

Registration number: 02554086

The Collegiate Formation Limited

Annual Report and Financial Statements

for the Year Ended 31 August 2017

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The Collegiate Formation Limited

Contents

Company Information	1
Strategic Report	2
Directors' Report	3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 6
Profit and Loss Account	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 to 17

The Collegiate Formation Limited

Company Information

Directors	C J Hall K E Howells-Lee J Hales A K Martin L Mckell M Adshead
Company secretary	C J Hall
Registered office	Thorpe Underwood Hall PO Box 100 Great Ouseburn York YO26 9SZ
Bankers	Barclays Bank Plc 25 James Street Harrogate North Yorkshire HG1 1QX
Auditors	Watson Buckle Limited Statutory Auditor & Chartered Accountants York House Cottingley Business Park Bradford West Yorkshire BD16 1PE

The Collegiate Formation Limited

Strategic Report for the Year Ended 31 August 2017

The directors present their strategic report for the year ended 31 August 2017.

Principal activity

The principal activity of the company is that of a holding company.

Fair review of the business

The company's turnover decreased to nil from the previous year due to the cessation of rental income following the sale of investment property. The profit on ordinary activities before taxation was £5,225,614 (2016 - £5,631,007). The balance sheet on page 8 shows that the net assets have decreased from the previous year mainly due to dividends paid to the holding company exceeding the dividends received from subsidiary undertakings in the year.

The company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business, and that the ones identified are the key indicators that are used by the board to monitor the company's performance.

Both the level of business for the year and the year end financial position are considered satisfactory.

Principal risks and uncertainties

The company's transactions are all in pound sterling and therefore there is no exposure to a movement in exchange rates.

Approved by the Board on 25 May 2018 and signed on its behalf by:



A K Martin
Director

The Collegiate Formation Limited

Directors' Report for the Year Ended 31 August 2017

The directors present their report and the financial statements for the year ended 31 August 2017.

Directors of the company

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

C J Hall

K E Howells-Lee

J Hales

A K Martin

L Mckell

M Adshead

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

The auditors Watson Buckle Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 25 May 2018 and signed on its behalf by:



A K Martin
Director

The Collegiate Formation Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 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.

The Collegiate Formation Limited

Independent Auditor's Report to the Members of The Collegiate Formation Limited

Opinion

We have audited the financial statements of The Collegiate Formation Limited (the 'company') for the year ended 31 August 2017, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

The Collegiate Formation Limited

Independent Auditor's Report to the Members of The Collegiate Formation Limited

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

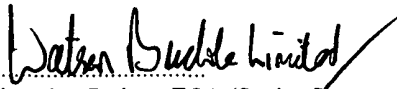
As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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


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Christopher Padgett FCA (Senior Statutory Auditor)
For and on behalf of Watson Buckle Limited,
Statutory Auditors & Chartered Accountants
Bradford

25 May 2018

The Collegiate Formation Limited

Profit and Loss Account for the Year Ended 31 August 2017

	Note	2017 Continuing operations £	2016 Continuing operations £	2016 Discontinued operations £	2016 Total £
Turnover	3	-	-	160,570	160,570
Administrative expenses		<u>(602)</u>	<u>(3,243)</u>	<u>-</u>	<u>(3,243)</u>
Operating (loss)/profit	4	<u>(602)</u>	<u>(3,243)</u>	<u>160,570</u>	<u>157,327</u>
Income from shares in group undertakings		5,175,000	5,500,000	-	5,500,000
Other interest receivable and similar income		51,934	47,494	-	47,494
Impairment of investments		-	(73,276)	-	(73,276)
Interest payable and similar charges	5	<u>(718)</u>	<u>(538)</u>	<u>-</u>	<u>(538)</u>
		<u>5,226,216</u>	<u>5,473,680</u>	<u>-</u>	<u>5,473,680</u>
Profit before tax		5,225,614	5,470,437	160,570	5,631,007
Taxation	8	<u>(9,806)</u>	<u>(40,900)</u>	<u>-</u>	<u>(40,900)</u>
Profit for the financial year		<u>5,215,808</u>	<u>5,429,537</u>	<u>160,570</u>	<u>5,590,107</u>

The company has no recognised gains or losses for the year other than the results above.

