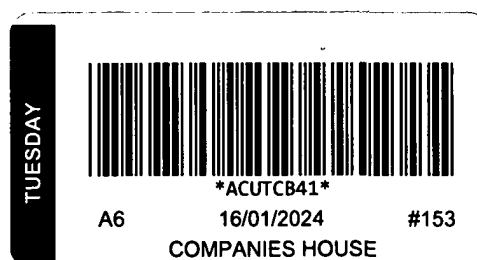


Registered Charity Number: 527598  
Registered Company Number: 00602279

## ABBERLEY HALL LIMITED

Annual report and financial statements  
for the year ended 31 July 2023



# ABBERLEY HALL LIMITED

## Annual report and financial statements for the year ended 31 July 2023

Contents	Page
Reference and Administrative Information .....	3-4
Report of the Governors .....	5-10
Independent Auditor's Report .....	11-13
Statement of Financial Activities .....	14
Balance Sheet .....	15
Statement of Cash Flows .....	16
Notes to the Financial Statements .....	17-29

# **ABBERLEY HALL LIMITED**

## **Reference and Administrative Information For the year ended 31 July 2023**

### **Status and administration**

The School is a charitable company limited by guarantee and was incorporated on 3 April 1958, registered company number 00602279. The charity is registered in England and Wales; charity number 527598. The governing document is the Articles of Association last updated 24 June 2019. The School's trading and marketing name is Abberley Hall.

### **Charitable objects**

The objects are set out in the Memorandum so as to provide a complete and systematic education and to provide for instruction and education in any subject whatsoever and generally promote education. In accordance with the Memorandum the Preparatory School has been both a day and boarding School for boys and girls aged up to 13, educating them to a high standard so enabling them to be able to move to a senior School.

### **Governors**

Chairman: C.A.P. Leonard (a)(d)

R.H. Brierly (c)

G. Cook (b)(d)

S.A. Dowling (a)(d)

A.C.T. Inglis (b)

A.K. Metcalfe (a)(b)

V. Young

(a) Member of the Commercial Committee

(b) Member of the Education Committee

(c) Member of the Safeguarding and Welfare Committee

(d) Member of the Marketing Committee

### **Officers**

Headmaster: J. Besley

Company Secretary: N.R. Roberts

### **Key management personnel**

Headmaster: J. Besley

Deputy Headmaster: N. Richardson

Chief Operating Officer: R.A.M. Breare (Malvern College employee)

Finance Director: N. R. Roberts (Malvern College employee)

## **ABBERLEY HALL LIMITED**

### **Reference and Administrative Information (continued) For the year ended 31 July 2023**

#### **Registered office and principal address**

Abberley Hall Limited  
Abberley Hall  
Abberley  
Worcester  
Worcestershire  
WR6 6DD

#### **Professional service providers**

##### **Bankers:**

Lloyds Banking Group PLC  
10-11 High Street  
Stourport-on-Severn  
Worcestershire  
DY13 8DA

##### **Independent Auditor:**

Crowe U.K. LLP  
4<sup>th</sup> Floor, St James House  
St James Square  
Cheltenham  
Gloucestershire  
GL50 3PR

##### **Insurance Brokers:**

Marsh Brokers Limited  
Rockwood House  
9-17 Perrymount Road  
Haywards Heath  
West Sussex  
RH16 3DU

##### **Lawyers:**

Veale Wasbrough Vizards  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 4QA

# **ABBERLEY HALL LIMITED**

## **Report of the Governors for the year ended 31 July 2023**

The Governors present their annual report and the audited financial statements for the year ended 31 July 2023.

Reference and Administrative Information is set out on pages 3 to 4 which forms part of this report. This section also provides details of its constitution and its charitable objects.

### **Chairman's statement**

For Abberley Hall it was a successful year academically and pastorally for our school and more importantly our children. The School continued to deliver a high-quality education to children of all ages, ensuring the needs of our pupils were met. Despite this being a successful year for our staff and pupils, the negative financial position of the School resulted in its closure at the end of the summer term.

The impact of the economic environment significantly increased the underlying cost base and the prep school market continued to be challenging. The financial demands are likely to be exacerbated for the sector by legislation changes including VAT on fees proposed by the Labour party. Despite Abberley Hall being a successful school and highly regarded in the local area and amongst our parent community, the likelihood of achieving a breakeven position over the short to medium term was low and major funding was required to continue to operate the school.

The School benefited considerably from its formal relationship with Malvern College, particularly from the financial support provided since June 2019. However, the College sadly made the difficult decision in Autumn 2022 that they could not continue to provide the funding required by the School. The impact of this was insufficient funds being available for the School to continue to operate into the 2023-24 financial year.

The Governors explored an extensive range of options to provide long term security to the School including part sale of the land and a takeover or partnership with private education providers and other schools, however none of these routes were successful, leaving the Governors facing the serious risk of trading insolvently.

Given these uncertainties, in February 2023 the Governors informed the wider community of a potential closure of the School in the event that alternative sources of finance could not be secured and initiated a redundancy process with staff, to ensure that in the event of closure the required consultation and notice periods had been provided to staff. Before and after this announcement an Abberley Hall Parent Group worked tirelessly to fundraise and to secure an arrangement which would allow Abberley to stay open. Despite securing significant donations for the 2023-24 academic year, material uncertainty as to the long-term financial sustainability of the School led to the withdrawal of the Abberley Hall Parent Group from these discussions.

The School closed at the end of the Summer term. Staff received redundancy payments in August 2023. The College has agreed to provide additional loan funding up to £1m for closure costs, this will ensure an orderly closure and prevent the risk around insolvency. The Abberley Hall site is now being actively marketed for sale.

