

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED**

**STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED**

31 JULY 2023

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	5
Report of the Independent Auditors	6
Income Statement	10
Other Comprehensive Income	11
Balance Sheet	12
Statement of Changes in Equity	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2023**

DIRECTORS:

J A L Sprenger
C M Sprenger
R A Sprenger

SECRETARY:

J A L Sprenger

REGISTERED OFFICE:

Highfield ICON
First Point
Balby Carr Bank
Doncaster
South Yorkshire
DN4 5JQ

REGISTERED NUMBER:

06478925 (England and Wales)

INDEPENDENT AUDITORS:

Xeinadin Audit Limited
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2023**

The directors present their strategic report for the year ended 31 July 2023.

REVIEW OF BUSINESS

Highfield are the 2023 winner of the Federation of Awarding Bodies (FAB) End Point Assessment of the Year award which is the most prestigious award available in the industry. We're a global leader in compliance and work-based learning and apprenticeship qualifications and one of the UK's most recognisable awarding organisations. As such we're regulated by Ofqual, Qualifications Wales, SQA Accreditation, the Council for the Curriculum, Examinations and Assessment (CCEA), and the Security Industry Authority (SIA). In addition to this, we're also a government-regulated end-point assessment organisation (EPAO). As an awarding organisation we've developed 300+ qualifications designed to enhance the career prospects of learners. These qualifications are now delivered by over 40,000 trainers and training providers spread across 57 countries. They cover multiple sectors such as retail, health and social care, finance, customer service, rail and engineering, hospitality, logistics, aviation and many more.

RESULTS AND PERFORMANCE

We have had a strong year enjoying a 14% increase in turnover.

BUSINESS ENVIRONMENT

The Qualification and Apprenticeship industries are highly competitive, particularly in the sectors where our business is focused. Of the 150 competitors in the market, Highfield sit in the top 5, all 5 of the leading organisations have a broad coverage of subject areas. Of the leading Awarding Organisations Highfield is the only family business. This year we have been 2nd in the overall list of qualifications. We are the proud winner of the 2023 Federation of Awarding Bodies (FAB) End Point Assessment of the Year award.

There are several reasons for our success:

- i) Ability to remain Agile and make quick decisions in a market that is constantly changing.
- ii) Development and adaption of systems. Highfield has their own Internal IT development team which allows us to provide customised systems.
- iii) Complete focus on customer service, it truly is at the heart of everything than we do.
- iv) Complete one stop shop solution including qualifications, End Point Assessment, quality products, e-assessment, remote invigilation, e-portfolio, and customised systems.
- v) Significant growth in the Apprenticeship market.
- vi) Creating a digital first strategy

STRATEGY

In 2023 we have moved 75 staff over from Academy House to our Head Office in Doncaster. This will allow for better communication between teams.

The Company's success is dependent on the proper selection, pricing, and ongoing management of the risks it accepts.

In the Qualifications market, we have continued to consolidate our position. We believe it is important to retain a diversified portfolio of risks in order to achieve maximum profitability in this highly competitive marketplace. As the work-based learning business diminished we were at the forefront regarding entry in the replacement market in Apprenticeships. We employed the best people available in the market to lead this team and invested heavily in the right technology to support our offer. Our introduction of a market leading digital product range to support the apprenticeships has given us an excellent USP over our competitors.

We are the only Awarding Organisation with a significant internal systems development team, this allows us to provide the most customer focused systems in the market.

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2023**

The Company will continue to consolidate its position and concentrate its efforts on achieving maximum growth in its existing market segments. Highfield will continue to drive efficiencies particularly in the Apprenticeship market.

Health and Well-being is very important to us and this year we have made some key decisions re the future of our business:

- 1) We have added electric car charge points to our car park
- 2) We have added solar panels to our Head Office and Distribution Centre
- 3) We are opening Highfield Coffee Social which will focus on healthy eating
- 4) We have added a gym to our head office

KEY PERFORMANCE INDICATORS ('KPIs')

The Board monitors the progress of the Company by reference to the following KPIs:

- Accuracy of sales and distribution
- Turnover
- Profitability
- Sector pass rate
- Regulatory requirements
- Customer satisfaction

PRINCIPAL RISKS AND UNCERTAINTIES

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management.

