
TIS London Limited	England and Wales	Ordinary	80%	80%

The principal activity of Cavendish Bredon Limited and Cavendish TIS Limited is that of an intermediate holding company.

The principal activity of Abingdon House School Limited, Bredon School Limited and TIS London Limited is the provision of education services.

The principal activity of Bredon School Enterprises 2002 Limited is the provision of commercial services. Cavendish Education 1 Limited is a dormant company.

The shares for Bredon School Limited are held via Cavendish Bredon Limited.

The shares for Bredon School Enterprises 2002 Limited are held via Cavendish Bredon Limited.

The shares for TIS London Limited are held via Cavendish TIS Limited.

DEVONSHIRE SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

5 Loans and borrowings

	31 August 2016 £	31 August 2015 £
Current loans and borrowings		
Loans from group undertakings	<u>2,014,646</u>	<u>2,014,646</u>

6 Share capital

Allotted, called up and fully paid shares

	No.	31 August 2016 £	No.	31 August 2015 £
Ordinary Shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

7 Contingent liabilities

The company is bound by an intra-group cross guarantee in respect of bank debt with other members of the group headed by its ultimate parent undertaking, Cavendish Education Limited. The amount guaranteed is £6,000,008 (2015 - £5,976,672).

8 Control

The company is controlled by Cavendish Education Limited, a company incorporated in England and Wales, which has no single controlling party.