The resilience, flexibility and positivity showed by staff, parents and children over the course of a difficult year has been remarkable and we wish all parties linked to Abberley Hall the very best for the future.

### **Strategic Report**

#### **Structure, Governance and Management**

##### **Recruitment and training of Governors**

The Directors of the company are also charity Trustees for the purposes of charity law and throughout the report are collectively referred to as the Governors. They are listed on page 3. The Board of Governors should be composed of no fewer than 7 and no more than 14 competent persons. At least 3 Governors including the Chair, and not more than 7, will be nominated by Malvern College and at least 3 Governors, and not more than 7 will be co-opted by existing Governors.

## **ABBERLEY HALL LIMITED**

### **Report of the Governors for the year ended 31 July 2023 (continued)**

#### **Recruitment and training of Governors (continued)**

All Governors have been members of at least one of the sub-committees or have responsibilities for specific aspects of the School to give them an insight into the workings of the School. As part of the induction process, the Governors were made aware of the School's safeguarding policies and receive all Independent Schools' Inspectorate and DfE updates that are sent to the School. Governors received safe-guarding training every 3 years.

#### **Organisational management**

The Governors hold one ordinary meeting of the Governors in each School term and the Sub-Committees also meet termly. The Sub-Committees include Commercial, Marketing, Safeguarding & Welfare and Education. The School holds an annual general meeting where the financial statements are reviewed and approved. Given the challenges faced by the School over the course of the year there were several additional Board meetings convened over the academic year. Despite the School having closed, the Board continues to meet at least once a term.

The day-to-day running of the School was delegated to the Headmaster and the Deputy. The remuneration of the key management personnel was discussed in detail each year by the Commercial Committee, with awareness of industry standards, and approved by the full Board of Governors.

#### **Governors' insurance**

The School purchased, and maintained throughout the financial year, insurance to protect the Governors from personal liability.

#### **Related parties**

##### Abberley Hall Enterprises Limited

Abberley Hall Enterprises Limited is a company incorporated in England and Wales. Its directors are two governors of Abberley Hall. The sole shareholders of Abberley Hall Enterprises Limited are two former governors who hold the share as nominees for Abberley Hall Limited. The nominal value of the shares is £2. Abberley Hall Enterprises Limited rented the swimming pool from Abberley Hall Limited and made these facilities available to third party users. The accounts for Abberley Hall Enterprises Limited are not incorporated into the financial statements of Abberley Hall Limited due to not being material. All debtors and creditor balances between Abberley Hall and Abberley Hall Enterprises Limited have been written off in the year.

##### Malvern College

In June 2019, an association between Malvern College and Abberley Hall was agreed. Malvern College made a substantial financial contribution to the School, enabling capital works and a programme of enhancement to be adopted; alongside which it has provided extensive bursarial, administrative, marketing and other support to the School. No payment has been made to Malvern College for this support.

Malvern College appointed 50% of the Abberley Hall Limited Board. In July 2020, Malvern College appointed Mr Carey Leonard as the Chair. From 1 September 2019, the results of Abberley Hall Limited have been consolidated into the Malvern College accounts. The first consolidated accounts were prepared for the 11 months ended 31 July 2020.

#### **Principal risks and uncertainties**

##### **Risk management**

The risks associated with the principal areas of the School's operations are reviewed at Sub-Committee meetings and controls designed to mitigate those risks are agreed and subsequently implemented by the Headmaster. The key financial risks were discussed extensively at Board level including exploring options to secure the long term financial sustainability of the School.

# **ABBERLEY HALL LIMITED**

## **Report of the Governors for the year ended 31 July 2023 (continued)**

### **Key risks**

The key risk managed by the School over the year was the financial position and future sustainability of the School. Increased inflation impacted areas such as utility and food costs. In light of this, the School developed detailed financial plans including a range of sensitivity analysis.

Linked to this, a risk identified and actively managed by the School was around failure to meet budgeted pupil numbers and the associated impact upon financial performance. These risks were managed by a regular review of pupil recruitment resulting in a coordinated approach from all involved to ensure pupil retention and recruitment were prioritised. The School had continued to invest in marketing and admissions spend.

The compounded effect of the economic climate and challenging prep school market negatively affected the cash flow position. Malvern College made the difficult decision to not provide further funding post the 2022/23 academic year. The Governors explored an extensive range of options including approaching private school groups. An announcement of potential closure was made at the beginning of the Lent term 2023 and a consultation process has been undertaken with staff. An Abberley Hall Parent Group was formed who have gone to great efforts to fundraise for the School, however given the financial and operational investments required into the School, a long-term agreement was unsuccessful. The School closed at the end of the summer term. The College has agreed to provide a loan of up to £1m for closure cost to ensure an orderly closure and prevent insolvency risk.

### **Aims, strategies and objectives**

Abberley Hall offered an inspirational educational experience based on the foundation of being one of England's great Prep Schools. It provided the time and space for each child to learn, play and grow, where children could learn to be the very best version of themselves. The School provided a broad all-round education in the academic sphere; in a range of sports, in the creative arts, and with a firm social grounding. The School believed that learning should be an exciting experience and strived to be truly innovative whilst maintaining a strong academic ethos and offering support for those who need it.

Now the School has closed, the aim is to sell to Abberley Hall site and to repay the loans accrued over the last few years. Any surplus money will be used for charitable purposes in line with the Charities objects.

### **Review of the year**

This school had demonstrable improvements over the course of the year and despite the announcement of the closure the school continued to be a vibrant place for children to learn. Saturday school take up continued to be strong, although optional most children choose to come in and take part in our enrichment programme. Pastoral care was a great strength of the School on which a lot of time and energy focused on this area and the more flexible approach to boarding continued to see strong popularity. The year was also successful academically.

