

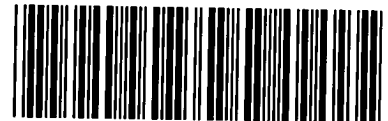
# Financial Statements

## Blenheim Estates Contractors Limited

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For the Year Ended 31 March 2017

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COMPANIES HOUSE

**Registered number: 05558946**

## Company Information

**Directors**

D M Hare  
R L File  
H R Carter (appointed 13 February 2017)  
J F D Hoy (resigned 30 December 2016)

**Company secretary**

D M Hare (Resigned 13 February 2017)  
S J Spare (Appointed 13 February 2017)

**Registered number**

05558946

**Registered office**

The Estate Office  
Blenheim Palace  
Woodstock  
Oxfordshire  
OX20 1PP

**Independent auditor**

Grant Thornton UK LLP  
Chartered Accountants & Statutory Auditor  
3140 Rowan Place  
John Smith Drive  
Oxford Business Park South  
OXFORD  
OX4 2WB

## Contents

	Page
<b>Directors' report</b>	<b>1 - 2</b>
<b>Independent auditor's report</b>	<b>3 - 4</b>
<b>Statement of comprehensive income</b>	<b>5</b>
<b>Balance sheet</b>	<b>6</b>
<b>Notes to the financial statements</b>	<b>7 - 14</b>

## **Directors' Report**

**For the Year Ended 31 March 2017**

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

### **Principal activity**

The principal activity of the company is the construction of buildings under contract for related parties and third parties.

### **Directors**

The directors who served during the year were:

D M Hare  
R L File  
H R Carter (appointed 13 February 2017)  
J F D Hoy (resigned 30 December 2016)

### **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 auditor**

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 auditor is 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 auditor is aware of that information.

## **Directors' Report (continued)**

**For the Year Ended 31 March 2017**

### **Auditor**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

### **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

19.12.2017

and signed on its behalf.



**D M Hare**  
Director

## Independent Auditor's Report to the Members of Blenheim Estates Contractors Limited

We have audited the financial statements of Blenheim Estates Contractors Limited for the year ended 31 March 2017, which comprise the Statement of Comprehensive Income, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the 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'.

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.

### **Respective responsibilities of Directors and Auditor**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC Ethical Standards website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on 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 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.



## Independent Auditor's Report to the Members of Blenheim Estates Contractors Limited (continued)

### **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 those financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report under the Companies Act 2006**

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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

*Grant Thornton UK LLP.*

Tracey James (Senior statutory auditor)

for and on behalf of

**Grant Thornton UK LLP**

Chartered Accountants

Statutory Auditor

OXFORD

Date: *21 December 2017*

# Statement of Comprehensive Income

For the Year Ended 31 March 2017

	Note	2017 £	2016 £
Turnover		5,748,266	3,038,871
Cost of sales		(5,293,551)	(2,877,123)
<b>Gross profit</b>		<b>454,715</b>	<b>161,748</b>
Administrative expenses		(51,584)	(130,644)
<b>Operating profit</b>		<b>403,131</b>	<b>31,104</b>
Interest payable and expenses		(98)	-
<b>Profit before tax</b>		<b>403,033</b>	<b>31,104</b>
Tax on profit	6	(81,140)	(6,440)
<b>Profit for the financial year</b>		<b>321,893</b>	<b>24,664</b>
<b>Total comprehensive income for the year</b>		<b>321,893</b>	<b>24,664</b>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

The notes on pages 7 to 14 form part of these financial statements.



# Balance Sheet

As at 31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	7	3,031	5,069
		<u>3,031</u>	<u>5,069</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	1,636,770	1,292,619
Cash at bank and in hand	9	199,377	53,174
		<u>1,836,147</u>	<u>1,345,793</u>
Creditors: amounts falling due within one year	10	(1,182,072)	(1,015,649)
<b>Net current assets</b>		<u>654,075</u>	<u>330,144</u>
<b>Total assets less current liabilities</b>		<u>657,106</u>	<u>335,213</u>
<b>Net assets</b>		<u>657,106</u>	<u>335,213</u>
<b>Capital and reserves</b>			
Called up share capital	11	1	1
Profit and loss account		657,105	335,212
		<u>657,106</u>	<u>335,213</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 19/12/17



**D M Hare**  
Director

The notes on pages 7 to 14 form part of these financial statements.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## **1. General information**

Blenheim Estates Contractors Limited is a limited liability company incorporated in England and Wales. Its registered head office is located at The Estate Office, Blenheim, Palace, Woodstock, Oxon, OX20 1PP, and its registration number is 05558946.

