

## **Eton College Services Limited**

Registered in England and Wales Company Number 1213991

### **Annual report and financial statements for the year ended 31 August 2015**

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# **Eton College Services Limited**

## **Annual report and financial statements for the year ended 31 August 2015**

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# **Eton College Services Limited**

## **Officers and professional advisers**

### **Directors**

J S Walker  
D B Whatt  
Lord Waldegrave (appointed 13 November 2014)  
S M Hedley-Dent (appointed 13 November 2014)  
I B Lloyd (appointed 13 November 2014)

### **Secretary**

D B Whatt

### **Registered office**

Eton College  
Windsor  
Berkshire  
SL4 6DB

### **Bankers**

Barclays Bank plc  
8 High Street  
Eton  
Windsor  
Berkshire  
SL4 6AU

BlackRock  
JPMorgan House  
International Financial Services Centre  
Dublin 1  
Ireland

### **Solicitors**

Charles Russell Speechlys  
5 Fleet Place  
London  
EC4A 1RS

### **Auditor**

Deloitte LLP  
Bristol

# Eton College Services Limited

## Directors' report for the year ended 31 August 2015

The directors present their annual report and the audited financial statements of the company for the year ended 31 August 2015. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

### Principal activities

The principal activities of the company are running Dorney Lake and the provision of catering and hospitality facilities.

### Results for the year and future prospects

The company's trading results are set out in the profit and loss account on page 6. Turnover was £1,248,701, an increase of £228,671 reflecting the additional 4 months of income for Dorney Lake compared to last year's 8 months after the operation of the lake transferred to the company on 1 January 2014. Cost of sales expenditure amounted to £1,101,775 compared to last year's 8 months of £702,973, as 4 months of expenditure was retained in Dorney Lake Trust Company. The profit for the year before gift aid and taxation was £128,868 (2014: £262,368) and a payment of £112,702 (2014: £255,196) will be made under gift aid to Eton College. This resulted in a profit of £16,166 for the year (2013: £7,172). The directors consider the company's future prospects to be satisfactory.

No dividends were paid for the current or prior financial year.

### Directors

The current directors, who served throughout the financial year and up to the date of this report are as shown on page 1.

### Going concern

The company's results for the year and future prospects are noted above. The company had closing net assets of £48,676.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. No material uncertainties in relation to the ability of the company to continue on a going concern basis have been identified by the directors, who have had regard to the working capital agreement in place with Eton College. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

### Directors' responsibilities statement

The directors are responsible for preparing the Annual 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.

# Eton College Services Limited

## Directors' report (continued)

### Directors' responsibilities statement (continued)

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 is a director at the date of approval of this report confirms 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 she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### Auditor

Deloitte LLP have indicated their willingness to be reappointed as the company's auditor for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting

By order of the board



D B Whatt

**Secretary**

Date: 10 December 2015

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ETON COLLEGE SERVICES LIMITED**

We have audited the financial statements of Eton College Services Limited for the year ended 31 August 2015 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 16. 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, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 August 2015 and of its result 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ETON COLLEGE SERVICES LIMITED**  
**(continued)**

**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 preparing a Strategic Report or in preparing the Directors' Report.



**Mark Hill (Senior Statutory Auditor)**  
**for and on behalf of Deloitte LLP**  
Chartered Accountants and Statutory Auditor  
Bristol, United Kingdom  
Date: 14 December 2015

## Eton College Services Limited

### Profit and loss account for the year ended 31 August 2015

	Notes	2015 £	2014 £
<b>Turnover</b>	2	<b>1,248,701</b>	1,020,030
Cost of sales		(1,101,775)	(702,973)
<b>Gross profit</b>		<b>146,926</b>	317,057
Administrative expenses		(20,255)	(74,030)
<b>Operating profit</b>		<b>126,671</b>	243,027
Profit on disposal of fixed assets		250	18,800
Interest receivable and similar income		1,947	541
<b>Profit on ordinary activities before tax and gift aid</b>		<b>128,868</b>	262,368
Payment under gift aid	6	(112,702)	(255,196)
<b>Profit for the year</b>	13	<b>16,166</b>	7,172

The company has no recognised gains and losses for the current or prior financial year other than those stated above and therefore no separate statement of recognised gains and losses has been presented.