Following the announcement of closure we supported staff to find new jobs and pupils to find new schools. The end of year was a celebration of all the positive elements of the school for both current and past pupils, parents and staff.

### **Charities Act 2011 and Public Benefit**

The Governors have considered the Charities Act 2011 on public benefit and have had due regard for Charity Commission Guidance on the Subject.

The School was committed to funding the education of members of the local community who would not normally be in a position to afford the school fees but who demonstrate that they would benefit from the educational environment the School offers. The School had limited reserves and the bursary scheme was funded through revenues generated by the School and not through investment income. During the 2022-23 year, Bursaries were awarded to 20 pupils (2021-22: 30 pupils). The value of this funding was £183,631 (2020-21: £209,061).

## **ABBERLEY HALL LIMITED**

### **Report of the Governors for the year ended 31 July 2023 (continued)**

#### **Review of the year (continued)**

A number of local groups also made use of the School's facilities at either a reduced cost or free of charge. The School actively promoted the development of stronger links with local maintained Schools. Activities include the hiring of the swimming pool to two local primary schools as well as to local swimming clubs and swimming teaching groups.

#### **Financial review**

The principal funding source for the School was fee income. The result for the year ending 31 July 2023 is a deficit of £1,509,160 (2021-22: deficit £838,487), which includes a depreciation charge of £155,970 (2021-22: £145,596).

The underlying operational result (before taking into account this item) was a deficit of £1,353,190 (2021-22: deficit of £692,891).

Although gross fees were lower than prior years due to a reduction in pupil numbers, income as a whole was improved by fewer fees allowances and increased trading activities.

The macroeconomic challenges were unprecedented with no clear indications of when a return to profitability of the School was possible. With an increasing cost base and a difficult market to attract new pupils the School was increasingly reliant on loans from Malvern College for day to day operations. This was an unsustainable position. Malvern College confirmed in Lent 2023 that they would no longer provide loan funding beyond the 2022-23 academic year. As a result the Governors actively explored an extensive range of options to secure the long term sustainability, these have been unsuccessful and the School closed at the end of the 2022-23 academic year.

The terms of the loan agreements between Malvern College and Abberley Hall include a trigger under these circumstances regarding repayment of the loans and these have now been stated as due within one year in the balance sheet. The estate is now on the market and therefore fixed assets have been transferred to current assets. All debtors and creditors have been reviewed and have either been provided for or written off where appropriate.

Malvern College has agreed to provide a £1m loan for closure costs which included redundancy payments, this is to ensure an orderly closure. The redundancy costs have been accrued in this financial year.

#### **Reserves**

Total reserves are £1,157,826 (2021-22: £2,666,986). Restricted funds are £5,011 (2021-22: £3,787). Of the total unrestricted funds of £1,152,815 (2021-22: £2,663,199), £nil comprises fixed assets (following the transfer of these assets to current assets following closure) (2021-22: £5,482,624), leaving free reserves of £1,152,815 (2021-22: negative free reserves of £2,819,425).

The Governors were aware of the negative free reserves and from a long term perspective it was unlikely that the School would be able to repay the capital and interest elements of the loan obligations from operations. Following the confirmation of the College that there would be no further provision of loans for the day to day running of the school post 2022-23, the Governors made the difficult decision to close the School.

#### **Plans for future periods**

The School closed at the end of the academic year. The estate is being actively marketed for sale. The sale proceeds are expected to cover the loan obligations, and the Governors will consider the use of any surplus once a sale is agreed and this can be ascertained. The charity is subsequently expected to be wound up. Malvern College has agreed to provide a loan to cover closure including redundancy costs up to £1m. There has been interest in the property so Governors are cautiously optimistic about a sale over the next 12-18 months.



## **ABBERLEY HALL LIMITED**

### **Report of the Governors for the year ended 31 July 2023 (continued)**

#### **Policies**

The Senior Management Team annually reviewed all of the School's policies, including; Headmaster's Guidelines, Staff Guidelines, Academic, Pastoral, Health and Safety, Boarding and EYFS. The Governors also reviewed and approved the Safeguarding and related policies.

#### Investment Policy

Due to the nature of the School's activities, there are no surplus funds available for long-term investment.

#### Remuneration Policy

The remuneration of key management personnel was set by the Governors, with the objective of providing appropriate incentives to encourage retention of existing staff and also to attract new staff when required.

#### **Statement of Governors' responsibilities**

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 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 these financial statements, the Governors 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

#### **Going concern**

The School closed at the end of the 2022-23 academic year. The estate is being actively marketed for sale. Malvern College has provided £1m loan for closure costs to allow an orderly closure.

#### **Statement on the Charity Governance Code**

As the School is a not for profit organisation which aims to follow charity sector best practice, the Governors have familiarised themselves with the updated version of the Charity Governance Code (the "Code") published in December 2021. The Governors consider that the School's governance framework aligns with all relevant aspects of the Code.

#### **Statement on Fundraising**

The charity had no fundraising activities requiring disclosure under s.162A of the Charities Act 2011.

## **ABBERLEY HALL LIMITED**

### **Report of the Governors for the year ended 31 July 2023 (continued)**

#### **Statement on disclosure of information to the auditor**

Insofar as each of the Governors, as directors of the charitable company, at the date of approval of this report is aware there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each member of the Governing Body has taken all steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the company's auditor is aware of that information.

#### **Independent Auditor**

Crowe U.K. LLP have indicated their willingness to accept their reappointment and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board of Governors, the Report of the Governors, including the Strategic Report, was authorised on 13 December 2023 by

A handwritten signature in black ink, appearing to be 'CAP Leonard', written in a cursive style.

