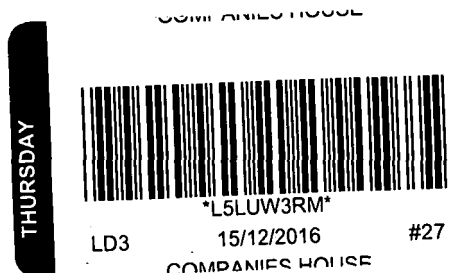


Herstmonceux Castle Enterprises Limited

Registered number: 02902475

Directors' report and financial statements

For the year ended 30 April 2016



HERSTMONCEUX CASTLE ENTERPRISES LIMITED

COMPANY INFORMATION

Directors	P Bowers A Harrison A McInnes J Purvis B Trenowden (resigned 29 April 2016) K Fountain J Knowles H Christie (appointed 29 April 2016) B-A Bacon (appointed 29 April 2016)
Company secretary	P Bowers
Registered number	02902475
Registered office	Herstmonceux Castle Hailsham East Sussex BN27 1RN
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Times House Throwley Way Sutton Surrey SM1 4JQ

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

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HERSTMONCEUX CASTLE ENTERPRISES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2016

The directors present their report and the financial statements for the year ended 30 April 2016.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; 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.

Principal activity

The company operates the trading activities of the Herstmonceux Castle Estate, including admission to the Gardens and Grounds and associated activities, conferences, weddings, functions and accommodation.

Business review

The company has enjoyed another successful year with both turnover very much the same as in 2014/15 and profits of almost £92,000.

Bar and bookshop income from students of the parent company, Bader International Study Centre, was lower than in the previous year, reflecting the lower numbers of students studying here. The bar benefited from the first full year of operation by our sub-contract caterers and, despite the fall in student revenue, returned a profit for the year.

In contrast, income from functions and conferences and associated accommodation increased over last year and, together with continued control of costs, maintained their contribution to the overall results. Numbers of visitors to the gardens and grounds increased slightly over last year and, again, had a beneficial effect on the results of the tearoom.

Results and dividends

The profit for the year, after taxation, amounted to £91,950 (2015 - £96,839).

The company paid a distribution of £51,466 during the year, which related to the taxable profits for the prior year ended 30 April 2015.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2016

Directors

The directors who served during the year were:

P Bowers
A Harrison
A McInnes
J Purvis
B Trenowden (resigned 29 April 2016)
K Fountain
J Knowles
H Christie (appointed 29 April 2016)
B-A Bacon (appointed 29 April 2016)

Future developments

The directors, while not complacent, are confident that this level of performance will continue into future years.

Disclosure of information to auditor

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 auditor is 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 relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

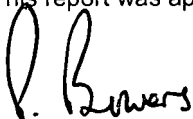
Auditors

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

Small Companies Exemption

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 and signed on its behalf.



P Bowers
Director

Date: 29 September 2016

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S 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 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditor

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 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 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 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.

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 AUDITOR'S 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.

N J Wakefield

Nicola Wakefield (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

Date: *20th October 2016*

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2016

	Note	2016 £	2015 £
Turnover		559,194	559,742
Cost of sales		(143,040)	(135,715)
Gross profit		<u>416,154</u>	<u>424,027</u>
Administrative expenses		(324,273)	(327,267)
Operating profit	5	<u>91,881</u>	<u>96,760</u>
Interest receivable and similar income		69	79
Profit before tax		<u>91,950</u>	<u>96,839</u>
Profit for the year		<u><u>91,950</u></u>	<u><u>96,839</u></u>

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There were no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 9 to 17 form part of these financial statements.

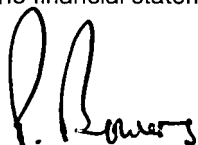
HERSTMONCEUX CASTLE ENTERPRISES LIMITED
REGISTERED NUMBER: 02902475

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	10		17,803		7,592
			<u>17,803</u>		<u>7,592</u>
Current assets					
Stocks		25,231		25,950	
Debtors: amounts falling due within one year	11	33,377		40,486	
Cash at bank and in hand		163,874		185,311	
		<u>222,482</u>		<u>251,747</u>	
Creditors: amounts falling due within one year	12	(122,256)		(181,794)	
Net current assets			<u>100,226</u>		<u>69,953</u>
Total assets less current liabilities			<u>118,029</u>		<u>77,545</u>
Net assets			<u><u>118,029</u></u>		<u><u>77,545</u></u>
Capital and reserves					
Called up share capital	13		10,000		10,000
Profit and loss account			108,029		67,545
			<u>118,029</u>		<u>77,545</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 were approved and authorised for issue by the board and were signed on its behalf by:



P Bowers
 Director

Date: *29 September 2016*

The notes on pages 9 to 17 form part of these financial statements.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 May 2015	10,000	67,545	77,545
Comprehensive income for the year			
Profit for the year	-	91,950	91,950
Actuarial gains on pension scheme	-	-	-
Distribution to parent charity	-	(51,466)	(51,466)
Total transactions with owners	-	(51,466)	(51,466)
At 30 April 2016	10,000	108,029	118,029

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 May 2014	10,000	(29,294)	(19,294)
Comprehensive income for the year			
Profit for the year	-	96,839	96,839
Total comprehensive income for the year	-	96,839	96,839
At 30 April 2015	10,000	67,545	77,545

The notes on pages 9 to 17 form part of these financial statements.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

1. General information

Herstmonceux Castle Enterprises Limited is a private company limited by shares and incorporated in the United Kingdom (registered company number 02902475).

