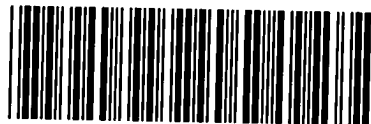


Registered No: 2987264

BRADFIELD COLLEGE ENTERPRISES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2017

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**Directors' Report and Financial Statements
For the year ended 31 August 2017**

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Bradfield College Enterprises Limited

Company information

Directors

Dr Bruce Tomlinson (appointed 24 November 2016)
Patrick Burrowes
Kester Russell
Peter Saunders
Dr Christopher Stevens
David Shilton (resigned 31 August 2017)

Registered address

Bradfield College
Bradfield
Berkshire
RG7 6AU

Bankers

Allied Irish Bank (GB) plc
City Office
9/10 Angel Court
London
EC2R 7AB

Investment advisers

Charles Stanley & Co. Ltd
25 Luke Street
London
EC2A 4AR

Independent Auditors

RSM UK Audit LLP
Chartered Accountants and Statutory Auditors
Davidson House
Forbury Square
Reading
RG1 3EU

Directors' report for the year ended 31 August 2017

The Directors present their annual report and the audited financial statements of the Company for the year ended 31 August 2017.

Principal activities

The principal activities of the Company are the management of lettings and the sale of equipment, clothing, food and drink at Bradfield College. The Company operates the leisure facilities on the Bradfield College estate for the benefit of both the College and the community.

Review of business and future developments

The Company has had an extremely successful year producing revenue of £2.9m, up nearly a third on 2016. This was largely driven by the recruitment of fresh clients in the residential lettings part of the business. As a result the Company has made a covenant payment of £492,000 to the College despite having funded a number of enhancement maintenance projects to facilities costing around £100,000.

The Events and Lettings Division recovered from a huge drop of revenue in 2016. The team, having made the difficult decision to end the relationship with a long term client who had been a primary driver in the reduction, have done an excellent job in identifying and recruiting fresh clients for both Easter and the Summer residential periods. This action has resulted in revenues from residential lettings returning to a level well over £1m following last year's drop to nearly £600,000. Having had a highly successful season the focus is now on establishing firm contracts for 2018 and beyond.

The weddings business has also had an excellent year with revenue up to £96,000 and margins operating in excess of 60%. The wedding market does seem to have a two year cycle and so we currently have fewer weddings scheduled for 2018 but already there is a strong order book for 2019.

The Sports and Leisure centre saw its cost of sales rise by £75,000 this year, because of vital improvements to the facilities across the division.

Staff overheads have remained static, whilst other additional overheads saw a reduction of £26,000. Overall total administration expenses fell by £23,000 on the previous year.

The Directors consider that the results achieved were extremely good especially considering the very difficult position that was being recovered from in the previous year. It is expected that progress will continue similarly in 2017/18 and, without the large one off expenses taken this year, there should be a significantly higher covenant next year.

Results and dividends

The Company's profit for the year is £495,334 (2016: £177,802). In the year the Company proposed a payment under gift aid to Bradfield College of £492,000 (2016: £176,000).

Financial risk management

The Directors are responsible for the Company's financial risk management. The Directors do not consider the effects of changes in price risk, credit risk, interest rate risk, liquidity risk or foreign exchange risk to be material to the Company.

Directors' report for the year ended 31 August 2017 (continued)

Statement of directors' responsibilities

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 prepared 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 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;
- 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 Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of Information to auditors

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

(a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

External Auditors

RSM UK Audit LLP acted as auditors to the Company during the year and will be proposed for re-election as auditors at the forthcoming Annual General Meeting.

By order of the Board



Peter Saunders

Director

Approved by the Directors on 30 November 2017

Independent auditors' report to the Members of Bradfield College Enterprises Limited

Opinion

We have audited the financial statements of Bradfield College Enterprises Limited (the 'company') for the year ended 31 August 2017 which comprise the Profit and Loss Account, Balance Sheet, Statement of Cash Flows 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 FRS 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 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;
- 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Opinions 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.

Independent auditors' report to the Members of Bradfield College Enterprises Limited (continued)

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 exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

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.

RSM UK Audit LLP

Kerry Gallagher (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Davidson House, Forbury Square

Reading, Berkshire

RG1 3EU

Date **12 December 2017**

Profit and loss account for the year ended 31 August 2017

	Note	2017 £	2016 £
Turnover		2,895,939	2,393,846
Cost of sales		(777,262)	(662,290)
Gross profit		2,118,677	1,731,556
Administrative expenses		(1,623,343)	(1,553,754)
Profit on ordinary activities before taxation	2	495,334	177,802
Taxation	5	-	-
Profit for the financial year after taxation	12	495,334	177,802

The Company's results are derived from continuing activities.

