

WELLINGTON COLLEGE ENTERPRISES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

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WELLINGTON COLLEGE ENTERPRISES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2017

The directors have pleasure in presenting their Report and the financial statements for the year ended 31 July 2017.

DIRECTORS

The Directors of the Company throughout the year were as follows:

Mr M M Rickards
Mr S J Crouch
Mrs H Kavanagh (appointed 08/03/2017)
Mr D S Ritchie
Mr P F Thompson
Mrs S J Weeks (appointed 08/03/2017)

RESULTS AND DIVIDENDS

The company had turnover of £2,605,364 (2016: £2,517,955) in the year.

The company made a profit after Gift Aid payments of £Nil (2016: £NIL) during the year. The directors do not recommend the payment of a dividend.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Crowe Clark Whitehill LLP will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

The report of the directors has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 21st February 2018 and signed on its behalf.

P Thompson – Secretary



WELLINGTON COLLEGE ENTERPRISES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLINGTON COLLEGE ENTERPRISES LIMITED

Opinion

We have audited the financial statements of Wellington College Enterprises Limited for the year ended 31 July 2017 which comprise the Profit and Loss Account, Balance Sheet and relevant 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 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF WELLINGTON COLLEGE ENTERPRISES LIMITED
(CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

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 Directors' 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 by the company, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

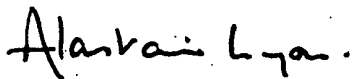
INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF WELLINGTON COLLEGE ENTERPRISES LIMITED
(CONTINUED)**

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

Auditor's responsibilities for the audit of the financial statements

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

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



Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Aquis House,

49 – 51 Blagrove Street,

Reading

RG1 1PL

22 February 2018

WELLINGTON COLLEGE ENTERPRISES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2017

| | Notes | 2017 £ | 2016 £ |
|--|-------|--------------------|--------------------|
| TURNOVER | 2b | 2,605,364 | 2,517,955 |
| Cost of sales | | <u>(571,140)</u> | <u>(587,732)</u> |
| GROSS PROFIT | | 2,034,224 | 1,930,223 |
| Administrative expenses | | <u>(1,679,660)</u> | <u>(1,586,106)</u> |
| OPERATING PROFIT | 3 | 354,564 | 344,117 |
| Gift Aid payment to Wellington College | | <u>(341,755)</u> | <u>(334,788)</u> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 12,809 | 9,329 |
| Tax on profit on ordinary activities | 5 | <u>(12,809)</u> | <u>(9,329)</u> |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | - | - |
| Retained reserves brought forward | | - | - |
| Retained reserves carried forward | | <u>-</u> | <u>-</u> |

The profit and loss account contains all the gains and losses recognised in the current and preceding year.


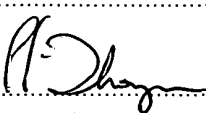
The notes on pages 8 to 12 form part of these accounts

COMPANY NUMBER: 01259773
WELLINGTON COLLEGE ENTERPRISES LIMITED
BALANCE SHEET
31 JULY 2017

| | Notes | 2017 £ | 2016 £ |
|---|-------|--------------------|--------------------|
| FIXED ASSETS | | | |
| Property, Plant and Equipment | 6 | 1,396,643 | 1,457,529 |
| CURRENT ASSETS | | | |
| Inventories | | 144,758 | 145,536 |
| Debtors | 7 | 290,904 | 182,031 |
| Assets held for Development | 8 | 3,192,945 | 0 |
| Cash at bank and in hand | | <u>422,699</u> | <u>510,640</u> |
| | | 4,051,306 | 838,207 |
| CREDITORS: Amounts falling due within one year | 9 | <u>(4,017,949)</u> | <u>(865,736)</u> |
| NET CURRENT ASSETS / (LIABILITIES) | | <u>33,357</u> | <u>(27,529)</u> |
| CREDITORS: Amounts falling in more than one year | | - | - |
| TOTAL ASSETS LESS CURRENT LIABILITES | | <u>1,430,000</u> | <u>£ 1,430,000</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 10 | 1,430,000 | 1,430,000 |
| Profit and loss account | | - | - |
| SHAREHOLDERS' FUNDS | | <u>£1,430,000</u> | <u>£ 1,430,000</u> |