**C A P Leonard**  
**Governor and Chairman**

## **ABBERLEY HALL LIMITED**

### **Independent Auditor's Report to the Governors of Abberley Hall Limited Year ended 31 July 2023**

#### **Opinion**

We have audited the financial statements of Abberley Hall Limited for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 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 Auditor's 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.

#### **Emphasis of Matter – financial statements prepared on a basis other than going concern**

**We draw attention to Note 1 to the financial statements which explains that the governors closed the school at the end of the 2022-23 academic year and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in note 1. Our opinion is not modified in respect of this matter.**

#### **Other information**

The governors are responsible for the other information contained within the annual report. 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.

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.

## **ABBERLEY HALL LIMITED**

### **Independent Auditor's Report to the Governors of Abberley Hall Limited Year ended 31 July 2023**

#### **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 governors' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the governors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In 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 strategic report or the directors' report included within the governors' report.

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

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

#### **Responsibilities of the governors**

As explained more fully in the governors' responsibilities statement set out on page 9, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

## **ABBERLEY HALL LIMITED**

### **Independent Auditor's Report to the Governors of Abberley Hall Limited Year ended 31 July 2023**

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

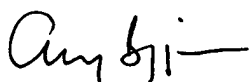
In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the approval and processing of fee concessions and discounts, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over fee concessions and discounts, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

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

#### **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 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 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.



Guy Biggin  
**Crowe U.K. LLP**  
Statutory Auditor  
4<sup>th</sup> Floor, St James House  
St James Square  
Cheltenham  
GL50 3PR

Date: 12 January 2024

# ABBERLEY HALL LIMITED

## Statement of Financial Activities (including income and expenditure account) for the Year ended 31 July 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Year ended 31 July 2023 £	Year ended 31 July 2022 £
<b>INCOME FROM:</b>					
<b>Charitable activities</b>					
School fees	2	2,217,923	-	2,217,923	2,221,026
Ancillary trading	3	135,641	-	135,641	135,653
<b>Trading activities</b>	3	288,343	-	288,343	207,585
<b>Interest received</b>		(27)	-	(27)	399
<b>Donations</b>	4	-	1,760	1,760	2,391
<b>TOTAL INCOME</b>		2,641,880	1,760	2,643,640	2,567,054
<b>EXPENDITURE ON:</b>					
<b>Raising funds</b>					
Financing costs	5	53,612	-	53,612	28,170
<b>Charitable Activities</b>					
Provision of education	5	4,098,652	536	4,099,188	3,377,371
<b>TOTAL EXPENDITURE</b>		4,152,264	536	4,152,800	3,405,541
<b>Net (expenditure) and net movement in funds</b>	6	(1,510,384)	1,224	(1,509,160)	(838,487)
<b>RECONCILIATION OF FUNDS</b>					
Funds balances b/f 1 August 2022	13	2,663,199	3,787	2,666,986	3,505,473
<b>Funds balance c/f 31 July 2023</b>	13	1,152,815	5,011	1,157,826	2,666,986

The notes on pages 17 to 29 form part of the financial statements.

# ABBERLEY HALL LIMITED

## Balance Sheet as at 31 July 2023 Company number: 00602279

	Notes	31 July 2023 £	31 July 2022 £
<b>Fixed assets:</b>			
Tangible assets	8	-	5,482,624
<b>Total fixed assets</b>		-	5,482,624
<b>Current assets:</b>			
Assets held for sale	9	5,383,969	-
Stocks	10	12,701	39,787
Debtors	11	79,552	383,504
Cash at bank & in hand		12,990	41,054
<b>Total current assets</b>		5,489,212	464,345
<b>Liabilities:</b>			
<b>Creditors: amounts falling due within one year</b>	12	(4,331,386)	(3,279,983)
<b>Net current assets/(liabilities)</b>		1,157,826	(2,815,638)
<b>Total assets less current liabilities</b>		1,157,826	2,666,986
<b>Total net assets</b>		1,157,826	2,666,986
<b>The funds of the charity:</b>			
<b>Restricted funds</b>	13	5,011	3,787
<b>Unrestricted funds</b>	13	1,152,815	2,663,199
<b>Total charity funds</b>		1,157,826	2,666,986

The financial statements were approved and authorised for issue by the board of Governors on 13 December 2023 and were signed on its behalf by:



**C A P Leonard**  
Chairman

The notes on pages 17 to 29 form part of the financial statements.

# ABBERLEY HALL LIMITED

## Statement of Cash Flows for the year ended 31 July 2023

	Notes	31 July 2023 £	31 July 2022 £
<b>Cash flows from operating activities:</b>			
<b>Net cash used in operating activities</b>	<b>16</b>	<b>(1,130,500)</b>	<b>(482,337)</b>
<b>Cash flows from investing activities:</b>			
Interest received	(27)		399
Purchase of tangible fixed assets	(57,315)		(192,167)
Proceeds on disposal of tangible fixed assets	(40,222)		1,208
<b>Net cash flow from investing activities:</b>		<b>(97,564)</b>	<b>(190,560)</b>
<b>Cash flows from financing activities:</b>			
Cash from intercompany loan	1,200,000		515,000
<b>Net cash inflow from financing activities:</b>		<b>1,200,000</b>	<b>515,000</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>17</b>	<b>(28,064)</b>	<b>(157,897)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>17</b>	<b>41,054</b>	<b>198,951</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>17</b>	<b>12,990</b>	<b>41,054</b>

The notes on pages 17 to 29 form part of the financial statements.