The Company has no recognised gains or losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial years stated above, and their historical cost equivalents.

Balance sheet as at 31 August 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	6	119,287	110,598
Current assets			
Stocks	8	111,774	111,281
Debtors	9	316,498	186,814
Cash at bank and in hand		562,952	300,097
		991,224	598,192
Creditors - Amounts falling due within one year	10	(983,622)	(585,235)
Net current liabilities		7,602	12,957
Total assets less current liabilities		126,889	123,555
Capital and reserves			
Called up share capital	11	70,322	70,322
Share premium account	12	31,680	31,680
Profit and loss account	12	24,887	21,553
Total shareholders' funds	13	126,889	123,555

The financial statements on pages 6 to 15 were approved by the Board of Directors on 30 November 2017 and signed on its behalf by:



Peter Saunders
Director

Registered Number: 2987264

Statement of cash flows for the year ended 31 August 2017

	Note	2017 £	2016 £
Net cash inflow from operating activities		262,855	111,397
Cash at bank and in hand			
At 1 September		300,097	188,700
At 31 August		562,952	300,097
Movement of cash at bank and in hand during year		262,855	111,397

Reconciliation of profit before taxation to net cash inflow from operating activities

	Note	2017 £	2016 £
Profit before taxation		495,334	177,802
Distribution to parent charity		(492,000)	(176,000)
Net profit for the year		3,334	1,802
Depreciation		35,839	30,194
(Increase) in stock		(493)	(32,780)
(Increase) in debtors		(129,684)	192,610
Increase in creditors		398,387	(80,429)
Tangible Fixed Asset Additions		(44,528)	-
Net cash inflow from operating activities		262,855	111,397

Notes to the financial statements for the year ended 31 August 2017

1 Principal accounting policies

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the Company.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

Related Party Disclosures

The Company is a wholly owned subsidiary of The Warden and Council of St Andrew's College, Bradfield, the consolidated accounts of which are publicly available. Accordingly, the Company has taken advantage of the exemptions in section 33 of FRS 102 from disclosing transactions with fellow group companies.

Turnover

Turnover, which excludes value added tax, represents the invoiced value of goods and services supplied. Turnover consists entirely of sales made in the United Kingdom. Turnover is recognised when the goods or services have been provided and the Company has the right to consideration. Where conditions have not been met, revenue is deferred until such time that they have been met.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Tangible fixed assets

Tangible fixed assets are stated at historic cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost, together with any other incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates for this purpose are:

Notes to the financial statements for the year ended 31 August 2017 (continued)

Computer equipment	33%
Fixtures/other equipment	10% - 25%
Motor Vehicles	25%

Land and buildings are depreciated over the life of the asset.

Operating lease – land and buildings

Costs of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Stocks

Stocks are stated at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Pension schemes

Retirement benefits to the employees of the Company are provided by:

- (a) the Pensions Trust Growth Plan (PTGP), a multi-employer pension scheme; and
- (b) defined contributions made to individual employees' money purchase schemes.

Contributions to these schemes are charged to the income and expenditure account when payable. Details of the PTGP are included within the group financial statements of The Warden and Council of Saint Andrew's College, Bradfield.

Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the financial statements for the year ended 31 August 2017 (continued)

2 Operating profit

	2017	2016
	£	£
The operating profit is stated after charging:		
Depreciation – owned assets	35,839	30,195
Services provided by the Company's auditors		
– fees payable for audit services	10,000	8,000
– fees payable for taxation and other services	1,890	-
Operating lease – land and buildings	89,598	89,598
Management fee – Bradfield College	67,200	67,200

3 Directors' emoluments

Total directors' emoluments paid during the year for their services as directors to the Company were £79,324 including pension contributions (2016: £76,664). Dr Christopher Stevens and Patrick Burrowes are remunerated by Bradfield College in respect of their services as the Headmaster and Bursar of the College respectively.

Total remuneration to key management personnel was £88,473 (2016: £85,125).

4 Employee information

The average number of people employed during the year was 107 (2016: 107). The full time equivalent of these people was as follows:

By activity	2017	2016
	Number	Number
Lettings and management	11	11
Sports Centre Staff	31	31
	42	42

Staff costs	£	£
Wages and Salaries	915,524	868,068
Social security costs	65,383	63,772
Other pension costs	14,466	14,508
	995,373	946,348

The staff costs include £204,215 (2016: £198,517) in lettings and £643,603 (2016: £624,277) Sports Centre salaries included in administration costs and £147,554 (2016: £123,556) included within cost of sales.