Compliance with regulation, legal and ethical standards is a high priority for the Company and the compliance team and finance department take on an important oversight role in this regard. The Company has developed a framework for identifying the risks that each business sector, and the Company as a whole, is exposed to and their impact on economic equity.

The principal risks from our business arise from:

- i) Meeting regulatory requirements - Highfield have an excellent relationship with all our regulating bodies and are often mentioned as market leading in these areas. We sit on many of the key forums and ensure that we are always well placed to adapt to any regulatory changes.
- ii) Government policy change - Although always a risk, all the government parties are extremely supportive of the apprenticeship market and vocational qualifications. We have a large range of qualifications across many sectors, this diminishes the risk if one of these sectors is affected by policy change.
- iii) Improved competitor performance - we must ensure that we improve in all of the key areas of customers service, product development, qualification development and system provision. We have a director team that is extremely agile and have developed a very clear strategy to concentrate on key areas that will allow us to continue to grow and increase market share.

Highfield has worked hard over the past 15 years to diversify into many new areas giving us a broad range of products and services. This has been key to growth, however, also to mitigating risk so we are not dependent on a small number of areas of potential failure.

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2023**

FUTURE DEVELOPMENTS

The directors look forward to building on the historic growth and profitability that the Company has achieved and continue to seek new opportunities to benefit the business. We will continue to support digital solutions and are very well placed to embrace the opportunities arising online.

ON BEHALF OF THE BOARD:

C M Sprenger - Director

23 April 2024

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2023**

The directors present their Report with the financial statement of Company for the year ended 31 July 2023.

DIVIDENDS

No dividends will be distributed for the year ended 31 July 2023.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2022 to the date of this report.

J A L Sprenger
C M Sprenger
R A Sprenger

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

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

ON BEHALF OF THE BOARD:

C M Sprenger - Director

23 April 2024

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED**

Opinion

We have audited the financial statements of Highfield Awarding Body for Compliance Limited (the 'company') for the year ended 31 July 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 July 2023 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 Auditors' 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED**

Matters on which we are required to report by exception

In the light of the 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 or the Report of the Directors.

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 five, 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 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED**

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the Company, we identified that the principal risks of non-compliance with laws and regulations related to corporation tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements.

As part of this assessment we considered both quantitative and qualitative factors. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and FRS 102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements which included the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries, omitting, advancing or delaying recognition of events and transactions that have occurred during or after the reporting period, and potential management bias in the determination of accounting estimates or judgements to manipulate results.

Audit procedures performed by the engagement team include:

- Enquiring of and obtaining written representation from management in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Enquiring of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Review of board meeting minutes and meetings of those charged with governance;
- Identifying and, where relevant, testing journal entries posted by senior management or with unusual combinations;
- Assessing and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of correspondence with regulators in so far as they are related to the financial statements;
- Incorporating elements of unpredictability into the nature, timing and/or extent of audit procedures performed.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED**

Use of our 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 a Report of the Auditors 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.

Kelvin Fitton BA FCA (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Limited
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

25 April 2024

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 JULY 2023**

		2023	2022
	Notes	£	£
TURNOVER	3	18,428,826	16,197,883
Cost of sales		<u>2,666,321</u>	<u>1,845,274</u>
GROSS PROFIT		15,762,505	14,352,609
Administrative expenses		<u>15,110,715</u>	<u>13,665,612</u>
		651,790	686,997
Other operating income		<u>463,736</u>	<u>744,307</u>
OPERATING PROFIT	5	1,115,526	1,431,304
Interest receivable and similar income		<u>14,508</u>	<u>2,817</u>
		1,130,034	1,434,121
Amounts written off investments	6	<u>(52,970)</u>	<u>39,397</u>
PROFIT BEFORE TAXATION		1,183,004	1,394,724
Tax on profit	7	<u>215,472</u>	<u>272,914</u>
PROFIT FOR THE FINANCIAL YEAR		<u>967,532</u>	<u>1,121,810</u>

