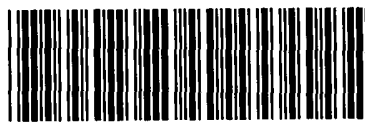


THE ITCHEN COMPANY LIMITED

**Report and Financial Statements
for the year ended 31 July 2014**

Company Registration No. 3231966

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**THE ITCHEN COMPANY LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2014**

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**THE ITCHEN COMPANY LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2014**

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Barry Hicks
Phil Green

SECRETARY

Jeffrey Roberts

REGISTERED OFFICE

Itchen College
Middle Road
Bitterne
Southampton
SO19 7TB

BANKERS

Lloyds TSB Bank plc
413 Bitterne Road
Bitterne
Southampton
SO18 1DA

SOLICITORS

Paris Smith LLP
1 London Road
Southampton
SO15 2AE

AUDITORS

Baker Tilly UK Audit LLP
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
SO53 3TY

**THE ITCHEN COMPANY LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 JULY 2014**

The directors present their annual report and the audited financial statements for the year ended 31 July 2014

ACTIVITIES

The company manages The Itchen Sports and Performing Arts Centre, a facility which provides sports, retail and leisure services to Itchen College and the local community.

RESULTS AND DIVIDENDS

The profit for the year is detailed in the Profit and Loss account on Page 5. The directors do not recommend the payment of a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

DIRECTORS

The directors who served during the year are as follows:

Barry Hicks
Terry Rath (Resigned August 2014)

AUDITORS

Baker Tilly Audit Limited ceased trading on 31 March 2014. The directors, having been notified of the cessation of trade of Baker Tilly Audit Limited, appointed Baker Tilly UK Audit LLP as auditor on 1 April 2014 to fill the casual vacancy. In accordance with the Companies Act 2006 a resolution proposing the appointment of Baker Tilly UK Audit LLP as auditor will be put to the members.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Approved by the Board of Directors
and signed on behalf of the Board



Jeffrey Roberts
Secretary

THE ITCHEN COMPANY LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 31 JULY 2014

Company law requires the directors to prepare financial statements for each financial year which 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. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ITCHEN COMPANY LIMITED
YEAR ENDED 31 JULY 2014**

We have audited the financial statements of The Itchen Company Limited for the year ended 31 July 2014 on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 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 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. Our responsibility is to audit 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 in the Financial Reporting Council's website at <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 affairs of the company as at 31 July 2014 and of its loss 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 prepare the financial statements and the directors' report 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

Frances Millar (Senior Statutory Auditor)

For and on behalf of

Baker Tilly UK Audit LLP

Baker Tilly UK Audit LLP, Statutory Auditor,

Chartered Accountants

Highfield Court, Tollgate,

Chandlers Ford, Eastleigh, S053 3TY

Date: *6 February 2015*

THE ITCHEN COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2014

	Notes	2014 £	2013 £
TURNOVER	2	289,085	257,034
Cost of sales		(142,516)	(132,391)
GROSS PROFIT		<u>146,569</u>	<u>124,643</u>
Administrative expenses		(149,213)	(158,152)
OPERATING (LOSS)	4	<u>(2,644)</u>	<u>(33,509)</u>
Other interest receivable and similar income		-	-
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(2,644)</u>	<u>(33,509)</u>
Tax on profit / (loss) on ordinary activities	6	(17)	-
(LOSS) FOR THE FINANCIAL YEAR	15	<u><u>(2,661)</u></u>	<u><u>(33,509)</u></u>

There were no recognised gains or losses other than those passing through the profit and loss account for the above two financial years. The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 7 - 12 form part of these accounts.