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with FRS 102 Section 1A – small entities (effective January 2016).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on *21st February 2018*

D RITCHIE 
P THOMPSON 
DIRECTORS

WELLINGTON COLLEGE ENTERPRISES LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2017

1. GENERAL INFORMATION

Wellington College Enterprises Limited is registered in the United Kingdom. The company's business activities include the provision of leisure, retail and construction services. It is a wholly owned subsidiary of Wellington College and is dependent upon its continued financial support.

Registered Office: Wellington College
Crowthorne
Berkshire RG45 7PU

Company Number: 01259773

2. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 Section 1A – small entities (effective January 2016). The financial statements have been prepared on the going concern basis. This basis presumes the continued and adequate financial support of the company's parent on which it is dependent. The directors believe that the company will be able to obtain sufficient finance from its parent to enable it to continue trading for the foreseeable future.

b) Turnover

Turnover comprises subscriptions, takings and amounts invoiced, exclusive of Value Added Tax and sales of fixed assets. All turnover relates to the principal activity and is derived wholly in the UK.

c) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset in equal instalments over its expected useful economic life, as follows:

| | |
|-----------------------|-----------------------|
| Buildings | 2-25 % straight line |
| Office Equipment | 20-25 % straight line |
| Club Equipment | 10-25 % straight line |
| Sports Hall Equipment | 10-25 % straight line |

d) Stocks

Stocks have been valued at the lower of cost and net realisable value.

e) Finance and Operating Leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

WELLINGTON COLLEGE ENTERPRISES LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2017

f) Income Recognition

Profits are only taken on design and build contracts on submission of certificates from independent surveyors.

g) Pension Contributions

The company makes contributions to a defined contribution pension scheme for its employees. Contributions are charged in the profit and loss account as they fall due. Total company contributions during the year were £37,346 (2016: £32,580). At the period end there were unpaid contributions of £Nil (2016: £Nil) that are included in accruals.

h) Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All basic financial instruments are held at amortised cost.

3. OPERATING PROFIT

| | 2017 £ | 2016 £ |
|---|----------------|----------------|
| This is stated after charging: | | |
| Depreciation of tangible fixed assets | | |
| - Owned by the company | 53,454 | 54,135 |
| - held under finance lease | - | 38,783 |
| Auditor's Remuneration | 7,100 | 6,895 |
| Operating lease payments - land and buildings | <u>165,451</u> | <u>164,001</u> |

During the year no director received any emoluments (2016: £Nil).

4. JUDGEMENTS IN ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION CERTAINTY

Preparation of the financial statements requires management to make judgements and estimates. The Directors consider that there are no material judgements and estimates.

5. TAXATION

| | 2017 £ | 2016 £ |
|--------------------|---------------|--------------|
| UK Corporation Tax | <u>12,809</u> | <u>9,329</u> |

WELLINGTON COLLEGE ENTERPRISES LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2017

6. TANGIBLE FIXED ASSETS

| | Buildings £ | Office Equipment £ | Club Equipment £ | Sports Hall Equipment £ | Total £ |
|-----------------------|-------------------------|----------------------------------|--------------------------------|---|-------------------------|
| COST | | | | | |
| At 1 August 2016 | 1,614,414 | 22,033 | 136,690 | 356,070 | 2,129,207 |
| Additions | - | - | 16,327 | - | 16,327 |
| Disposals | - | - | (5,272) | (193,917) | (199,189) |
| At 31 July 2017 | <u>1,614,414</u> | <u>22,033</u> | <u>147,745</u> | <u>162,153</u> | <u>1,946,345</u> |
| DEPRECIATION | | | | | |
| At 1 August 2016 | 240,733 | 22,033 | 88,182 | 320,730 | 671,678 |
| Charge for year | 34,281 | - | 15,052 | 4,121 | 53,454 |
| Disposals | - | - | (4,137) | (171,293) | (175,430) |
| At 31 July 2017 | <u>275,014</u> | <u>22,033</u> | <u>99,097</u> | <u>153,558</u> | <u>549,702</u> |
| NET BOOK VALUE | | | | | |
| At 31 July 2017 | <u>1,339,400</u> | <u>-</u> | <u>48,648</u> | <u>8,595</u> | <u>1,396,643</u> |
| At 31 July 2016 | <u>1,373,681</u> | <u>-</u> | <u>48,508</u> | <u>35,340</u> | <u>1,457,529</u> |