The notes form part of these financial statements

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2023**

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		967,532	1,121,810
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>967,532</u>	<u>1,121,810</u>

The notes form part of these financial statements

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**BALANCE SHEET
31 JULY 2023**

		2023		2022
	Notes	£	£	£
FIXED ASSETS				
Intangible assets	8	118,922		95,569
Tangible assets	9	1,485,170		1,305,446
Investments	10	997,816		958,591
		<u>2,601,908</u>		<u>2,359,606</u>
CURRENT ASSETS				
Stocks	11	66,878		59,414
Debtors	12	4,033,761		3,173,229
Cash at bank and in hand		4,071,613		4,455,474
		<u>8,172,252</u>		<u>7,688,117</u>
CREDITORS				
Amounts falling due within one year	13	3,938,265		4,562,666
NET CURRENT ASSETS		<u>4,233,987</u>		<u>3,125,451</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,835,895</u>		<u>5,485,057</u>
CREDITORS				
Amounts falling due after more than one year	14	(1,566,667)		(1,200,000)
PROVISIONS FOR LIABILITIES	16	(88,110)		(71,471)
NET ASSETS		<u>5,181,118</u>		<u>4,213,586</u>
CAPITAL AND RESERVES				
Called up share capital	17	100		100
Retained earnings	18	5,181,018		4,213,486
SHAREHOLDERS' FUNDS		<u>5,181,118</u>		<u>4,213,586</u>

The financial statements were approved by the Board of Directors and authorised for issue on 23 April 2024 and were signed on its behalf by:

C M Sprenger - Director

The notes form part of these financial statements

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2023**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 August 2021	100	3,091,676	3,091,776
Changes in equity			
Total comprehensive income	-	1,121,810	1,121,810
Balance at 31 July 2022	<u>100</u>	<u>4,213,486</u>	<u>4,213,586</u>
Changes in equity			
Total comprehensive income	-	967,532	967,532
Balance at 31 July 2023	<u>100</u>	<u>5,181,018</u>	<u>5,181,118</u>

The notes form part of these financial statements

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2023**

		2023	2022
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	1,243,420	1,055,111
Tax paid		<u>(249,840)</u>	<u>(134,758)</u>
Net cash from operating activities		<u>993,580</u>	<u>920,353</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(64,277)	(108,549)
Purchase of tangible fixed assets		(317,928)	(1,146,492)
Purchase of fixed asset investments		-	(1,000,001)
Sale of fixed asset investments		13,634	4,828
Other Finance Investments cost		(52,859)	36,585
Interest received		<u>14,508</u>	<u>2,817</u>
Net cash from investing activities		<u>(406,922)</u>	<u>(2,210,812)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(970,519)</u>	<u>(1,428,571)</u>
Net cash from financing activities		<u>(970,519)</u>	<u>(1,428,571)</u>
Decrease in cash and cash equivalents		<u>(383,861)</u>	<u>(2,719,030)</u>
Cash and cash equivalents at beginning of year	2	4,455,474	7,174,504
Cash and cash equivalents at end of year	2	<u>4,071,613</u>	<u>4,455,474</u>

The notes form part of these financial statements

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2023**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023 £	2022 £
Profit before taxation	1,183,004	1,394,724
Depreciation charges	177,452	218,832
Loss on disposal of fixed assets	1,675	15,027
Finance income	<u>(14,508)</u>	<u>(2,817)</u>
	1,347,623	1,625,766
(Increase)/decrease in stocks	(7,464)	16,731
(Increase)/decrease in trade and other debtors	(860,532)	849,938
Increase/(decrease) in trade and other creditors	<u>763,793</u>	<u>(1,437,324)</u>
Cash generated from operations	<u>1,243,420</u>	<u>1,055,111</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 July 2023

