

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2020

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HERSTMONCEUX CASTLE ENTERPRISES LIMITED

COMPANY INFORMATION

Directors	Heather Christie Karen Iona Fountain Tom Harris (resigned 29 February 2020) James Hastings Lewis Knowles Alan McInnes Joshua Casey Dennis Purvis Dr Patrick Deane (appointed 1 March 2020)
Company secretary	Valerie Lee (appointed 17 May 2019)
Registered number	02902475
Registered office	Herstmonceux Castle Herstmonceux Hailsham East Sussex BN27 1RN
Trading Address	Herstmonceux Castle Herstmonceux Hailsham BN27 1RN
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

HERSTMONCEUX CASTLE ENTERPRISES LIMITED
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HERSTMONCEUX CASTLE ENTERPRISES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2020

The directors present their report and the financial statements for the year ended 30 April 2020.

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.

Directors

The directors who served during the year were:

Heather Christie
Karen Iona Fountain
Tom Harris (resigned 29 February 2020)
James Hastings Lewis Knowles
Alan McInnes
Joshua Casey Dennis Purvis
Dr Patrick Deane (appointed 1 March 2020)

Disclosure 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 the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2020**

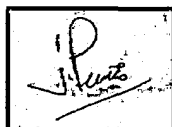
Auditors

The auditors, Haysmacintyre 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 25 November 2020 and signed on its behalf.

A square box containing a handwritten signature in black ink. The signature appears to be 'J. Purvis' with a stylized flourish at the end.

Joshua Purvis
Director

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

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

Opinion

We have audited the financial statements of Herstmonceux Castle Enterprises Limited (the 'Company') for the year ended 30 April 2020, which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, 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 30 April 2020 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Auditors' 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

HERSTMONCEUX CASTLE ENTERPRISES LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERSTMONCEUX CASTLE ENTERPRISES LIMITED (CONTINUED)

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 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 year 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.

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 the 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, 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' exemptions 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 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, 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.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERSTMONCEUX CASTLE ENTERPRISES LIMITED (CONTINUED)

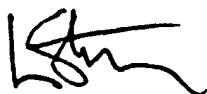
Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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 Auditors' Report.

Use of our report

This report is made solely to the Company's members 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 for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 25 November 2020

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2020

	2020 £	2019 £
Turnover	546,787	703,496
Cost of sales	(123,616)	(164,937)
Gross profit	423,171	538,559
Administrative expenses	(419,756)	(416,214)
Operating profit	3,415	122,345
Income from other participating interests	637	384
Profit before tax	4,052	122,729
Profit for the financial year	4,052	122,729

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

The notes on pages 9 to 14 form part of these financial statements.

There was no other comprehensive income for 2020 (2019: £nil).

HERSTMONCEUX CASTLE ENTERPRISES LIMITED
REGISTERED NUMBER: 02902475

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2020

		2020 £	2019 £
Fixed assets			
Tangible assets	6	12,159	8,861
		<u>12,159</u>	<u>8,861</u>
Current assets			
Stocks	7	6,883	30,730
Debtors: amounts falling due within one year	8	19,098	48,075
Cash at bank and in hand	9	257,606	200,888
		<u>283,587</u>	<u>279,693</u>
Creditors: amounts falling due within one year	10	(264,856)	(133,264)
Net current assets		<u>18,731</u>	<u>146,429</u>
Total assets less current liabilities		<u>30,890</u>	<u>155,290</u>
Net assets		<u><u>30,890</u></u>	<u><u>155,290</u></u>
Capital and reserves			
Called up share capital	11	10,000	10,000
Profit and loss account		20,890	145,290
		<u><u>30,890</u></u>	<u><u>155,290</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 November 2020.



Joshua Purvis
Director

The notes on pages 9 to 14 form part of these financial statements.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2020**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 May 2018	10,000	102,080	112,080
Comprehensive income for the year			
Profit for the year	-	122,729	122,729
Gift aid distribution to parent	-	(79,519)	(79,519)
At 1 May 2019	10,000	145,290	155,290
Comprehensive income for the year			
Profit for the year	-	4,052	4,052
Gift aid distribution to parent	-	(128,452)	(128,452)
At 30 April 2020	10,000	20,890	30,890

The notes on pages 9 to 14 form part of these financial statements.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

1. General information

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

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. 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.

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, 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.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.3 Revenue

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 and machinery	-	20% p.a. straight line
Fixtures and 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 Income Statement.

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.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

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 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.

2.9 Financial Instruments

The Company only enters into basic financial instrument 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.

3. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>3,125</u>	<u>3,000</u>
Fees payable to the Company's auditor and its associates in respect of:		
Other services relating to taxation	<u>825</u>	<u>800</u>

4. Employees

The average monthly number of employees, including directors, during the year was 11 (2019 - 3).

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

5. 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 anticipated that there will be no tax payable for the year ended 30 April 2020 (2019: £nil).

6. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 May 2019	84,879	14,458	99,337
Additions	10,500	-	10,500
Disposals	(500)	-	(500)
At 30 April 2020	<u>94,879</u>	<u>14,458</u>	<u>109,337</u>
Depreciation			
At 1 May 2019	76,497	13,979	90,476
Charge for the year	7,082	120	7,202
Disposals	(500)	-	(500)
At 30 April 2020	<u>83,079</u>	<u>14,099</u>	<u>97,178</u>
Net book value			
At 30 April 2020	<u>11,800</u>	<u>359</u>	<u>12,159</u>
At 30 April 2019	<u>8,382</u>	<u>479</u>	<u>8,861</u>

7. Stocks

	2020 £	2019 £
Finished goods and goods for resale	6,883	30,730
	<u>6,883</u>	<u>30,730</u>

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

8. Debtors

	2020 £	2019 £
Trade debtors	1,611	45,384
Other debtors	-	869
Prepayments and accrued income	17,487	1,822
	<u>19,098</u>	<u>48,075</u>

9. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	257,607	200,888
	<u>257,607</u>	<u>200,888</u>

10. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	410	27,169
Amounts owed to group undertakings	197,124	31,685
Other taxation and social security	-	3,230
Other creditors	3,347	3,677
Accruals and deferred income	63,975	67,503
	<u>264,856</u>	<u>133,264</u>

11. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
10,000 (2019 - 10,000) Ordinary Shares shares of £1.00 each	10,000	10,000

There are no restrictions attaching to the ordinary shares including in the distribution of dividend or payment of capital.

HERSTMONCEUX CASTLE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

12. 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.

13. 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.