As at 31 July 2017, the net book value of sports hall equipment includes an amount of £Nil in respect of assets held under finance leases (2016: £22,624). The depreciation charge for the year on these assets was £Nil (2016: £38,783).

7. DEBTORS

| | 2017 £ | 2016 £ |
|--------------------------------|-------------------------|-------------------------|
| Trade Debtors | 135,779 | 155,264 |
| Prepayments and Accrued Income | <u>155,125</u> | <u>26,767</u> |
| | <u>£ 290,904</u> | <u>£ 182,031</u> |

8. ASSETS HELD FOR DEVELOPMENT

| | 2017 £ | 2016 £ |
|---------------------------------------|--------------------------|------------------|
| Land Purchased for Development (Cost) | 2,600,000 | - |
| Development Work in Progress | <u>592,945</u> | <u>-</u> |
| | <u>£3,192,945</u> | <u>-</u> |

WELLINGTON COLLEGE ENTERPRISES LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2017

9. CREDITORS: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|--|-------------------------|-----------------------|
| Trade Creditors | 262,521 | 48,704 |
| UK Corporation Tax | 12,809 | 9,329 |
| VAT Payable | 24,749 | 15,861 |
| Finance Lease | - | 14,941 |
| Owed to Wellington College | 480,518 | 390,157 |
| Development Loan from Wellington College | 2,878,989 | - |
| Other Tax and Social Security | 18,651 | - |
| Accruals and deferred income | <u>339,712</u> | <u>386,744</u> |
| | <u>4,017,949</u> | <u>865,736</u> |

The Development loan from Wellington College is secured over the assets of the Company.

10. SHARE CAPITAL

| | 2017 £ | 2016 £ |
|--|---------------------------|--------------------------|
| ALLOTTED, CALLED UP AND FULLY PAID | | |
| 1,430,000 (2016: 1,430,000) ordinary shares of £1 each | <u>£ 1,430,000</u> | <u>£1,430,000</u> |

11. CAPITAL COMMITMENTS

The company had capital commitments as at 31 July 2017 of £Nil (2016: £Nil).

12. OPERATING LEASE COMMITMENTS

The following annual commitments existed at 31 July 2017 in respect of non-cancellable operating leases:

| | 2017 £ | 2016 £ |
|---------------------------------|-------------------------|-------------------------|
| Land and buildings: | | |
| Within 1 year | 147,700 | 147,700 |
| Between 1 and 5 years inclusive | 82,800 | 82,800 |
| More than 5 years | <u>380,233</u> | <u>400,933</u> |
| | <u>£ 610,733</u> | <u>£ 631,433</u> |

WELLINGTON COLLEGE ENTERPRISES LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2017

13. EMPLOYEES

| | 2017 | 2016 |
|-------------------------------|-----------|-----------|
| Monthly average staff numbers | <u>92</u> | <u>88</u> |

14. RELATED PARTIES

Control

The company considers Wellington College to be its immediate and ultimate parent undertaking and controlling party. The company has taken advantage of the exemption under FRS 102, not to disclose transactions with related party undertakings which are wholly owned by the group. The consolidated financial statements of Wellington College can be obtained from the following address:

Wellington College
Dukes Ride
Crowthorne
Berkshire
RG45 7PU

Transactions

Transactions with Wellington College are not shown separately as these accounts are consolidated into the group accounts of that entity.

15. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted equity or profit or loss.