## **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 judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

### **2.2 Turnover**

Turnover is the total amount receivable by the company, net of Value Added Tax, in the ordinary course of business for goods supplied as a principal and for services provided, adjusted by the subsequent certified valuation of work in progress on contracts between the beginning and the end of the period.

## Notes to the Financial Statements

For the Year Ended 31 March 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:

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 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.

#### 2.5 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.

#### 2.6 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.

#### 2.7 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 2. Accounting policies (continued)

### 2.8 Current and deferred taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

## Notes to the Financial Statements

For the Year Ended 31 March 2017

### 2. Accounting policies (continued)

#### 2.9 Financial instruments

The Company only enters into basic financial instruments 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.

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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. Critical judgments that management have made in the process of applying accounting policies disclosed herein and that have a significant effect on the amounts recognised in the financial statements relate to the following:

#### Revenue recognition and long term contract balances

Management applies judgment when assessing the percentage of completion for contracts and the subsequent net realisable value of accrued income, taking into account the most reliable evidence available at each reporting date. The future realisation of these amounts may be affected by the future outcome of these contracts. Provisions are made for any losses which are foreseen.

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 4. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>3,200</u>	<u>3,100</u>

## 5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL).

The average monthly number of employees, including directors, during the year was 0 (2016 - 0).

## 6. Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	<u>81,140</u>	<u>6,440</u>

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - lower than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>403,033</u>	<u>31,104</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	80,607	6,221
<b>Effects of:</b>		
Capital allowances for year in excess of depreciation	<u>533</u>	<u>219</u>
<b>Total tax charge for the year</b>	<u>81,140</u>	<u>6,440</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 7. Tangible fixed assets

	Motor vehicles £
<b>Cost</b>	
At 1 April 2016	8,150
At 31 March 2017	8,150
<b>Depreciation</b>	
At 1 April 2016	3,081
Charge for the year on owned assets	2,038
At 31 March 2017	5,119
<b>Net book value</b>	
At 31 March 2017	3,031
At 31 March 2016	5,069

## 8. Debtors

	2017 £	2016 £
Trade debtors	291,482	168,502
Amounts owed by related parties	273,419	498,260
Other debtors	75,130	55,210
Prepayments and accrued income	996,739	570,647
	<u>1,636,770</u>	<u>1,292,619</u>

## 9. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>199,377</u>	<u>53,174</u>

# Notes to the Financial Statements

For the Year Ended 31 March 2017

## 10. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	234,295	500,060
Amounts owed to related parties	468,379	297,024
Corporation tax	80,607	6,221
Other creditors	270,239	179,594
Accruals and deferred income	128,552	32,750
	<u>1,182,072</u>	<u>1,015,649</u>

## 11. Share capital

	2017 £	2016 £
Shares classified as equity		
Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>



## Notes to the Financial Statements

For the Year Ended 31 March 2017

### 12. Related party transactions

The following related party balances were due from/(to) the company at the year end:

	2017 £	2016 £
Vanbrugh Unit Trust	(4,391)	381,627
Barrough Hospitality Limited	273,419	116,633
Blenheim Agency Limited	(401,510)	(97,024)
Blenheim Visitors Partnership	(232)	-
Blenheim Farm Partnership	(1,026)	-
Blenheim Finance Limited	-	(200,000)
Parliamentary 1994	(60,204)	-
Blenheim Palace Heritage Foundation	(1,015)	-

During the year the company sold services totalling £4,134,371 to Vanbrugh Unit Trust (2016: 2,336,866) and £1,088,469 to Barrough Hospitality Limited (2016: £317,085).

During the year the company was charged £247,026 in relation to a management fee by Blenheim Visitors Limited (2016: NIL), £135 by Blenheim Palace Heritage Foundation and £14,931 by Vanbrugh Unit Trust (2016: NIL).

All entities above share the same ultimate controlling parties to the company.

### 13. Controlling party

The entity's ultimate controlling parties are Sir Mark Aubrey Weinberg, Mr Alexander Pepys Muir, Mr Anthony John Thompson and Lord Edward Albert Spencer-Churchill as trustees of Marlborough 2003 settlement.