

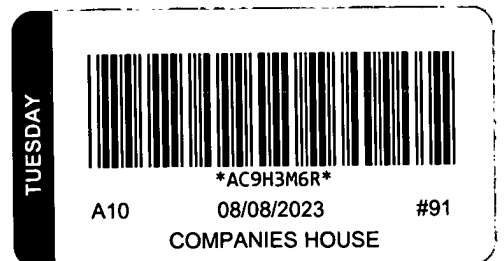
Barrough Limited

Directors' Report and Financial Statements

15 months period ended

31 March 2023

Company Number 03730967



Barrough Limited

Company Information

Directors
D M Hare
Lord E A C Spencer Churchill
H R Carter
R L File
I C Fernandes

Company secretary S J Spare

Registered number 03730967

Registered office
The Estate Office
Blenheim Palace
Woodstock
Oxfordshire
OX20 1PP

Independent auditors
BDO LLP
Two Snowhill
Birmingham
B4 6GA

Bankers
Barclays Bank plc
6th Floor
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GN

Solicitors
Withers LLP
20 Old Bailey
London
EC4M 7AN

Barrough Limited

Contents

	Page
Directors' Report	1 - 2
Independent Auditor's Report	3 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 13

Barrough Limited

Directors' Report For the Period Ended 31 March 2023

The Directors present their report and the financial statements for the period ended 31 March 2023.

Principal activity

The principal activity of the Company during the period was that of a holding company.

Directors

The Directors who served during the period and up until the date of approval of this report were:

D M Hare
Lord E A C Spencer Churchill
H R Carter
R L File
I C Fernandes (appointed 26 May 2023)

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 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; and
- 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.

Going concern

Following the sale of the Windrush Industrial Park by the Company's subsidiary, Blenheim Industrial Property Limited, the majority of the proceeds were distributed to its parent Company, Barrough Limited, who in turn distributed the proceeds to its parent, Vanbrugh Unit Trust. The Company has retained sufficient cash to pay its remaining liabilities. Our forecasts show that our cash balance is sufficient to fund our remaining operations for a period of at least twelve months from the date of approval of these financial statements.

Barrough Limited

Directors' Report (continued) For the Period Ended 31 March 2023

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.

Auditors

The auditors, BDO 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 and signed on its behalf.



D M Hare
Director

Date: 28 July 2023

Barrough Limited

Independent Auditor's Report to the Members of Barrough Limited

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 31 March 2023 and of its result for the period 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.

We have audited the financial statements of Barrough Limited ("the Company") for the 15 month period ended 31 March 2023 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Barrough Limited

Independent Auditor's Report to the Members of Barrough Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

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.

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 Other - Directors' responsibilities statement, 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.

Barrough Limited

Independent Auditor's Report to the Members of Barrough Limited (continued)

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We made enquiries of management, and the Board, including:
 - how they have identified, evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance;
 - their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company. These include, but are not limited to, compliance with the Companies Act 2006, UK Generally Accepted Accounting Practice, and tax legislation.
- In addition, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, health and safety laws and data protection. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Those Charged with Governance and other management and inspection of regulatory and legal correspondence if any.
- We also communicated relevant identified laws and regulations, potential fraud risks and that fact that there were no known matters of significant non-compliance with laws and regulations, to all engagement team members including internal specialists audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Barrough Limited

Independent Auditor's Report to the Members of Barrough Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Audit response to risks identified

- The Senior Statutory Auditor has assessed and concluded that the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulation.
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- We made enquiries of the Board and management;
- We read minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; considered completeness of related party transactions; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business;
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to the recoverability of intercompany balances; and
- We compared the result of estimates made in prior years and ensured that the basis of estimation was reasonable and did not lead to material differences to actuals.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our 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.

DocuSigned by:

Kyla Bellingall

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Kyla Bellingall (Senior Statutory Auditor)

For and on behalf of **BDO LLP**, Statutory Auditor

Birmingham

United Kingdom

Date: 28 July 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Barrough Limited

Statement of Comprehensive Income For the Period Ended 31 March 2023

	15 months ended 31 March 2023 £	Year ended 31 December 2021 £
Income from fixed assets investments	1,900,000	13,000,000
Interest receivable and similar income	1,199	487,062
Profit before tax	1,901,199	13,487,062
Tax on profit	-	-
Profit for the financial period	1,901,199	13,487,062

There was no other comprehensive income for 2023 (2021 - £Nil).

The notes on pages 10 to 13 form part of these financial statements.

Barrough Limited
Registered number:03730967

Statement of Financial Position
As at 31 March 2023

	Note	31 March 2023 £	31 March 2023 £	31 December 2021 £	31 December 2021 £
Fixed assets					
Investments	4		6		5
Current assets					
Debtors: amounts falling due within one year	5	287		23,172	
		<u>287</u>		<u>23,172</u>	
Creditors: amounts falling due within one year	6	-		(2)	
Net current assets			<u>287</u>		<u>23,170</u>
Total assets less current liabilities			<u>293</u>		<u>23,175</u>
Net assets			<u><u>293</u></u>		<u><u>23,175</u></u>
Capital and reserves					
Called up share capital			2		2
Profit and loss account			291		23,173
			<u>293</u>		<u>23,175</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 by



D M Hare
Director

Date: 28 July 2023

The notes on pages 10 to 13 form part of these financial statements.

