

Herstmonceux Castle Enterprises Limited

Registered number 02902475

Directors' report and financial statements

For the year ended 30 April 2012

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HERSTMONCEUX CASTLE ENTERPRISES LIMITED

COMPANY INFORMATION

Directors	A Montgomery D Baldwin B Trenowden A Harrison B Stanley
Company secretary	A Montgomery
Company number	02902475
Registered office	Herstmonceux Castle Hailsham BN27 1RN
Auditors	Mazars LLP Chartered Accountants & Statutory Auditors 37 Frederick Place Brighton BN1 4EA

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

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HERSTMONCEUX CASTLE ENTERPRISES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2012

The directors present their report and the financial statements for the year ended 30 April 2012

Directors' responsibilities statement

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 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.

Principal activities

The principal activities of Herstmonceux Castle Enterprises Limited (HCE) remained unchanged during the year. The company's income is derived from the general day to day running of Herstmonceux Castle and its grounds.

Business review

This proved to be a challenging year for the company, with the recession and a significant drop in BISC student numbers having a direct impact on revenue.

As predicted, the shop showed a significant loss, and plans to close it and re-organise the way its business is carried out for 2012/13 and beyond are now well in hand. The lower student numbers had a significant impact on book sales, as did the use of the internet by students to access their text books. The lower student numbers also led to reduced bar sales during term, when the bar has no other income.

Visitor numbers were down by about 10%, partly due to some poor weather in the early part of the season but also as a direct impact of the recession. After a late rally in bookings, conferences, weddings and functions performed reasonably well but the number of bed and breakfast accommodation nights dropped considerably.

Set against this, Chestnuts tearoom proved a success and, with improved control of costs, particularly in the area of staffing, showed a slightly higher profit on lower turnover.

Overall, this was a difficult year, but not as bad as was feared. For the coming year, conference, wedding and functions bookings have improved and, with higher BISC student numbers in prospect, the directors are confident that the company's performance will show an improvement over this year.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2012

Directors

The directors who served during the year were

A Montgomery
D Baldwin
B Trenowden
R Silverman (resigned 31 July 2011)
A Harrison (appointed 1 August 2011)
B Stanley (appointed 25 November 2011)

Provision of information to auditors

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

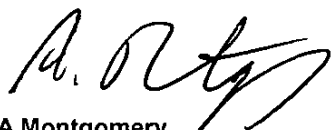
- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 1 October 2012 and signed on its behalf



A Montgomery
Director

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HERSTMONCEUX CASTLE ENTERPRISES LIMITED

We have audited the financial statements of Herstmonceux Castle Enterprises Limited for the year ended 30 April 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. 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 Auditors' 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 April 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HERSTMONCEUX CASTLE ENTERPRISES LIMITED

Matters on which we are required to report by exception

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, or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies' regime



Richard Hopkins (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditors

37 Frederick Place
Brighton
BN1 4EA

Date 4 October 2012

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2012

	Note	2012 £	2011 £
Turnover	1	486,690	653,928
Cost of sales		(150,010)	(201,973)
Gross profit		336,680	451,955
Administrative expenses		(360,869)	(437,943)
Operating (loss)/profit	2	(24,189)	14,012
Interest receivable and similar income	3	29	60
(Loss)/profit on ordinary activities before taxation		(24,160)	14,072
Tax on (loss)/profit on ordinary activities		-	-
(Loss)/profit on ordinary activities after taxation		(24,160)	14,072
Loss brought forward		(21,024)	(35,096)
Loss carried forward		(45,184)	(21,024)

All amounts relate to continuing operations

There were no recognised gains or losses other than those included in the Profit and Loss Account

The notes on pages 7 to 9 form part of these financial statements

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

Registered number 02902475

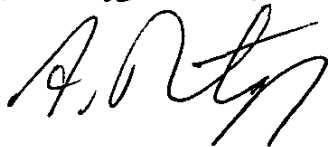
BALANCE SHEET

AS AT 30 APRIL 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	4		18,912		23,477
Current assets					
Stocks		48,884		62,055	
Debtors	5	28,505		35,836	
Cash at bank		40,390		57,773	
		<u>117,779</u>		<u>155,664</u>	
Creditors amounts falling due within one year	6	<u>(171,875)</u>		<u>(190,165)</u>	
Net current liabilities			<u>(54,096)</u>		<u>(34,501)</u>
Total assets less current liabilities			<u>(35,184)</u>		<u>(11,024)</u>
Capital and reserves					
Called up share capital	7		10,000		10,000
Profit and loss account			<u>(45,184)</u>		<u>(21,024)</u>
Shareholders' deficit			<u>(35,184)</u>		<u>(11,024)</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 the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
1 October 2012.



A Montgomery
Director

The notes on pages 7 to 9 form part of these financial statements

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

1 Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except as noted below

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements have been prepared on a going concern basis. The directors have considered a period in excess of twelve months in making their assessment that the company is a going concern.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

1.2 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	20% straight line
Furniture & fittings	-	20% straight line
Equipment	-	20% straight line

1.3 Stocks

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

1.4 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

1.5 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

2 Operating (loss)/profit

The operating (loss)/profit is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets - owned by the company	8,687	7,865
Auditors' remuneration	4,134	3,923
Auditors' remuneration - non-audit	1,300	1,000
Hire of plant and machinery - rentals payable under operating leases	1,481	1,435
	<u>14,602</u>	<u>14,223</u>

During the year, no director received any emoluments (2011 - £NIL)

3 Interest receivable

	2012 £	2011 £
Bank deposit interest	29	60
	<u>29</u>	<u>60</u>

4 Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Total £
Cost			
At 1 May 2011	52,980	17,787	70,767
Additions	4,122	-	4,122
At 30 April 2012	<u>57,102</u>	<u>17,787</u>	<u>74,889</u>
Depreciation			
At 1 May 2011	29,503	17,787	47,290
Charge for the year	8,687	-	8,687
At 30 April 2012	<u>38,190</u>	<u>17,787</u>	<u>55,977</u>
Net book value			
At 30 April 2012	<u>18,912</u>	<u>-</u>	<u>18,912</u>
At 30 April 2011	<u>23,477</u>	<u>-</u>	<u>23,477</u>

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

5 Debtors

	2012 £	2011 £
Trade debtors	12,385	24,605
Other debtors	16,120	11,231
	<u>28,505</u>	<u>35,836</u>

6. Creditors Amounts falling due within one year

	2012 £	2011 £
Trade creditors	26,420	35,511
Amounts owed to parent company	89,745	79,915
Social security and other taxes	2,724	3,357
Other creditors	52,986	71,382
	<u>171,875</u>	<u>190,165</u>

7 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

8 Related party transactions

The company is a wholly owned subsidiary of Bader International Study Centre. The ultimate controlling party is Queen's University, Canada. The company has taken advantage of the FRS 8 exemption not to disclose other intra-group transactions.

9 Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Bader International Study Centre, a company limited by guarantee.

The largest group in which the results of the company are consolidated is that headed by Queen's University, incorporated in Canada. The consolidated accounts of this company are available to the public and may be obtained from Queen's University, Kingston, Ontario.

The smallest group in which the results of the company are consolidated are those of its parent, Bader International Study Centre, Herstmonceux Castle, Hailsham, East Sussex, BN27 1RN.