

Registered No. 2987264

Bradfield College Enterprises Limited
Annual report
for the year ended 31 August 1998



Bradfield College Enterprises Limited

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Directors' report for the year ended 31 August 1998

The directors present their report and the audited financial statements for the year ended 31 August 1998.

Principal activities

The principal activities of the company are the resale of equipment, clothing, food, beverages and books and the management of lettings and the sixth form club at Bradfield College.

Review of business and future developments

The results for the year are set out on page 4. Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

In the year the company made a payment under deed of covenant to Bradfield College of £100,140 (1997: £91,978). The company has further developed the lettings aspect of its business with an improvement in revenue.

Dividends

The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the year were as follows:

P H C Brader (Chairman)
The Honorable Peter Dixon

The directors had no beneficial interest in the share capital of the company at any time during the year.

Year 2000

A working party has been set up by the Trustees of the Saint Andrew's College, Bradfield. This working party will cover the systems used by the College, B C Developments Limited and Bradfield College Enterprises Limited to ensure that systems used have been reviewed for compliance and upgraded or replaced as necessary.

Given the complexity of the problems it is not yet possible for any organisation to guarantee that no Year 2000 problems will remain. However, based on the information available, the Directors have no reason to believe that Year 2000 issues will be material to its operations and financial position.

It is not possible to quantify the costs of hardware and software modifications necessary to upgrade the systems separately from those costs associated with the general upgrading and replacement of computer software and equipment.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 August 1998. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board



Brigadier M T A Lord
Secretary

**Report of the auditors to the members of
Bradfield College Enterprises Limited**

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 August 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Reading 1 December 1998.

**Profit and loss account
for the year ended 31 August 1998**

	Notes	1998 £	1997 £
Turnover	1	286,132	276,923
Cost of sales		(142,352)	(133,870)
		<hr/>	<hr/>
Gross profit		143,780	143,053
Administrative expenses		(53,988)	(52,874)
		<hr/>	<hr/>
Operating profit		89,792	90,179
Interest receivable and similar income		694	1,143
Payment to Bradfield College under deed of covenant		(100,140)	(91,978)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	2	(9,654)	(656)
Taxation	5	-	-
		<hr/>	<hr/>
Loss for the year	11	(9,654)	(656)
		<hr/>	<hr/>

The company's results are derived from continuing activities.

The company has no recognised gains or losses other than as set out above and accordingly no separate statement of total recognised gains and losses has been prepared.

There is no difference between the loss on ordinary activities before taxation and the loss for the year stated above, and their historical cost equivalents.

**Balance sheet
at 31 August 1998**

	Notes	1998 £	1997 £
Fixed assets	6	42,034	2,118
Current assets			
Stocks	7	52,876	59,311
Debtors	8	63,546	48,313
Cash at bank and in hand		21,300	35,081
		137,722	142,705
Creditors: amounts falling due within one year	9	121,364	76,777
Net current assets		16,358	65,928
Net assets		58,392	68,046
Capital and reserves			
Called up share capital	10	70,002	70,002
Profit and loss account - deficit	11	(11,610)	(1,956)
Equity shareholders' funds	12	58,392	68,046

The financial statements on pages 4 to 9 were approved by the Board of Directors on 1 December 1998 and signed on its behalf by:



P H C Brader
Director

**Notes to the financial statements
for the year ended 31 August 1998****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Cash flow

The company has taken advantage of the small company exemption granted by FRS1 revised, and has not published a cash flow statement.

Financial Reporting Standard 8

FRS 8 "Related Party Disclosures" requires the disclosure of the details of material transactions between the reporting entity and any related parties. The company has adopted the provisions of FRS 8, however transactions between the company and other group companies including their associates and joint ventures, have not been disclosed in accordance with the exemption in FRS 8 3(c).

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.

Tangible fixed assets

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:

Computer equipment	33%
Fixtures/equipment	20%

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.

2 Result on ordinary activities before taxation

	1998 £	1997 £
Result on ordinary activities before taxation is stated after charging:		
Depreciation	12,154	1,712
Auditors' remuneration	3,300	3,100
	<u> </u>	<u> </u>

3 Directors' emoluments

The directors received no emoluments during the year (1997: nil).

4 Employee information

The average monthly full time equivalent number of persons employed by the company during the year was:

By activity	1998 number	1997 number
Selling and distribution	3	3
	<u> </u>	<u> </u>
	1998 £	1997 £
Staff costs (for the above people)		
Salaries	25,645	23,921
Social Security costs	682	636
	<u> </u>	<u> </u>
	26,327	24,557
	<u> </u>	<u> </u>

5 Taxation

No charge for taxation arises in view of the company's arrangements to pass all of its taxable profits to Bradfield College under the terms of a deed of covenant.

6 Tangible fixed assets

Cost	Fixtures/ equipment £	Computer equipment £	Total £
At 1 September 1997	677	4,729	5,406
Additions	51,866	204	52,070
At 31 August 1998	52,543	4,933	57,476
Depreciation			
At 1 September 1997	136	3,152	3,288
Charge for the year	10,509	1,645	12,154
At 31 August 1998	10,645	4,797	15,442
Net book value			
At 31 August 1998	41,898	136	42,034
At 31 August 1997	541	1,577	2,118

7 Stocks

	1998 £	1997 £
Goods for resale	52,876	59,311

8 Debtors

	1998 £	1997 £
Amount falling due within one year		
Trade debtors	63,546	48,191
Other taxation	-	122
	63,546	48,313

9 Creditors: amounts falling due within one year

	1998 £	1997 £
Amounts owed to parent undertaking	49,163	6,139
Other taxation and social security	24,230	42,613
Accruals and deferred income	47,971	28,025
	121,364	76,777

10 Called up share capital

	1998 £	1997 £
Authorised		
100,000 ordinary shares of £1 each	100,000	100,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
70,002 ordinary shares of £1 each	70,002	70,002
	<u> </u>	<u> </u>

11 Profit and loss account

	£
At 1 September 1997 (deficit)	(1,956)
Loss for the financial year	<u>(9,654)</u>
At 31 August 1998 (deficit)	<u>(11,610)</u>

12 Reconciliation of movements in shareholders' funds

	1998	1997 £
Opening shareholders' funds	68,046	68,702
Loss for the financial year	<u>(9,654)</u>	<u>(656)</u>
Closing shareholders' funds	<u>58,392</u>	<u>68,046</u>

13 Parent organisation and ultimate controlling party

The directors regard The Warden and Council of St 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 1998. A copy of the parent organisation's financial statements can be obtained by writing to The Bursar, Bradfield College, Bradfield, Reading, Berkshire, RG7 6AU.