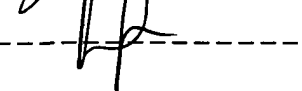
THE ITCHEN COMPANY LIMITED
BALANCE SHEET
AS AT 31 JULY 2014

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	7	<u>790,256</u>	<u>823,226</u>
Current assets			
Stocks	8	165,484	4,432
Debtors	9	2,932	4,858
Cash at bank and in hand		<u>12,374</u>	<u>9,622</u>
		180,790	18,912
Creditors: amounts falling due within one year	10	(8,839)	(8,176)
Net current assets		<u>171,951</u>	<u>10,736</u>
Total assets less current liabilities		<u>962,207</u>	<u>833,962</u>
Creditors: amounts falling due after more than one year	11	(472,004)	(325,746)
Accruals and deferred income	12	(492,515)	(507,867)
Net liabilities		<u>(2,312)</u>	<u>349</u>
Capital and reserves			
Called up share capital	13	1,000	1,000
Profit and loss account	15	(3,312)	(651)
Shareholders' Funds	14	<u>(2,312)</u>	<u>349</u>

These financial statements have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 5 to 12 were approved by the board and authorised for issue on

11 December 2014 and were signed on behalf of the board of directors by:


 ----- Barry Hicks

 ----- Phil Green

- Director

- Director

The notes on pages 7 - 12 form part of these accounts.

THE ITCHEN COMPANY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2014

1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are as follows:

Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention. The financial statements have been prepared on a going concern basis as Itchen College has indicated its willingness to provide financial support as necessary to enable the company to continue its activities for the foreseeable future, being at least 12 months from the date of the accounts.

Turnover

Turnover represents the value of sales to outside parties net of Value Added Tax.

Tangible Fixed Assets

a. Buildings

Freehold buildings are depreciated over their expected useful economic life to the company of 50 years. The Company has a policy of depreciating major adaptations to buildings over the period of their useful economic life. Minor adaptations to the buildings are designated minor works and are depreciated over 15 years. Where buildings are acquired with the aid of specific grants they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

b. Equipment

Equipment costing less than £1000 per individual item is written off to the profit and loss account in the period of acquisition. All other equipment is capitalised at cost. All equipment is depreciated on a straight line basis over its remaining useful economic life to the company, as follows:

Computers	33%
Sports equipment	25%
Administrative equipment	25%
Furniture	10%

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the profit and loss account over the expected useful economic life of the related equipment.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Cash Flow Statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

THE ITCHEN COMPANY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2014

Pension Schemes

Employees of the company are also employed by the Parent Undertaking, Itchen College. They participate in the Local Government Pension Scheme through Itchen College which is a defined benefit scheme. The employees share of the pension scheme for the college cannot be determined and therefore the pension contributions are accounted for on an accruals basis.

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 or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

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

THE ITCHEN COMPANY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2014

2 TURNOVER

The whole of the turnover is attributable to the principal activity of the company and occurs wholly within the United Kingdom.

3 STAFF COSTS

The average number of persons (including directors) employed by the company during the year, expressed as full time equivalents, was:

2014	2013
Number	Number
7	7

Staff cost for above persons:

Administration

Catering and cleaning staff

2014	2013
£	£
46,302	44,402
68,240	63,446
<u>114,543</u>	<u>107,848</u>

Salaries

Social security costs

Other pension costs

2014	2013
£	£
107,341	102,126
4,687	2,243
2,514	3,479
<u>114,543</u>	<u>107,848</u>

4 OPERATING PROFIT

Operating profit is stated after charging / (crediting)

Depreciation of tangible assets

Release of deferred capital grant

Auditors' remuneration

Administrative expenses

2014	2013
£	£
32,971	33,080
(21,132)	(21,132)
1,310	1,285
136,065	144,919
<u>149,214</u>	<u>158,152</u>