# **ABBERLEY HALL LIMITED**

## **Notes to the financial statements for the year ended 31 July 2023**

### **Charity information**

Abberley Hall Limited is a private company limited by shares, incorporated in England and Wales (company no: 00602279). Abberley Hall Limited is registered as a charity with the Charity Commission England and Wales (charity no: 527598). Its registered and principal office is Abberley Hall, Abberley, Worcester, Worcestershire, WR6 6DD.

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with 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) (2<sup>nd</sup> edition effective January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006. The results of the subsidiary, Abberley Hall Enterprises Limited are not consolidated due to not being material.

From 1 September 2019, the results of Abberley Hall Limited have been consolidated into the Malvern College accounts.

Abberley Hall Limited meets the definition of a public benefit entity under FRS 102.

### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

The functional and presentational currency of the Charity is considered to be GBP because that is the currency of the primary economic environment in which the Charity operates.

### **Going concern**

The School closed at the end of the 2022-23 academic year. Therefore, the accounts have been produced on an orderly wind down basis, this is possible due to support provided by Malvern College in way of a loan specifically for up to £1m of closure costs. The balance sheet has been reviewed and creditors more than one year have been reclassified as due within one year, this includes the loans from Malvern College. Fixed assets have been reviewed for impairment and have been written down where appropriate, these have been classified as current assets. Current debtors and creditors have been reviewed and where appropriate have been provided for or written off.

### **Donations**

Donations are accounted for when receivable.

### **Fees and similar income**

Fees receivable and charges for services and use of premises are accounted for in the year in which the service is provided. Fees receivable are stated after deducting allowances, scholarships, grants, bursaries and exhibitions allowed by the School.

### **Trading and Ancillary trading income**

All trading and ancillary trading income is accounted for in the period in which the income is earned.

### **Final term deposits**

Final term deposits are deposits placed when pupils join the School which are offset against the disbursements due for the last term each pupil attends. All deposits were classified as creditors, and treated as deferred revenue. These were returned to parents at the year-end.

**Notes to the financial statements for the year ended 31 July 2023 (continued)**

**1 Principal accounting policies (continued)**

**Expenditure**

Expenditure is accrued as soon as a liability is considered probable. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. There are no costs which cannot be directly attributed to particular headings.

**Bursaries, grants and allowances payable**

Grants from restricted funds are included as expenditure in the period for which the award is given. Bursaries and allowances from unrestricted funds towards School fees at the School are treated as a reduction in those fees.

**Support costs**

Support costs include central function and governance costs. The governance costs comprise the cost of external audit and the costs of Governors' meetings.

**Irrecoverable VAT**

Any irrecoverable VAT is charged to the Statement of Financial Activities, or capitalised as part of the cost of the related asset, where appropriate.

**Fund accounting**

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

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

**Pension costs**

The School contributes to a defined contribution scheme for teaching staff. Amounts paid in relation to this scheme are charged to the Statement of Financial Activities when they fall due.

The School also contributes to one defined contribution scheme for non-teaching staff. Amounts paid in relation to this scheme are charged to the Statement of Financial Activities when they fall due.

All pension costs are allocated to unrestricted funds due to this being the fund the wages and salaries are paid from.

**Tangible fixed assets**

Assets with a cost below £1,000 are not capitalised.

**Terminations costs policy**

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

# ABBERLEY HALL LIMITED

## Notes to the financial statements for the year ended 31 July 2023 (continued)

### 1 Principal accounting policies (continued)

#### Operating lease policy

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease terms.

#### Depreciation

Land is not depreciated. Depreciation of other assets is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. Fixed Assets are not depreciated until they are brought into use. The principal annual rates, applied on a straight line basis on other assets, used for this purpose are:

	%
Buildings and all-weather pitch	1.8-10%
Fixtures & fittings	10
Grounds equipment (on a reducing balance basis)	10
Computers and other equipment	33

Buildings are subject to an annual impairment review.

#### Stocks

Stocks comprise food stores, uniform and stationery which are stated the lower of cost and net realisable value less any impairment.

#### Debtors

Short term debtors are initially measured at transaction price, less any impairment. Prepayments are recorded at the amount prepaid.

#### Cash

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

#### Creditors

Short term creditors are initially measured at the transaction price.

#### Basic financial instruments

Abberley Hall Limited has financial assets and financial liabilities 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.

#### Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the financial statements where these estimates and judgements have been made include the following:

##### Useful economic lives of tangible fixed assets

The annual depreciation charges for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the tangible fixed assets and note 1 for the useful lives for each class of assets.

##### Impairment of debtors

The School makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 11 for the net carrying amount of the debtors and the associated impairment provision.

# ABBERLEY HALL LIMITED

## Notes to the financial statements for the year ended 31 July 2023 (continued)

### 2 School fees

The School's tuition fee income comprised:	Year ended 31 July 2023	Year ended 31 July 2022
	£	£
Gross fees	2,729,546	2,745,623
Less: scholarships, bursaries etc	(483,240)	(491,126)
Less: commission	(28,383)	(33,471)
	2,217,923	2,221,026

### 3 Other income

	Year ended 31 July 2023	Year ended 31 July 2022
	£	£
<b>Trading activities</b>		
Lettings and other income	86,853	85,803
Uniform shop	8,492	16,628
Profit on disposal of fixed assets	-	1,059
Miscellaneous income	192,998	104,095
	288,343	207,585
<b>Ancillary trading income</b>		
Fees for extracurricular activities	96,281	83,059
After School care	4,923	7,001
Supported learning fees	34,437	45,593
	135,641	135,653

