

Registered number: 03039344

DULWICH COLLEGE ENTERPRISES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2017



DULWICH COLLEGE ENTERPRISES LIMITED

COMPANY INFORMATION

Directors	Sir Brian Bender KCB S Ghosh J D Lovering CBE (resigned 31 July 2017) N J Prout Dr J A F Spence S J Yiend
Company secretary	K A Jones
Registered number	03039344
Registered office	Dulwich College Dulwich Common London SE21 7LD

DULWICH COLLEGE ENTERPRISES LIMITED

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DULWICH COLLEGE ENTERPRISES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2017

The directors present their report and the financial statements for the year ended 31 July 2017.

Results and dividends

The profit for the year, after taxation, amounted to £136,854 (2016 - £168,044).

Directors

The directors who served during the year were:

Sir Brian Bender KCB
S Ghosh
J D Lovering CBE (resigned 31 July 2017)
N J Prout
Dr J A F Spence
S J Yiend

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.

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.

DULWICH COLLEGE ENTERPRISES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2017**

Auditors

The auditors, haysmacintyre, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 16 November 2017 and signed on its behalf.

A handwritten signature in black ink, appearing to read "Brian Bender", with a horizontal line drawn underneath the name.

Sir Brian Bender KCB
Director

DULWICH COLLEGE ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DULWICH COLLEGE ENTERPRISES LIMITED

Opinion

We have audited the financial statements of Dulwich College Enterprises Limited for the year ended 31 July 2017, set out on pages 6 to 13. 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).

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 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, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 July 2017 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 information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

DULWICH COLLEGE ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DULWICH COLLEGE ENTERPRISES LIMITED (CONTINUED)

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.

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.

DULWICH COLLEGE ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DULWICH COLLEGE 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. The description forms part of our Auditors' Report.



Richard Weaver (Senior Statutory Auditor)

for and on behalf of
haysmacintyre

Statutory Auditors

26 Red Lion Square
London
WC1R 4AG

16 November 2017

DULWICH COLLEGE ENTERPRISES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2017**

	Note	2017 £	2016 £
Turnover		3,256,842	3,241,702
Administrative expenses		(3,119,988)	(3,073,658)
Operating profit		<u>136,854</u>	<u>168,044</u>
Tax on profit		-	-
Profit for the financial year		<u><u>136,854</u></u>	<u><u>168,044</u></u>

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 9 to 13 form part of these financial statements.

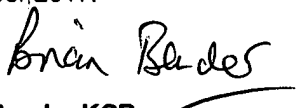
DULWICH COLLEGE ENTERPRISES LIMITED
REGISTERED NUMBER: 03039344

STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2017

	Note	2017 £	2016 £
Current assets			
Stocks	6	173,476	155,950
Debtors: amounts falling due within one year	7	152,313	177,603
Cash at bank and in hand		116,547	119,364
		<u>442,336</u>	<u>452,917</u>
Creditors: amounts falling due within one year	8	(313,807)	(325,259)
Net current assets		<u>128,529</u>	<u>127,658</u>
Net assets		<u>128,529</u>	<u>127,658</u>
Capital and reserves			
Called up share capital		3	3
Profit and loss account		128,526	127,655
		<u>128,529</u>	<u>127,658</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 16 November 2017.



Sir Brian Bender KCB
 Director

The notes on pages 9 to 13 form part of these financial statements.

DULWICH COLLEGE ENTERPRISES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2017**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 August 2016	3	127,655	127,658
Comprehensive income for the year			
Profit for the year	-	136,854	136,854
Gift aid donation to parent	-	(135,983)	(135,983)
At 31 July 2017	<u>3</u>	<u>128,526</u>	<u>128,529</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2016**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 August 2015	3	126,593	126,596
Comprehensive income for the year			
Profit for the year	-	168,044	168,044
Gift aid donation to parent	-	(166,982)	(166,982)
At 31 July 2016	<u>3</u>	<u>127,655</u>	<u>127,658</u>

The notes on pages 9 to 13 form part of these financial statements.