5 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

Bank interest

2014	2013
£	£
-	-

THE ITCHEN COMPANY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2014

6 TAXATION

	2014	2013
	£	£
Domestic current year tax		
UK corporation tax	17	-
Adjustment for prior years	-	-
	<u>17</u>	<u>-</u>
 Factors affecting the tax charge for the year		
(Loss)/Profit on ordinary activities before taxation	<u>(2,644)</u>	<u>(33,509)</u>
 Profits on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2012 : 20%)	<u>-</u>	<u>-</u>
 Effects of:		
Depreciation	32,971	-
Capital allowances	(1,996)	-
Tax losses utilised	(7,115)	-
Other tax adjustments	<u>(21,132)</u>	<u>-</u>
	<u>84</u>	<u>-</u>
 Current tax charge	<u>17</u>	<u>-</u>

The company has estimated losses of Nil (2013- £7,115) available for carry forward against future trading profits.

7 TANGIBLE FIXED ASSETS

	Equipment	Freehold land and buildings	Total
	£	£	£
Cost			
At 1 August 2013	178,399	1,140,053	1,318,451
Additions	-	-	-
Disposals	-	-	-
At 31 July 2014	<u>178,398.88</u>	<u>1,140,053</u>	<u>1,318,451</u>
 Accumulated depreciation			
At 1 August 2013	127,882	367,343	495,225
Disposals	-	-	-
Charge for the year	10,245	22,726	32,971
At 31 July 2014	<u>138,126</u>	<u>390,070</u>	<u>528,196</u>
 Net book value			
At 31 July 2013	<u>50,517</u>	<u>772,709</u>	<u>823,226</u>
At 31 July 2014	<u>40,273</u>	<u>749,983</u>	<u>790,256</u>

THE ITCHEN COMPANY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2014

8 STOCKS

	2014 £	2013 £
Stock consists of goods for resale and catering raw materials	165,484	4,432

9 DEBTORS

	2014 £	2013 £
Trade debtors	2,932	4,858
	<u>2,932</u>	<u>4,858</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade creditors	976	2,033
Taxation and social security	7,863	6,143
	<u>8,839</u>	<u>8,176</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014 £	2013 £
Amount due to parent company	472,004	325,746

During the year ended 31 July 1997 the Parent company obtained a bank loan of £495,000 on behalf of The Itchen Company Limited that is to be repaid over 15 years.

The intercompany loan from Itchen College is interest free, and to be repaid over the course of the bank loan from the profits of the company.

A further loan was advanced during the year ended 31 July 2014 to finance the purchase of goods at the Eastpoint Centre.

12 ACCRUALS AND DEFERRED INCOME

	2014 £	2013 £
DEFERRED CAPITAL GRANT		
Balance at 1 August 2013	507,867	523,219
Cash received	-	-
Released during year	(15,352)	(15,352)
Balance at 31 July 2014	<u>492,515</u>	<u>507,867</u>

13 CALLED UP SHARE CAPITAL

	2014 £	2013 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

THE ITCHEN COMPANY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2014

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Loss for the financial year	(2,661)	(33,509)
Shareholder's funds at 1 August 2013	349	33,858
Shareholder's funds at 31 July 2014	<u>(2,312)</u>	<u>349</u>

15 PROFIT AND LOSS ACCOUNT

	2014 £	2013 £
Balance at 1 August 2013	(651)	32,858
Loss for the year	(2,661)	(33,509)
Balance at 31 July 2014	<u>(3,312)</u>	<u>(651)</u>

16 CAPITAL COMMITMENTS

	2014 £	2013 £
Commitments contracted for at 31 July 2014	<u>-</u>	<u>-</u>

17 ULTIMATE PARENT COMPANY

The Itchen Company Limited is a wholly owned subsidiary of Itchen College, who is also the ultimate controlling party.
Copies of the consolidated financial statements of Itchen College can be obtained from Itchen College, Middle Road, Bitterne, Southampton, SO19 7TB.

18 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent undertaking.

During the year, a purchase of goods for resale of £162,000 was made from Plus You Ltd., previously known as the Eastpoint Centre. Barry Hicks is a director of both Plus You Ltd, and the Itchen Company Ltd.