### 4 Donations

	Year ended 31 July 2023	Year ended 31 July 2022
	£	£
Restricted donations and gifts	1,760	2,391
	1,760	2,391

# ABBERLEY HALL LIMITED

## Notes to the financial statements for the year ended 31 July 2023 (continued)

### 5 Expenditure

	Staff costs £	Other costs £	Depreciation £	Year ended 31 July 2023 £	Year ended 31 July 2022 £
<b>Raising funds</b>					
Fundraising and publicity	-	53,612	-	53,612	28,170
<b>Total</b>	-	53,612	-	53,612	28,170
<b>Charitable activities</b>					
Teaching	1,525,888	269,779	-	1,795,667	1,728,063
Welfare	202,172	404,702	-	606,874	482,242
Premises	126,415	577,854	155,970	860,239	752,849
Support costs of Schooling	449,219	387,189	-	836,408	414,217
Provision of Education	2,303,694	1,639,524	155,970	4,099,188	3,377,371
<b>Total expenditure</b>	2,303,694	1,693,136	155,970	4,152,800	3,405,541

Included within support costs are governance costs of £127,286 (2022: £25,985) which mainly comprise the costs of administering the charity, professional costs, legal costs and audit fees.

### 6 Net expenditure for the year

	Year ended 31 July 2023 £	Year ended 31 July 2022 £
<b>Net expenditure for the year is stated after charging:</b>		
Auditor's remuneration for audit	27,735	11,075
Auditor's remuneration for taxation engagements	-	1,125
Operating lease rentals	11,944	5,808
Depreciation	155,970	145,596

# ABBERLEY HALL LIMITED

## Notes to the financial statements for the year ended 31 July 2023 (continued)

### 7 Employee & Governor information

	Year ended 31 July 2023	Year ended 31 July 2022
	Number	Number
The monthly average headcount of persons employed by the School during the year was:		
Teaching	53	40
Welfare	15	14
Estates	4	12
Administration	3	4
	75	70

### Staff Costs

	Year ended 31 July 2023	Year ended 31 July 2022
	£	£
Wages & Salaries	2,000,818	1,589,794
Social Security costs	140,202	137,641
Other Pension costs (note 15)	162,674	164,834
Total	2,303,694	1,892,269

The number of employees whose emoluments exceeded £60,000 was:

	Year ended 31 July 2023	Year ended 31 July 2022
	Number	Number
£80,001 - £90,000	1	1

For those staff whose emoluments exceed £60,000 pension contributions amounting to £17,925 (2022: £17,671) were paid by the School. None of the Governors received any remuneration during the period (2022: None). No Governors received reimbursements for travel expenses. (2022: One Governor received £52).

	Year ended 31 July 2023	Year ended 31 July 2022
	£	£
Senior Management Team Remuneration	163,363	162,957

The amount stated above is including pension and employers' national insurance.

During the year, the Charity made redundancy/termination payments amounting to £329,916 (2022: £25,651), of which £329,916 was outstanding at the year end (2022: £Nil).

### Governors

During the year, one Governor (2022: one Governor) had one child (2022: one child) attending the School. The School charged them a total of £18,045 (2022: £15,900) for School fees and £1,788 (2022: £1,971) for extras and disbursements. No remissions and discounts (2022: None), were granted against the full fees charged. All fee concessions were awarded on an arms-length basis.

One member (2022: One) of the Key Management Personnel had children at the school during the year. At the year end fees totalling £967 (2022: £5,122) were due from the staff member.

The Governors and Key Management Personnel paid fees under normal commercial terms and all fee discounts were awarded on an arms-length basis.

# ABBERLEY HALL LIMITED

## Notes to the financial statements for the year ended 31 July 2023 (continued)

### 8 Tangible fixed assets

	Freehold land and buildings	Grounds and computer equipment	Furniture, fixtures, fittings and plant	Total
	£	£	£	£
<b>At cost</b>				
At 31 July 2022	5,718,800	543,067	215,825	6,477,692
Additions	26,668	21,148	9,499	57,315
Transfers	(5,745,468)	(564,215)	(225,324)	(6,535,007)
<b>At 31 July 2023</b>	-	-	-	-
<b>Accumulated Depreciation</b>				
At 31 July 2022	459,336	428,391	107,341	995,068
Charge in the year	110,836	26,711	18,423	155,970
Transfers	(570,172)	(455,102)	(125,764)	(1,151,038)
<b>At 31 July 2023</b>	-	-	-	-
<b>Net book values</b>				
<b>At 31 July 2023</b>	-	-	-	-
At 31 July 2022	5,259,464	114,676	108,484	5,482,624

All fixed assets have been transferred to current assets (as per note 9) following closure.

### 9 Assets held for sale

	31 July 2023	31 July 2022
	£	£
Former fixed assets	5,383,969	-
	5,383,969	-

This represents assets previously used as fixed assets now held for sale following closure.

## ABBERLEY HALL LIMITED

### Notes to the financial statements for the year ended 31 July 2023 (continued)

#### 10 Stocks

	31 July 2023	31 July 2022
	£	£
Heating oil and gas	12,701	17,173
School uniforms	-	15,520
Food	-	7,094
	12,701	39,787

There was no stock impairment provision at the year end (2022: £12,204).

#### 11 Debtors

	31 July 2023	31 July 2022
	£	£
School fees	20,046	101,220
Balances owed by related party	7,245	166,500
Other debtors	4,964	45,186
Prepayments and accrued income	47,297	70,598
	79,552	383,504

Debtors are stated after impairment provisions totalling £47,307 (2022: £42,331). Balances owed by a related party include £7,245 (2022: £299,459) owed by Abberley Hall Enterprises Limited but are stated after an impairment provision of £nil (2022: £132,959).