The Collegiate Formation Limited

(Registration number: 02554086)
Balance Sheet as at 31 August 2017

	Note	2017		2016	
		£	£	£	£
Fixed assets					
Investments	9		4,526		4,626
Current assets					
Debtors	10	3,821,594		4,638,016	
Creditors: Amounts falling due within one year	11	<u>(271,419)</u>		<u>(303,749)</u>	
Net current assets			<u>3,550,175</u>		<u>4,334,267</u>
Net assets			<u>3,554,701</u>		<u>4,338,893</u>
Capital and reserves					
Called up share capital	12	7,200		7,200	
Profit and loss account	13	<u>3,547,501</u>		<u>4,331,693</u>	
Total equity			<u>3,554,701</u>		<u>4,338,893</u>

Approved and authorised by the Board on 25 May 2018 and signed on its behalf by:



C J Hall
 Director

The Collegiate Formation Limited

Statement of Changes in Equity for the Year Ended 31 August 2017

	Share capital £	Profit and loss account £	Total £
At 1 September 2016	7,200	4,331,693	4,338,893
Profit for the year	<u>-</u>	<u>5,215,808</u>	<u>5,215,808</u>
Total comprehensive income	-	5,215,808	5,215,808
Dividends	<u>-</u>	<u>(6,000,000)</u>	<u>(6,000,000)</u>
At 31 August 2017	<u><u>7,200</u></u>	<u><u>3,547,501</u></u>	<u><u>3,554,701</u></u>

	Share capital £	Non-distributable reserve £	Profit and loss account £	Total £
At 1 September 2015	7,200	2,250,434	4,241,152	6,498,786
Profit for the year	<u>-</u>	<u>-</u>	<u>5,590,107</u>	<u>5,590,107</u>
Total comprehensive income	-	-	5,590,107	5,590,107
Dividends	-	-	(7,750,000)	(7,750,000)
Transfers	<u>-</u>	<u>(2,250,434)</u>	<u>2,250,434</u>	<u>-</u>
At 31 August 2016	<u><u>7,200</u></u>	<u><u>-</u></u>	<u><u>4,331,693</u></u>	<u><u>4,338,893</u></u>

The notes on pages 10 to 17 form an integral part of these financial statements.

The Collegiate Formation Limited

Notes to the Financial Statements for the Year Ended 31 August 2017

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

Thorpe Underwood Hall

PO Box 100

Great Ouseburn

York

YO26 9SZ

Registration number: 02554086

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

The company has taken advantage of the exemption to disclose transactions with key management personnel and the exemption to prepare Statement of Cash Flows in accordance with Financial Reporting Standard 102 Section 1.12.

The company has taken advantage of the exemption under Financial Reporting Standard 102 Section 33 Related Party Disclosures from disclosing transactions and balances with fellow group undertakings that are wholly owned.

Name of parent of group

These financial statements are consolidated in the financial statements of Care & Recreation Holdings Limited.

The financial statements of Care & Recreation Holdings Limited may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

Group accounts not prepared

The Collegiate Formation Limited is exempt from preparing and delivering group financial statements as it is included in the financial statements of a larger group.

Going concern

The financial statements have been prepared on a going concern basis.

The Collegiate Formation Limited

Notes to the Financial Statements for the Year Ended 31 August 2017

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

All shared expenses are allocated across related companies via recharges. Recharge split percentages are calculated on an appropriate allocation basis, such as turnover, staff numbers and building usage, according to expense type.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax.

The company recognises revenue when the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Investments

Investments in subsidiary companies are measured at cost less impairment.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

The Collegiate Formation Limited

Notes to the Financial Statements for the Year Ended 31 August 2017

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar asset. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss and any subsequent reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Dividends

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

3 Revenue

The analysis of the company's revenue for the year is as follows:

	2017	2016
	£	£
Rental income from investment property	-	160,570

The Collegiate Formation Limited

Notes to the Financial Statements for the Year Ended 31 August 2017

4 Operating loss

Arrived at after charging/(crediting)

	2017 £	2016 £
Operating lease expense	<u>-</u>	<u>713</u>

5 Interest payable and similar charges

	2017 £	2016 £
Loan interest	<u>718</u>	<u>538</u>

6 Directors' remuneration

The directors' remuneration for the directors of the company paid by subsidiaries for the year was as follows:

	2017 £	2016 £
Remuneration	<u>284,602</u>	<u>229,140</u>

7 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>400</u>	<u>2,400</u>
Other fees to auditors		
Taxation compliance services	<u>100</u>	<u>100</u>