	31.7.23 £	1.8.22 £
Cash and cash equivalents	<u>4,071,613</u>	<u>4,455,474</u>

Year ended 31 July 2022

	31.7.22 £	1.8.21 £
Cash and cash equivalents	<u>4,455,474</u>	<u>7,174,504</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.22 £	Cash flow £	At 31.7.23 £
Net cash			
Cash at bank and in hand	<u>4,455,474</u>	<u>(383,861)</u>	<u>4,071,613</u>
	4,455,474	(383,861)	4,071,613
Total	<u>4,455,474</u>	<u>(383,861)</u>	<u>4,071,613</u>

The notes form part of these financial statements

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

1. STATUTORY INFORMATION

Highfield Awarding Body for Compliance Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Companies Act 2006. The financial statements have been prepared on a going concern basis, under the historical cost convention.

The financial statements are presented in Sterling (GBP) which is the functional currency of the Company, rounded to the nearest £1.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of three years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on cost
Computer equipment	- Straight line over 3 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

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

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Listed investments

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2023	2022
	£	£
United Kingdom	16,184,027	14,760,311
Middle East	2,244,799	1,437,572
	<u>18,428,826</u>	<u>16,197,883</u>

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	10,874,325	10,254,569
Social security costs	593,616	481,875
Other pension costs	472,609	399,279
	<u>11,940,550</u>	<u>11,135,723</u>

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

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

4. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	2023	2022
Operational	29	36
Dubai	23	21
IT	15	14
Administration	143	145
	<u>210</u>	<u>216</u>

	2023	2022
	£	£
Directors' remuneration	3,909,459	4,538,483
Directors' pension contributions to money purchase schemes	<u>15,030</u>	<u>15,030</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2023	2022
	£	£
Emoluments etc	<u>3,694,073</u>	<u>4,444,073</u>

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2023	2022
	£	£
Hire of plant and machinery	4,403	4,436
Other operating leases	423,663	476,989
Depreciation - owned assets	136,530	177,666
Loss on disposal of fixed assets	1,675	15,027
Computer software amortisation	40,924	41,168
Auditors' remuneration	5,500	5,250
Foreign exchange differences	<u>21,619</u>	<u>(39,033)</u>

6. AMOUNTS WRITTEN OFF INVESTMENTS

	2023	2022
	£	£
Movement in investment	<u>(52,970)</u>	<u>39,397</u>

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

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

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023 £	2022 £
Current tax:		
UK corporation tax	202,585	274,862
R & D corporation tax refunds	-	(15,002)
Withholding tax	(3,753)	(219)
Total current tax	<u>198,832</u>	<u>259,641</u>
Deferred tax	16,640	13,273
Tax on profit	<u>215,472</u>	<u>272,914</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2023 £	2022 £
Profit before tax	<u>1,183,004</u>	<u>1,394,724</u>
Profit multiplied by the standard rate of corporation tax in the UK of 21.005% (2022 - 19%)	248,490	264,998
Effects of:		
Expenses not deductible for tax purposes	1,195	11,938
Income not taxable for tax purposes	(7,002)	(12,218)
Depreciation in excess of capital allowances	-	23,417
R & D corporation tax repayment	-	(15,002)
Withholding Tax	(3,753)	(219)
Capitalised repairs	(25,178)	-
Enhanced capital allowances	(938)	-
Difference in tax rates	2,658	-
Total tax charge	<u>215,472</u>	<u>272,914</u>

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

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

8. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 August 2022	2,039,513
Additions	64,277
At 31 July 2023	<u>2,103,790</u>
AMORTISATION	
At 1 August 2022	1,943,944
Amortisation for year	40,924
At 31 July 2023	<u>1,984,868</u>
NET BOOK VALUE	
At 31 July 2023	<u>118,922</u>
At 31 July 2022	<u>95,569</u>

9. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 August 2022	982,379	98,041	367,198
Additions	-	20,610	214,824
Disposals	-	(12,893)	(12,520)
At 31 July 2023	<u>982,379</u>	<u>105,758</u>	<u>569,502</u>
DEPRECIATION			
At 1 August 2022	-	74,862	217,225
Charge for year	-	5,795	44,381
Eliminated on disposal	-	(12,164)	(11,575)
At 31 July 2023	<u>-</u>	<u>68,493</u>	<u>250,031</u>
NET BOOK VALUE			
At 31 July 2023	<u>982,379</u>	<u>37,265</u>	<u>319,471</u>
At 31 July 2022	<u>982,379</u>	<u>23,179</u>	<u>149,973</u>