#### 12 Creditors: amounts falling due within one year

	31 July 2023	31 July 2022
	£	£
Trade creditors	111,191	132,799
Advance fees	-	164,940
Taxation and social security	30,963	44,221
Balance owed to Intercompany	72,599	243,594
Other creditors	1,576	8,630
Entrance fee deposits	-	95,267
Intercompany loan	3,730,000	2,530,000
Accruals and deferred income	385,057	60,532
	4,331,386	3,279,983

Malvern College holds a fixed and floating charge over all assets in the financial statements against total borrowings. At the year end, the total borrowing from Malvern College was £3,730,000 (2022: £2,530,000).

Loans of £1.0m and £1.015m were drawn down in July and December 2020 respectively. Further loans of £15,000, £250,000, £250,000, £100,000 and £400,000 were drawn down in October, November and December 2021 and August and October 2022.

The interest rate associated with these loans is 2.32% (fixed rate).



# ABBERLEY HALL LIMITED

## Notes to the financial statements for the year ended 31 July 2023 (continued)

### 12 Creditors: amounts falling due within one year (continued)

Under a further loan agreement for £2,000,000 in March 2023, amounts of £125,000, £175,000, £350,000 and £50,000 were drawn down in December 2022 and March, June and July 2023.

The associated interest rate associated with these loans is 2.61% above the Bank of England base rate (variable).

Following the closure of the school, the site is being actively marketed for sale, which once complete will enable the charity to repay its loans. The valuation of the site exceeds the value of the loans, although this could be affected if the site takes several years to sell.

### 13 Funds

	At 1 August 2022	Income	Expenditure	At 31 July 2023
	£	£	£	£
<b>Restricted funds</b>				
Prize fund	1,850	-	-	1,850
Parents Events Committee (PEC)	1,472	1,160	(96)	2,536
Royal Society Funding	465	600	(440)	625
	3,787	1,760	(536)	5,011
<b>Unrestricted funds</b>				
School fund	2,663,199	2,641,880	(4,152,264)	1,152,815
<b>Total charity funds</b>	<b>2,666,986</b>	<b>2,643,640</b>	<b>(4,152,800)</b>	<b>1,157,826</b>

Prize Fund: funds received for the financing of prizes awarded to pupils during their time at the School.

Parents Events Committee (PEC): funds received from fundraising and renovation costs of the summer house.

Royal Society Funding: funds received from the Royal Society Fund for the costs of the "Project Sound" creative arts initiative.

### 13a Comparative Funds

	At 1 August 2021	Income	Expenditure	At 31 July 2022
	£	£	£	£
<b>Restricted funds</b>				
Prize fund	1,850	-	-	1,850
Fountain Restoration	5,000	-	(5,000)	-
Parents Events Committee (PEC)	4,218	2,391	(5,137)	1,472
Royal Society Funding	501	-	(36)	465
	11,569	2,391	(10,173)	3,787
<b>Unrestricted funds</b>				
School fund	3,493,904	2,564,663	(3,395,368)	2,663,199
<b>Total charity funds</b>	<b>3,505,473</b>	<b>2,567,054</b>	<b>(3,405,541)</b>	<b>2,666,986</b>

Prize Fund: funds received for the financing of prizes awarded to pupils during their time at the School.

Fountain Restoration: funds received for the restoration of the School fountain.

Parents Events Committee (PEC): funds received from fundraising and renovation costs of the summer house.

## ABBERLEY HALL LIMITED

### Notes to the financial statements for the year ended 31 July 2023 (continued)

#### 13a Comparative Funds (continued)

Royal Society Funding: funds received from the Royal Society Fund for the costs of the "Project Sound" creative arts initiative postponed from 2019-20 to 2020-21.

#### 14 Analysis of the net assets between funds

The net assets are held for the various funds as at 31 July 2023 as follows:

Net assets of the School's funds	Fixed assets	Net current assets	Long term liabilities	Fund balances
	£	£	£	£
Restricted funds	-	5,011	-	5,011
Unrestricted funds	-	1,152,815	-	1,152,815
	-	1,157,826	-	1,157,826

#### 14a Comparative Analysis of the net assets between funds

The net assets are held for the various funds as at 31 July 2022 as follows:

Net assets of the School's funds	Fixed assets	Net current assets	Long term liabilities	Fund balances
	£	£	£	£
Restricted funds	-	3,787	-	3,787
Unrestricted funds	5,482,624	(2,819,425)	-	2,663,199
	5,482,624	(2,815,638)	-	2,666,986

#### 15 Pensions

The School has contributed to three defined contribution pension scheme on behalf of its employees. The cost to the School of these schemes for the year to 31 July 2023 is £162,674 (2022: £164,834).

All pension charges are charged to unrestricted funds, in line with the fund out of which wages and salaries are paid.

## ABBERLEY HALL LIMITED

### Notes to the financial statements for the year ended 31 July 2023 (continued)

#### 16 Reconciliation of cash flows from operating activities

	31 July 2023	31 July 2022
	£	£
Net deficit for the year	(1,509,160)	(838,487)
Adjustments for:		
Fixed assets depreciation	155,970	145,596
Loss / (Profit) on sale of fixed assets	40,222	(1,059)
Interest paid / (received)	27	(399)
Decrease / (Increase) in stocks	27,086	(12,831)
Decrease / (Increase) in debtors	303,952	(100,570)
(Decrease) / Increase in creditors	(148,597)	325,413
<b>Net cash (used in) operating activities</b>	<b>(1,130,500)</b>	<b>(482,337)</b>

#### 17 Analysis of cash and cash equivalents

	1 August 2022	Cash- flow	31 July 2023
	£	£	£
Net cash:			
Cash at bank and in hand	41,054	(28,064)	12,990
<b>Total cash and cash equivalents</b>	<b>41,054</b>	<b>(28,064)</b>	<b>12,990</b>

#### 18 Related party transactions

During the year Abberley Hall Limited traded on normal commercial terms with Abberley Hall Enterprises Limited, a company incorporated in England and Wales. Mr. A.G. Duncan and Mr. J.J. Tanner, who are former governors of Abberley Hall, are the sole shareholders of Abberley Hall Enterprises Limited and hold its shares as nominees for Abberley Hall Limited.

