

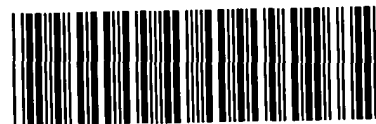
Herstmonceux Castle Enterprises Limited

Registered number: 02902475

Directors' report and financial statements

For the year ended 30 April 2017

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HERSTMONCEUX CASTLE ENTERPRISES LIMITED

COMPANY INFORMATION

Directors	P Bowers A Harrison (resigned 31 July 2016) A McInnes J Purvis K Fountain J Knowles H Christie B-A Bacon
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 2017

The directors present their report and the financial statements for the year ended 30 April 2017.

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's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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

Although both turnover was slightly down on last year, the company enjoyed another successful year, making a profit of just over £77,000.

Income from students of the parent company, Bader International Study Centre, through the bar and bookshop was approximately the same as last year, reflecting the stabilisation of student numbers. Income from visitors to the gardens and grounds, including the tearoom, showed a significant increase, and this trend has carried on into the following year.

Income from conferences and functions suffered from a shortfall in bookings for weddings in the summer of 2016, although this business has increased in the following year.

The directors are satisfied with the performance of the company and are confident that this performance will continue into the future.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

Directors

The directors who served during the year were:

P Bowers
A Harrison (resigned 31 July 2016)
A McInnes
J Purvis
K Fountain
J Knowles
H Christie
B-A Bacon

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 the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the 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.

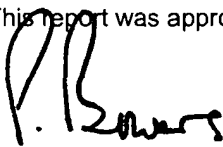
Auditor

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

Small companies note

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 **16 November 2017** and signed on its behalf.



P Bowers
Director

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 2017 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

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 2017 and of its profit 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 matters 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

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

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: *24th January 2018*

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2017

	Note	2017 £	2016 £
Turnover		533,398	559,194
Cost of sales		(148,696)	(143,040)
Gross profit		384,702	416,154
Administrative expenses		(307,703)	(324,273)
Operating profit	5	76,999	91,881
Interest receivable and similar income		142	69
Profit before tax		77,141	91,950
Profit for the year		77,141	91,950

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 8 to 13 form part of these financial statements.

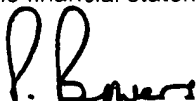
HERSTMONCEUX CASTLE ENTERPRISES LIMITED
REGISTERED NUMBER: 02902475

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	12,429	17,803
		<u>12,429</u>	<u>17,803</u>
Current assets			
Stocks		20,726	25,231
Debtors: amounts falling due within one year	10	10,643	33,377
Bank current accounts		229,440	163,874
		<u>260,809</u>	<u>222,482</u>
Creditors: amounts falling due within one year	11	(159,945)	(122,256)
Net current assets		<u>100,864</u>	<u>100,226</u>
Total assets less current liabilities		<u>113,293</u>	<u>118,029</u>
Net assets		<u><u>113,293</u></u>	<u><u>118,029</u></u>
Capital and reserves			
Called up share capital	12	10,000	10,000
Profit and loss account		103,293	108,029
		<u><u>113,293</u></u>	<u><u>118,029</u></u>

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

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


P Bowers
Director

Date: 16 November 2017

The notes on pages 8 to 13 form part of these financial statements.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2017

	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
Distribution to parent charity	-	(51,466)	(51,466)
At 1 May 2016	10,000	108,029	118,029
Comprehensive income for the year			
Profit for the year	-	77,141	77,141
Distribution to parent charity	-	(81,877)	(81,877)
At 30 April 2017	10,000	103,293	113,293

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

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 unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 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 2017 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 2017

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.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

2. Accounting policies (continued)

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. Work in progress and finished goods include labour and attributable overheads.

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.

2.6 Debtors

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

2.7 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 debtors and creditors, 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.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

5. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	5,374	6,201
Fees payable to the Company's auditor and its associates for the audit of the company's annual financial statements	4,755	4,379
	<u> </u>	<u> </u>

6. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	4,755	4,379
	<u> </u>	<u> </u>
	4,755	4,379
Fees payable to the Company's auditor and its associates in respect of:		
Other services relating to taxation	1,800	600
	<u> </u>	<u> </u>
	1,800	600
	<u> </u>	<u> </u>

7. Employees

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

2017 No.	2016 No.
12	14
<u> </u>	<u> </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 2017 (2016: £nil).

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

9. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Total £
Cost or valuation			
At 1 May 2016	78,814	17,787	96,601
At 30 April 2017	78,814	17,787	96,601
Depreciation			
At 1 May 2016	61,011	17,787	78,798
Charge for the year on owned assets	5,374	-	5,374
At 30 April 2017	66,385	17,787	84,172
Net book value			
At 30 April 2017	12,429	-	12,429
At 30 April 2016	17,803	-	17,803

10. Debtors

	2017 £	2016 £
Trade debtors	3,701	23,719
Other debtors	2,887	4,032
Prepayments and accrued income	4,055	5,626
	10,643	33,377

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2017

11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	19,346	27,513
Amounts owed to group undertakings	61,613	54,201
Taxation and social security	2,660	1,371
Other creditors	2,398	2,422
Accruals and deferred income	73,928	36,749
	<u>159,945</u>	<u>122,256</u>

12. Share capital

	2017 £	2016 £
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>

13. 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.

14. 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.