The Collegiate Formation Limited

Notes to the Financial Statements for the Year Ended 31 August 2017

8 Taxation

Tax charged/(credited) in the income statement

	2017 £	2016 £
Current taxation		
UK corporation tax	9,900	40,900
UK corporation tax adjustment to prior periods	<u>(94)</u>	<u>-</u>
	<u><u>9,806</u></u>	<u><u>40,900</u></u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2016 - lower than the standard rate of corporation tax in the UK) of 19% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Profit before tax	<u>5,225,614</u>	<u>5,631,007</u>
Corporation tax at standard rate	992,867	1,126,201
Effect of expense not deductible for tax purposes	-	14,655
Effect of changes in tax rates and rounding	283	44
Effect of prior period	(94)	-
Non-taxable income	<u>(983,250)</u>	<u>(1,100,000)</u>
Total tax charge	<u><u>9,806</u></u>	<u><u>40,900</u></u>

The company has capital losses of £3,124,000 available to carry forward and offset against future capital gains.

The Collegiate Formation Limited

Notes to the Financial Statements for the Year Ended 31 August 2017

9 Investments in subsidiaries, joint ventures and associates

	2017 £	2016 £
Investments in subsidiaries	<u>4,526</u>	<u>4,626</u>
Subsidiaries		£
Cost or valuation		
At 1 September 2016		4,626
Disposals		<u>(100)</u>
At 31 August 2017		<u>4,526</u>
Carrying amount		
At 31 August 2017		<u>4,526</u>
At 31 August 2016		<u>4,626</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	
		2017	2016
Subsidiary undertakings			
Chapter House Preparatory School Limited	Ordinary	100%	100%
Entertainment and Leisure Insurance Services Ltd	Ordinary	100%	100%
Queen Ethelburga's College Ltd	Ordinary	100%	100%
Thorpe Underwood Services Ltd	Ordinary	100%	100%
QE College Ltd	Ordinary	100%	100%
B R M Entertainment & Leisure Group Ltd	Ordinary	100%	100%
Entertainment & Leisure Group Ltd	Ordinary	100%	100%
Entertainment & Leisure (Holdings) Ltd	Ordinary	100%	100%
E & L Telequotes Ltd	Ordinary	100%	100%
Old Ethelburgians Ltd	Ordinary	100%	100%
Thorpe Underwood Farm Limited	Ordinary	100%	100%
Halcyon Court (Yorkshire) Ltd	Ordinary	100%	100%
Insurance Services & General Company Ltd	Ordinary	100%	100%

The Collegiate Formation Limited

Notes to the Financial Statements for the Year Ended 31 August 2017

Undertaking	Holding	Proportion of voting rights and shares held	
Faculty of Queen Ethelburga's Ltd	Ordinary	100%	100%
CH School Limited	Ordinary	100%	100%
Marguerite Hepton Hospital Ltd	Ordinary	100%	100%
Queen Ethelburga's Academy Ltd	Ordinary	100%	100%
Norban Ltd	Ordinary	100%	100%
Ryan House Estates Ltd	Ordinary	100%	100%
Thorpe Underwood Hall Estates Ltd	Ordinary	100%	100%
Thorpe Underwood Services Printing Ltd	Ordinary	100%	100%
KM School Ltd	Ordinary	100%	100%
The Collegiate Foundation Ltd	Ordinary	100%	100%
QE Collegiate Limited	Ordinary	100%	100%

The registered address for all subsidiaries is Thorpe Underwood Hall, PO Box 100, Great Ouseburn, York, YO26 9SZ.

10 Debtors

	2017 £	2016 £
Amounts owed by group undertakings	<u>3,821,594</u>	<u>4,638,016</u>

11 Creditors

	2017 £	2016 £
Due within one year		
Accrued expenses	1,219	2,500
Taxation and social security	<u>270,200</u>	<u>301,249</u>
	<u>271,419</u>	<u>303,749</u>

The Collegiate Formation Limited

Notes to the Financial Statements for the Year Ended 31 August 2017

12 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

All shares rank pari passu for income, capital and voting rights.

13 Reserves

Share capital

Represents the nominal value of issued shares.

Profit and loss accounts

Includes all current and prior periods distributable profits and losses.

Non-distributable reserve

Represents revaluations of investment properties.

14 Parent and ultimate parent undertaking

The company's immediate parent is Care & Recreation Holdings Limited, incorporated in England & Wales. The registered address of Care & Recreational Holdings Limited is Thorpe Underwood Hall, PO Box 100, Great Ouseburn, York, YO26 9SZ.

The ultimate parent undertaking is Foxlow Limited, a company incorporated in the British Virgin Islands.

The ultimate controlling party is not known.