Rent received from Abberley Hall Enterprises Limited during the year amounted to £23,000 (2022: £23,000) and fees paid to Abberley Hall Enterprises Limited for use of the swimming pool totalled £46,800 (2022: £58,946), including irrecoverable VAT. During the year Abberley Hall Limited received £34,454 (2022: £31,925) from Abberley Hall Enterprises Limited for recharges of expenditure including fuel oil and wages, and paid £2,549 (2022 - £nil) to Abberley Hall Enterprises Limited for stock of fuel oil. At the year end £7,245 (2022: £299,459) was owed by Abberley Hall Enterprises Limited to Abberley Hall Limited, and £nil has been provided for (2022: £132,959).

The Abberley Hall Foundation is a charity whose objectives are the advancement of the education of the pupils of Abberley Hall School by assisting in the maintenance, improvement and development of buildings and facilities at the School. At the year end £4,964 (2022: £4,964) was owed by The Abberley Hall Foundation to Abberley Hall Limited for accumulated expenses paid on their behalf.

During the previous year Abberley Hall Limited traded on normal commercial terms with Hingley & Callow Oils Limited and Callowgas Limited, companies owned by the family of Mrs K Collyer, the previous Director of Finance, who was a director in the previous year. During the previous year purchases of fuel oil and motor fuels amounted to £74,674 and gas purchases were £15,660.

## ABBERLEY HALL LIMITED

### Notes to the financial statements for the year ended 31 July 2023 (continued)

#### 18 Related party transactions (continued)

In June 2019, it was announced a new formal relationship with Abberley Hall Limited and Malvern College was formed. The results of Abberley Hall Limited were from 1 September 2019 consolidated into the accounts of Malvern College.

During the year Abberley Hall Limited traded on normal commercial terms with Malvern College and its subsidiaries Malvern College Enterprises Limited and Malvern College International Limited. During the year expenses and subscription charges amounting to £100,011 (2022: £113,813) were recharged to Abberley Hall, and £2,874 (2022: £nil) was charged to Malvern College for hire of the facilities for cricket festivals. £72,598 (2022: £81,812) was outstanding to the College at the year end.

#### 19 Ultimate holding entity and controlling party

The ultimate controlling party is considered to be Malvern College, a charity incorporated by Royal Charter (RC000338) in England and Wales, as the ultimate holding body and controlling party. Charity registration number 527578.

Copies of Malvern College consolidated financial statements prepared to 31 July 2023, which include the results of the company, may be obtained from the Company Secretary at the company's registered office shown on page 4 after the AGM, which will be held on 16 March 2024.

#### 20 Taxation

The School was a registered charity throughout the year and, as such, for its charitable (primary purpose) trading was not liable to corporation tax on the surplus of income over expenditure for the year, or to capital taxes on gains arising from the disposal of assets. For any surplus, over the small trading exemption on non-primary purpose trading, corporation tax will be payable.

#### 21 Share Capital

	31 July 2023	31 July 2022
	£	£
Ordinary share capital: Issued and fully paid		
100 ordinary shares of £1 each	100	100

#### 22 Commitments

At 31 July 2023, the School had no capital commitments (2022: none).

##### Operating leases

At 31 July 2023 the School had future total minimum lease payments under non-cancellable operating leases for each of the following periods:

	31 July 2023	31 July 2022
	£	£
Not later than one year	9,736	28,469

#### 23 Post balance sheet events

Following the closure of the School on 30 June 2023, the land and buildings began to be marketed for sale in October 2023.

# ABBERLEY HALL LIMITED

## Notes to the financial statements for the year ended 31 July 2023 (continued)

### 24 Comparative SOFA

	Notes	Unrestricted Funds £	Restricted Funds £	Year ended 31 July 2022 £	Year ended 31 July 2021 £
<b>INCOME FROM:</b>					
<b>Charitable activities</b>					
School fees	2	2,221,026	-	2,221,026	2,133,747
Ancillary trading	3	135,653	-	135,653	136,054
<b>Trading activities</b>	3	207,585	-	207,585	52,288
<b>Interest received</b>		399	-	399	411
<b>Donations</b>	4	-	2,391	2,391	57,915
<b>TOTAL INCOME</b>		2,564,663	2,391	2,567,054	2,380,415
<b>EXPENDITURE ON:</b>					
<b>Raising funds</b>					
Financing costs	5	28,170	-	28,170	39,220
<b>Charitable Activities</b>					
Provision of education	5	3,367,198	10,173	3,377,371	3,362,098
<b>TOTAL EXPENDITURE</b>		3,395,368	10,173	3,405,541	3,401,318
<b>Net (expenditure) and net movement in funds</b>	6	(830,705)	(7,782)	(838,487)	(1,020,903)
<b>RECONCILIATION OF FUNDS</b>					
Funds balances b/f					
1 August 2021	13	3,493,904	11,569	3,505,473	4,526,376
<b>Funds balance c/f</b>					
31 July 2022	13	2,663,199	3,787	2,666,986	3,505,473