

MOUNT HOUSE SCHOOL LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 AUGUST 2023



MOUNT HOUSE SCHOOL LIMITED
REGISTERED NUMBER: 10768133

BALANCE SHEET
AS AT 31 AUGUST 2023


	Note	2023 £	2022 £
Fixed assets			
Tangible assets	6	239,804	163,307
		<u>239,804</u>	<u>163,307</u>
Current assets			
Debtors: amounts falling due within one year	7	1,903,649	1,718,966
Cash at bank and in hand	8	925,332	660,202
		<u>2,828,981</u>	<u>2,379,168</u>
Creditors: amounts falling due within one year	9	(8,050,053)	(7,318,536)
Net current liabilities		<u>(5,221,072)</u>	<u>(4,939,368)</u>
Total assets less current liabilities		<u>(4,981,268)</u>	<u>(4,776,061)</u>
Creditors: amounts falling due after more than one year		(18,120)	(28,076)
Net liabilities		<u><u>(4,999,388)</u></u>	<u><u>(4,804,137)</u></u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	(4,999,389)	(4,804,138)
		<u><u>(4,999,388)</u></u>	<u><u>(4,804,137)</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 January 2024


E S Gigov
 Director

The notes on pages 2 to 10 form part of these financial statements.

MOUNT HOUSE SCHOOL LIMITED

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

1. General information

The principal activity of the company during the period was the operation of a co-educational independent school for students aged 11-18.

The registered office and principal place of business is:

Mount House School
Camlet Way
Barnet
EN4 0NJ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing financial statements.

The Directors have assessed all available information about the future aided by long term cash flow forecasts. In their assessment of going concern the directors have fully considered the current economic environment and sector dynamics. Fee collection and cashflow remain strong and demand for places has bounced back to pre-pandemic levels. In addition, the school's offering is unique in the locality and the school fees remain competitively priced.

The Directors confirm that they consider that the going concern basis remains appropriate as the Company is expected to generate profits and cash in the medium term.

The Directors have also obtained confirmation that the related party loans will not be required to be repaid within the next 12 months and based on reasonable forecasts the Company considers that it has the necessary funding in order for the company to meet its liabilities as they fall due.

MOUNT HOUSE SCHOOL LIMITED

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

2. Accounting policies (continued)

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of MHS 1 Limited as at 31 August 2023 and these financial statements may be obtained from 1 Benjamin Street, London, EC1M 5QL.

2.3 Revenue

Turnover comprises fees receivable and charges for services and use of premises. Fees receivable are stated after deducting scholarships, bursaries and other allowances.

Fee income is recognised on the date each term commences.

Charges for services and use of the premises are accounted for in the period in which the service is provided.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

MOUNT HOUSE SCHOOL LIMITED

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

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant & machinery	- 7 years
Fixtures & fittings	- 7 years
Office equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

MOUNT HOUSE SCHOOL LIMITED

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

2. Accounting policies (continued)

2.7 Financial instruments

During the normal course of trading, the Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including loans with related parties, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.10 Interest payable and expenses

Interest costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

MOUNT HOUSE SCHOOL LIMITED

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

3. Turnover

The whole of the turnover is attributable to the provision of educational services and use of premises.

All turnover arose within the United Kingdom.

4. Employees

The average monthly number of employees, including the Directors, during the year was as follows:

	2023	2022
	No.	No.
Teaching and other	44	41
Support & Other	26	23
	70	64

5. Directors' remuneration

	2023	2022
	£	£
Directors' emoluments	317,245	307,042
	317,245	307,042

The highest paid director received remuneration of £153,666 (2022 - £149,827).

MOUNT HOUSE SCHOOL LIMITED

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

6. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Office equipment £	Total £
Cost or valuation				
At 1 September 2022	211,843	59,308	65,081	336,232
Additions	23,718	25,467	83,352	132,537
At 31 August 2023	235,561	84,775	148,433	468,769
Depreciation				
At 1 September 2022	112,465	21,798	38,662	172,925
Charge for the year on owned assets	30,650	10,236	15,154	56,040
At 31 August 2023	143,115	32,034	53,816	228,965
Net book value				
At 31 August 2023	92,446	52,741	94,617	239,804
At 31 August 2022	99,378	37,510	26,419	163,307

MOUNT HOUSE SCHOOL LIMITED

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

7. Debtors

	2023 £	2022 £
Trade debtors	1,299,309	1,097,058
Amounts owed by group undertakings	395,629	438,555
Prepayments and accrued income	208,711	183,353
	<u>1,903,649</u>	<u>1,718,966</u>

8. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	925,332	660,202
	<u>925,332</u>	<u>660,202</u>

9. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	10,648	10,648
Trade creditors	206,596	126,573
Amounts owed to group undertakings	5,235,021	4,933,985
Other taxation and social security	67,877	78,751
Other creditors	504,342	492,527
Accruals and deferred income	2,025,569	1,676,052
	<u>8,050,053</u>	<u>7,318,536</u>

MHS 1 Limited holds a fixed and floating charge over all assets of the company.

Mount House School Limited has provided security for the payment and discharge of the loan stock received by Mount House School (Holdings) Limited from MHS1 Limited, by way of a cross guarantee and trust debenture with MHS 1 Limited.

MOUNT HOUSE SCHOOL LIMITED

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

10. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year		
Bank loans	10,648	10,648
Amounts falling due 1-2 years		
Bank loans	10,648	10,648
Amounts falling due 2-5 years		
Bank loans	7,472	17,428
	<u>28,768</u>	<u>38,724</u>

11. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
1 (2022 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

12. Reserves

Profit and loss account

This reserve represents the accumulated profits and losses since incorporation.

13. Capital commitments

At 31 August 2023 the Company had capital commitments as follows:

	2023 £	2022 £
Contracted for but not provided in these financial statements	-	125,145
	<u>-</u>	<u>125,145</u>

MOUNT HOUSE SCHOOL LIMITED

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

14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £129,743 (2022 - £127,184). Contributions totalling £19,164 (2022 - £19,332) were payable to the fund at the balance sheet date and are included within creditors.

15. Commitments under operating leases

At 31 August 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	5,434	3,019
Later than 1 year and not later than 5 years	2,702	1,604
Later than 5 years	4,310	-
	<u>12,446</u>	<u>4,623</u>

16. Controlling party

The ultimate controlling party is considered to be MHS 1 Limited, as no individual or company owns a controlling share of MHS 1 Limited.

The immediate parent to the Company is Mount House School (Holdings) Limited which is a direct subsidiary of MHS 1 Limited

17. Auditor's information

The auditor's report on the financial statements for the year ended 31 August 2023 was unqualified.

The audit report was signed on 9/2/2024 by Ian Weekes (Senior Statutory Auditor) on behalf of Crowe U.K. LLP.