Registration number: 09127321

DEVONSHIRE SCHOOLS LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

DEVONSHIRE SCHOOLS LTD

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DEVONSHIRE SCHOOLS LTD

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 LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2018

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

The company has not traded during the year.

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

J A Pickles

A N Hassan

D J Carr

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 15/2/19 and signed on its behalf by:

.....
J A Pickles
Director

DEVONSHIRE SCHOOLS LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2018

The directors present their strategic report for the year ended 31 August 2018.

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 15/2/19 and signed on its behalf by:

.....
J A Pickles
Director

DEVONSHIRE SCHOOLS LTD

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report, Strategic 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 LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVONSHIRE SCHOOLS LTD

Opinion

We have audited the financial statements of Devonshire Schools Ltd (the 'company') for the year ended 31 August 2018, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

DEVONSHIRE SCHOOLS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEVONSHIRE SCHOOLS LTD

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

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.

.....

Simon Worsley (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 20/2/14

DEVONSHIRE SCHOOLS LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Turnover		-	-
Operating profit/(loss)	3	-	-
Exceptional items	4	-	-
Income from shares in group undertakings		1,149,198	-
Profit before tax		1,149,198	-
Taxation		-	-
Profit for the financial year		1,149,198	-

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

DEVONSHIRE SCHOOLS LTD

(REGISTRATION NUMBER: 09127321)
BALANCE SHEET AS AT 31 AUGUST 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	5	2,014,647	2,014,647
Creditors: Amounts falling due within one year	6	(2,014,646)	(2,014,646)
Net assets		1	1
Capital and reserves			
Called up share capital	7	1	1
Total equity		1	1

Approved and authorised by the Board on 15/2/19 and signed on its behalf by:

J A Pickles
Director

DEVONSHIRE SCHOOLS LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2018

	Share capital £	Profit and loss account £	Total £
At 1 September 2017	1	-	1
Profit for the year	-	1,149,198	1,149,198
Dividends	-	(1,149,198)	(1,149,198)
At 31 August 2018	1	-	1

	Share capital £	Profit and loss account £	Total £
At 1 September 2016 and at 31 August 2017	1	-	1

The notes on pages 10 to 13 form an integral part of these financial statements.

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

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

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.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

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 Companies House

Going concern
After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and estimation uncertainty
These financial statements do not contain any significant judgements or estimation uncertainty.

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

Dividends
Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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.

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.

A non financial 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.

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.

3 Operating profit

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

4 Exceptional items

Loans owed by Abingdon House School Limited and TIS-London Limited, companies under common control, for amounts of £1,012,487 and £2,540,000, were waived and consequently the loan balances were written back to the profit and loss account.

A loan owed to Cavendish Education Limited, the parent company, for an amount of £3,553,487, was also waived and consequently the loan balance was written back to the profit and loss account.

5 Investments in subsidiaries

	2018 £	2017 £
Investments in subsidiaries	2,014,647	2,014,647

Subsidiaries	£
Cost and carrying amount	
At 1 September 2017 and at 31 August 2018	2,014,647

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	Registered office	Holding	Proportion of voting rights and shares held 2018	2017
Subsidiary undertakings				
Cavendish Bredon Limited	England and Wales	Ordinary	100%	100%
Cavendish TIS Limited	England and Wales	Ordinary	100%	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	100%	80%
The Moat School Limited	England and Wales	Ordinary	100%	100%

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, TIS London Limited and The Moat School 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 and Bredon School Enterprises 2002 Limited are held via Cavendish Bredon Limited.

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

6 Creditors

	2018 £	2017 £
Due within one year		
Amounts due to group undertakings	2,014,646	2,014,646

7 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	1	1	1	1

8 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 £13,530,000 (2017 - £12,760,000).

9 Control

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