Notes to the financial statements for the year ended 31 August 2017 (continued)

5 Tax on profit on ordinary activities

Tax on profit on ordinary activities

	2017	2016
	£	£
Current tax		
U.K. corporation tax	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Total tax on profit on ordinary activities	-	-

Deferred tax

Deferred tax has been calculated at a rate of 20%. None of the deferred tax asset was provided for during the year as the Company is not expected to be in a tax paying position in the foreseeable future.

6 Tangible fixed assets

	Land & Buildings	Fixtures/ Other Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£
At 1 September 2016	16,664	225,164	5,769	-	247,597
Additions	-	15,000	27,028	2,500	44,528
Disposals	-	-	-	-	-
At 31 August 2017	16,664	240,164	32,797	2,500	292,125
Accumulated Depreciation					
At 1 September 2016	16,664	114,566	5,769	-	136,999
Charge for the year	-	26,205	9,009	625	35,839
Disposals	-	-	-	-	-
At 31 August 2017	16,664	140,771	14,778	625	172,838
Net book amount					
At 31 August 2017	-	99,393	18,019	1,875	119,287
At 31 August 2016	-	110,598	-	-	110,598

Notes to the financial statements for the year ended 31 August 2017 (continued)

7 Operating Leases

At 31 August 2017 the Company had future minimum lease payments under non-cancellable operating leases expiring as follows:

	Land and buildings	
	2017	2016
	£'000	£'000
Within 1 year	-	-
Within two to five years	-	-
After 5 years	89,598	89,598

8 Stocks

	2017	2016
	£	£
Goods for resale	111,774	111,281

9 Debtors

	2017	2016
	£	£
Amount falling due within one year		
Trade debtors	307,801	179,109
Prepayments and other debtors	8,697	7,705
	316,498	186,814

10 Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	14,903	23,212
Amounts owed to parent undertaking	582,890	228,466
Other creditors	26,616	13,202
Accruals and deferred income	296,773	258,548
Other taxation and social security	62,440	61,807
	983,622	585,235

Amounts owed to the parent undertaking are unsecured, interest free, and repayable on demand.

Notes to the financial statements for the year ended 31 August 2017 (continued)

11 Called up share capital

	2017	2016
	£	£
Allotted, called up and fully paid		
70,002 (2016: 70,002) ordinary shares of £1 each	70,002	70,002
32,000 (2016: 32,000) redeemable preference shares of 1p each (issued at a premium of 99p each)	320	320
	70,322	70,322

The preference shares have no rights to dividends and no fixed redemption date. The right to redeem preference shares lies with the Company, therefore the preference shares are considered to be equity rather than a liability.

12 Reserves

	Share premium Account	Profit and loss account
	£	£
At 1 September 2016	31,680	21,553
Profit for the financial year		495,334
Distribution to parent charity		(492,000)
At 31 August 2017	31,680	24,887

13 Reconciliation of movements in shareholders' funds

	2017	2016
	£	£
Profit for the financial year	495,334	177,802
Distribution to parent charity	(492,000)	(176,000)
Opening shareholders' funds	123,555	121,753
Closing shareholders' funds	126,889	123,555

Notes to the financial statements for the year ended 31 August 2017 (continued)

14 Pension Commitments

The Company participates in The Pensions Trust's Growth Plan ("the Growth Plan"). This is a multi-employer pension scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Growth Plan's total assets. Accordingly, due to the nature of the Growth Plan, the Company has accounted for its contributions as a defined contribution scheme. The Company paid contributions of 7.5%, and members paid contributions at the rate of 5% of employee salaries during the accounting period. There were 23 members of the scheme at 31 August 2017 (2016: 14), including 18 under auto enrolment.

To comply with the Government's legislation on workplace pensions, all eligible employees not already members of the above scheme are enrolled in an alternative scheme run by the Pensions Trust. Contributions are paid at 1% of salary by both employers and employees.

The aggregate pension costs for the year were £14,466 (2016: £12,805) with £3,013 under auto enrolment (2016: £1,920).

15 Parent organisation and ultimate controlling party

The directors regard The Warden and Council of Saint Andrew's College, Bradfield ("Bradfield College"), a registered charity incorporated by Royal Charter, as the Company's parent organisation and ultimate controlling party. According to the register kept by the Company, Bradfield College has a 100% interest in the share capital of Bradfield College Enterprises Limited as at 31 August 2017. Bradfield College is the largest and smallest body to consolidate the financial statements of the Company. A copy of the parent organisation's consolidated financial statements can be obtained by writing to The Bursar, Bradfield College, Bradfield, Reading, Berkshire, RG7 6AU.