Barrough Limited

Statement of Changes in Equity For the Period Ended 31 March 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2022	2	23,173	23,175
Comprehensive income for the period			
Profit for the period	-	1,901,199	1,901,199
Total comprehensive income for the period	-	1,901,199	1,901,199
Contributions by and distributions to owners			
Dividends: Equity capital	-	(1,924,081)	(1,924,081)
Total transactions with owners	-	(1,924,081)	(1,924,081)
At 31 March 2023	2	291	293

Statement of Changes in Equity For the Year Ended 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	2	(70,333)	(70,331)
Comprehensive income for the year			
Profit for the year	-	13,487,062	13,487,062
Total comprehensive income for the year	-	13,487,062	13,487,062
Contributions by and distributions to owners			
Dividends: Equity capital	-	(13,393,556)	(13,393,556)
Total transactions with owners	-	(13,393,556)	(13,393,556)
At 31 December 2021	2	23,173	23,175

The notes on pages 10 to 13 form part of these financial statements.

Barrough Limited

Notes to the Financial Statements For the Period Ended 31 March 2023

1. General information

Barrough Limited is a private limited company limited by shares and registered in England and Wales. Its registered head office is located at The Estate Office, Blenheim Palace, Woodstock, OX20 1PP.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. However there has not been deemed any critical accounting estimates or significant judgements in these financial statements.

The financial statements have been prepared over an extended period of 15 months.

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; and
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

2.3 Going concern

The financial statements have been prepared on a going concern basis. Our forecasts show that our cashflow is sufficient to fund our operations for a period of at least twelve months from the date of approval of these financial statements and the board believe that there is no material uncertainty relating to going concern.

2.4 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.5 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.6 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Barrough Limited

Notes to the Financial Statements For the Period Ended 31 March 2023

2. Accounting policies (continued)

2.7 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.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Auditor's remuneration

The auditor's remuneration in the current period and prior year was borne by Vanbrugh Unit Trust.

4. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2022	5
Additions	1
At 31 March 2023	6
Net book value	
At 31 March 2023	6
At 31 December 2021	5

Barrough Limited

Notes to the Financial Statements For the Period Ended 31 March 2023

4. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Barrough Hospitality Limited	Provision of office space, hospitality space and related services.	Ordinary	100%
Blenheim Estate Properties Limited	Management of residential and commercial letting properties and related investments.	Ordinary	100%
Blenheim Industrial Property Limited	Management of industrial letting properties and related investments.	Ordinary	100%
Vanbrugh Homes Construction Limited	Development of residential and commercial property.	Ordinary	100%
Blenheim Estate Homes Limited	Management of residential letting of affordable properties and shared ownership of residential properties.	Ordinary	100%
OTP2 Limited	Dormant	Ordinary	100%

All companies in the Group have the registered office of The Estate Office, Blenheim Palace, Woodstock, Oxfordshire, OX20 1PP.

5. Debtors

	31 March 2023 £	31 December 2021 £
Amounts owed by group undertakings	287	23,172

6. Creditors: Amounts falling due within one year

	31 March 2023 £	31 December 2021 £
Amounts owed to group undertakings	-	2

Barrough Limited

Notes to the Financial Statements For the Period Ended 31 March 2023

7. Related party transactions

Barrough Limited is one entity within the Blenheim Estate.

During the period Barrough Limited received a dividend of £1,900,000 (2021 - £13,000,000) from Blenheim Industrial Property Limited and paid a dividend of £1,924,081 (2021 - £13,393,556) to Vanbrugh Unit Trust.

	Balance at 1 January 2022 £	Interest £	Loan drawdown £	Loan repayment £	Balance at 31 March 2023 £
Blenheim Finance Limited	23,172	1,199	(1,924,084)	1,900,000	287
Blenheim Agency Limited	(2)	-	-	2	-
	<u>23,172</u>	<u>1,199</u>	<u>(1,924,084)</u>	<u>1,900,000</u>	<u>287</u>

	Balance at 1 January 2021 £	Interest £	Loan drawdown £	Loan repayment £	Balance at 31 December 2021 £
Blenheim Finance Limited	-	487,062	(13,463,890)	13,000,000	23,172
Blenheim Agency Limited	(70,336)	-	-	70,334	(2)
	<u>(70,336)</u>	<u>487,062</u>	<u>(13,463,890)</u>	<u>13,000,000</u>	<u>23,172</u>

8. Controlling party

Barrough Limited is 100% owned by Vanbrugh Unit Trust. Vanbrugh Unit Trust is registered at the same address as Barrough Limited.

The entity's ultimate controlling parties are Lord Edward Albert Spencer-Churchill, Mr Alexander Pepys Muir, Mr Richard Jessel and Mr Christopher Groves, as trustees of Marlborough 2003 settlement, which owns 100% of Vanbrugh Trustees Limited and Vanbrugh Trustees No 2 Limited, which are the trustees of Vanbrugh Unit Trust.