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

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

9. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 August 2022	256,860	110,929	1,815,407
Additions	42,990	39,504	317,928
Disposals	-	(81,826)	(107,239)
At 31 July 2023	<u>299,850</u>	<u>68,607</u>	<u>2,026,096</u>
DEPRECIATION			
At 1 August 2022	133,887	83,987	509,961
Charge for year	73,184	13,170	136,530
Eliminated on disposal	-	(81,826)	(105,565)
At 31 July 2023	<u>207,071</u>	<u>15,331</u>	<u>540,926</u>
NET BOOK VALUE			
At 31 July 2023	<u>92,779</u>	<u>53,276</u>	<u>1,485,170</u>
At 31 July 2022	<u>122,973</u>	<u>26,942</u>	<u>1,305,446</u>

10. FIXED ASSET INVESTMENTS

	Listed investments £
COST	
At 1 August 2022	1,020,890
Disposals	(13,634)
Share of profit/(loss)	40,043
At 31 July 2023	<u>1,047,299</u>
PROVISIONS	
At 1 August 2022	62,299
Provision written back	(12,816)
At 31 July 2023	<u>49,483</u>
NET BOOK VALUE	
At 31 July 2023	<u>997,816</u>
At 31 July 2022	<u>958,591</u>

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

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

11. STOCKS

	2023	2022
	£	£
Stocks	<u>66,878</u>	<u>59,414</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	2,263,022	2,084,962
Other debtors	1,457,303	856,719
Prepayments	<u>313,436</u>	<u>231,548</u>
	<u>4,033,761</u>	<u>3,173,229</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	520,283	416,660
Tax	223,853	274,861
VAT	440,920	441,277
Other creditors	1,742,427	1,470,540
Directors loan account	918,454	1,888,973
Accrued expenses	<u>92,328</u>	<u>70,355</u>
	<u>3,938,265</u>	<u>4,562,666</u>

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

	2023	2022
	£	£
Sheffield City grant	16,667	50,000
Directors loan account	<u>1,550,000</u>	<u>1,150,000</u>
	<u>1,566,667</u>	<u>1,200,000</u>

15. LEASING AGREEMENTS

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

	2023	2022
	£	£
Within one year	374,040	378,695
Between one and five years	753,272	688,260
In more than five years	<u>295,233</u>	<u>428,333</u>
	<u>1,422,545</u>	<u>1,495,288</u>

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

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

16. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax	<u>88,110</u>	<u>71,471</u>
		Deferred tax
		£
Balance at 1 August 2022		71,471
Provided during year		<u>16,639</u>
Balance at 31 July 2023		<u>88,110</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

18. RESERVES

	Retained earnings
	£
At 1 August 2022	4,213,486
Profit for the year	<u>967,532</u>
At 31 July 2023	<u>5,181,018</u>

19. CONTINGENT LIABILITIES

The company together with Highfield Products Limited and Highfield Elearning Limited have given Barclays Bank plc a cross guarantee and debenture between the company and ISPR Limited. As at 31 July 2023 the amount of bank borrowing was £3,022,221 (2022: £3,231,733).

20. CAPITAL COMMITMENTS

	2023	2022
	£	£
Contracted but not provided for in the financial statements	<u>291,248</u>	<u>-</u>

**HIGHFIELD AWARDING BODY FOR COMPLIANCE
LIMITED (REGISTERED NUMBER: 06478925)**

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

21. RELATED PARTY DISCLOSURES

During the year the company received management charges of £430,000 (2022: £680,000) from companies under the common control of the directors and incurred costs of £21,000 (2022: £Nil).

Amounts due by companies under common control of the directors £1,450,130 (2022: £852,013).

Amounts due to companies under common control of the directors £1,562,953 (2022: £1,290,936).

The loans are interest free with no set repayment date.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.