DULWICH COLLEGE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

1. General information

Dulwich College Enterprises Limited is a members limited liability company incorporated in England and Wales. The address of its registered office is Dulwich College, Dulwich Common, London, SE21 7LD. The Company's principal activity is the letting of facilities at Dulwich College, the operation of a sports club, the provision of transport for pupils to and from the Dulwich schools and the operation of the College buttery, café and commissariat.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

DULWICH COLLEGE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

2. Accounting policies (continued)

2.3 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:

Furniture, equipment and motor - vehicles	25%
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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.

2.4 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 weighted average 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.

2.5 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.

2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

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 Income Statement.

DULWICH COLLEGE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

2. Accounting policies (continued)

2.7 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 Pensions

Contributions are made for staff to the Local Pensions Partnership ("LPP", formerly London Pension Fund Authority, "LPFA") Local Government Pension Scheme and the Dulwich College Pension Plan. The Dulwich College Pension plan is a defined contribution scheme. The LPP scheme is a defined benefit scheme, however, the Company accounts for the contributions to the scheme as if they were to a defined contribution scheme by recognising the cost as the contribution payable. This is because the responsibility for meeting the pension obligation rests with Dulwich College.

Further details of the pension arrangements are disclosed in note 9.

3. Auditors' remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £3,895 (2016 - 3,785).

4. Employees

The average monthly number of employees, including directors, during the year was 23 (2016 - 22).

DULWICH COLLEGE ENTERPRISES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

5. Tangible fixed assets

	Furniture, equipment and motor vehicles £
Cost or valuation	
At 1 August 2016	108,746
Disposals	(48,835)
At 31 July 2017	<u>59,911</u>
Depreciation	
At 1 August 2016	108,746
Disposals	(48,835)
At 31 July 2017	<u>59,911</u>
Net book value	
At 31 July 2017	<u><u>-</u></u>
At 31 July 2016	<u><u>-</u></u>

6. Stocks

	2017 £	2016 £
Sports goods	141,166	134,679
Books and stationery	13,559	9,147
Other	18,751	12,124
	<u>173,476</u>	<u>155,950</u>

DULWICH COLLEGE ENTERPRISES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

7. Debtors

	2017 £	2016 £
Trade debtors	50,633	79,906
Other debtors	24,328	21,867
Prepayments and accrued income	77,352	75,830
	<u>152,313</u>	<u>177,603</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	78,256	89,979
Amounts owed to group undertakings	115,163	89,499
Accruals and deferred income	120,388	145,781
	<u>313,807</u>	<u>325,259</u>

9. Contingent liabilities

Some of the Company's staff are members of the Dulwich College (group) pension scheme for operational staff operated by the LPP. This scheme is a joint scheme for both Dulwich College and the Company. From 31 July 2006, the contracts of employment were transferred to Dulwich College to simplify staffing matters, including the pension arrangements.

As a result of this change, the responsibility for meeting the pension obligations rests with Dulwich College but the on-going costs are met by the Company through a secondment arrangement. The directors are aware of the Company's obligation to the College in respect of the accumulated pension scheme deficits arising during the employment. Although this does not represent a present obligation requiring provision in the accounts under FRS 102 Section 21 it does represent a contingent liability. At the time the contracts were transferred, the Company obtained actuarial advice to quantify the liability using transfer values and using this information estimated the quantum of the liability (net of assets) to be in the region of £150,000. This estimated liability is based on the actuarial valuation that took place in 2004.

10. Ultimate Parent Undertaking and Controlling party

The ultimate parent undertaking is Dulwich College. Copies of accounts for Dulwich College are available from the Clerk to the Governors, Dulwich College, Dulwich Common, London SE21 7LD.

The Company is controlled by Dulwich College, a registered Charity. All of the directors of the Company are either officers of Dulwich College or are members of the Board of Governors. The Company has taken advantage of exemptions under Financial Reporting Standard 102 Section 33 from disclosing transactions with the College.