The registered and trading address of the company is Herstmonceux Castle, Hailsham, East Sussex, BN27 1RN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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.

Information on the impact of first-time adoption of FRS 102 is given in note 17.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

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 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Bader International Study Centre as at 30 April 2016 and these financial statements may be obtained from Herstmonceux Castle, Hailsham, East Sussex, BN27 1RN.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

2. Accounting policies (continued)

2.3 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

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	- 20% p.a. straight line
Furniture & fittings	- 20% p.a. straight line
Equipment	- 20% p.a. straight line

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 the Statement of Comprehensive Income.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.7 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.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

2.9 Creditors

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

3. Judgements in applying accounting policies and key sources of estimation uncertainty

There are no significant judgements made in the application of accounting policies to prepare the financial statements, and there are no accounting estimates with significant estimation uncertainty in the accounts.

4. Analysis of turnover

All turnover generated in the year arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	6,201	3,768
Fees payable to the company's auditor for the audit of the company's annual financial statements	4,379	4,457
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2015 - £NIL).

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

6. Auditor's remuneration

	2016 £	2015 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	4,379	4,457
	<u>4,379</u>	<u>4,457</u>
Fees payable to the company's auditor in respect of:		
Other services relating to taxation	600	900
	<u>600</u>	<u>900</u>

7. Employees

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	209,026	206,684
Social security costs	4,822	5,572
	<u>213,848</u>	<u>212,256</u>

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

	2016 No.	2015 No.
	14	23
	<u>14</u>	<u>23</u>

8. Taxation

The directors propose to distribute the entire taxable profits of Herstmonceux Castle Enterprises Limited to its parent charity Bader International Study Centre, and as such it is anticipated that there will be no tax payable for the year ended 30 April 2016 (2015: £nil).

9. Distributions

	2016 £	2015 £
Distribution paid to parent company from prior year taxable profits	51,466	-
	<u>51,466</u>	<u>-</u>

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

10. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Total £
Cost or valuation			
At 1 May 2015	65,503	17,787	83,290
Additions	16,412	-	16,412
Disposals	(3,101)	-	(3,101)
At 30 April 2016	78,814	17,787	96,601
Depreciation			
At 1 May 2015	57,911	17,787	75,698
Charge owned for the period	6,201	-	6,201
Disposals	(3,101)	-	(3,101)
At 30 April 2016	61,011	17,787	78,798
Net book value			
At 30 April 2016	17,803	-	17,803
At 30 April 2015	7,592	-	7,592

11. Debtors

	2016 £	2015 £
Trade debtors	23,719	31,434
Other debtors	4,032	3,155
Prepayments and accrued income	5,626	5,897
	33,377	40,486

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

12. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	27,513	30,241
Amounts owed to group undertakings	54,201	82,514
Taxation and social security	1,371	1,658
Other creditors	2,422	1,829
Accruals and deferred income	36,749	65,552
	<u>122,256</u>	<u>181,794</u>

13. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

14. Commitments under operating leases

At 30 April 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	1,468	611
Later than 1 year and not later than 5 years	2,080	-
Total	<u>3,548</u>	<u>611</u>

The minimum lease payments above reflect VAT-inclusive payments.

15. Related party transactions

The company is a wholly owned subsidiary of Bader International Study Centre. The ultimate controlling party is Queen's University, incorporated in Canada. The company has taken advantage of the exemption under FRS 102 not to disclose other intra-group transactions.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *FOR THE YEAR ENDED 30 APRIL 2016*

16. 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.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

17. First time adoption of FRS 102

	Note	As previously stated 1 May 2014 £	Effect of transition 1 May 2014 £	FRS 102 (as restated) 1 May 2014 £	As previously stated 30 April 2015 £	Effect of transition 30 April 2015 £	FRS 102 (as restated) 30 April 2015 £
Fixed assets		5,830	-	5,830	7,592	-	7,592
Current assets		174,458	-	174,458	251,747	-	251,747
Creditors: amounts falling due within one year		(199,582)	-	(199,582)	(180,694)	(1,100)	(181,794)
Net current (liabilities)/assets		(25,124)	-	(25,124)	71,053	(1,100)	69,953
Total assets less current liabilities		(19,294)	-	(19,294)	78,645	(1,100)	77,545
Net (liabilities)/assets		(19,294)	-	(19,294)	78,645	(1,100)	77,545
Capital and reserves		(19,294)	-	(19,294)	78,645	(1,100)	77,545

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2016

17. First time adoption of FRS 102 (continued)

	Note	As previously stated 30 April 2015 £	Effect of transition 30 April 2015 £	FRS 102 (as restated) 30 April 2015 £
Turnover		559,742	-	559,742
Cost of sales		(135,715)	-	(135,715)
		<hr/>	<hr/>	<hr/>
		424,027	-	424,027
Administrative expenses		(326,167)	(1,100)	(327,267)
		<hr/>	<hr/>	<hr/>
Operating profit		97,860	(1,100)	96,760
Interest receivable and similar income		79	-	79
		<hr/>	<hr/>	<hr/>
Profit on ordinary activities after taxation and for the financial year		<hr/> <hr/> 97,939	<hr/> <hr/> (1,100)	<hr/> <hr/> 96,839

Explanation of changes to previously reported profit and equity:

- 1 The company has adopted FRS102 for the first time for the year ended 30 April 2016 (transition date to FRS 102 1 May 2014) and has restated the prior year amounts. The only change is to incorporate an accrual for holiday pay, which reduces prior year profits and carried forward reserves. There were no other material impacts of the conversion to the new reporting standard.