All results derive from continuing activities.

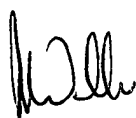


# Eton College Services Limited

## Balance sheet as at 31 August 2015

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	7	162,312	195,610
<b>Current assets</b>			
Stocks	8	14,681	22,443
Debtors	9	141,800	173,954
Cash at bank and in hand		363,895	66,047
		520,376	262,444
<b>Creditors – amounts falling due within one year</b>	10	(634,012)	(425,544)
<b>Net current liabilities</b>		(113,636)	(163,100)
<b>Net assets</b>		48,676	32,510
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Capital contribution reserve	13	439,993	439,993
Profit and loss account	12	(391,319)	(407,485)
<b>Shareholders' funds</b>	13	48,676	32,510

The financial statements of Eton College Services Limited, registered number 1213991, were approved by the board of directors and authorised for issue on 10 December 2015.



J S Walker  
Director

# Eton College Services Limited

## Notes to the financial statements for the year ended 31 August 2015

### 1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial year, are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Going concern

The financial statements have been prepared on the going concern basis. The Directors' considerations in relation to going concern are included in the Directors' Report.

#### Stock

Stock is valued at the lower of cost and net realisable value.

#### Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation and any provision for impairment. Only individual assets costing £10,000 or more and not forming part of a larger project are capitalised. Depreciation is charged on a straight-line basis at the following rates:

Motor vehicles	5 years
Plant and equipment	5-25 years

#### Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Pensions

The arrangements within Financial Reporting Standard 17 "Retirement benefits" have been followed. Compliance with these arrangements has meant that the defined benefit scheme operated by Eton College and in which Eton College Services Limited participates is treated, under the group pension requirements, as a defined contribution scheme within Eton College Services Limited. Therefore, contributions are recorded in the year in which they become payable. See note 14 on pension costs.

#### Cash flow statement

The company has taken advantage of the exemption conferred on small companies by Financial Reporting Standard 1 (revised) and has not produced a cash flow statement as part of these financial statements.

### 2 Turnover

Turnover represents amounts invoiced, excluding value added tax, for goods and services. The company's activities are carried out solely in the United Kingdom. Revenue is recognised on the sale of goods or on the date on which the service is provided.

# Eton College Services Limited

## Notes to the financial statements for the year ended 31 August 2015 (continued)

### 3 Operating profit

	2015 £	2014 £
<b>Operating profit is stated after charging:</b>		
Wages and salaries	562,494	386,132
Employer's national insurance contributions	49,676	31,809
Pension costs (note 14)	44,090	30,896
<b>Staff costs</b>	<b>656,260</b>	<b>448,837</b>
Depreciation	33,928	11,628
Auditor's remuneration		
Fees payable to the company's auditor for the audit of the company's annual accounts	8,400	8,150

### 4 Employee information

The company had 25 employees during the year (2014: 20).

None of the directors received remuneration for their services to the company during the year (2014: none).

### 5 Taxation on the profit for the year

	2015 £	2014 £
Profit on ordinary activities before taxation and gift aid	128,868	262,368
Payment under gift aid	(112,702)	(255,196)
Result on ordinary activities before tax	16,166	7,172
Result on ordinary activities before tax multiplied by the standard rate in the UK of 20.58% (2014: 22.16%)	3,327	1,589
Capital allowances in excess of depreciation	(3,327)	(1,589)
Current tax for the year	-	-

A deferred tax asset has not been recognised in respect of timing differences relating to fixed assets, due to the uncertainty of future suitable profits. The amount of the asset not recognised is £12,605 (2014: £15,838). The forthcoming changes in the corporation tax rate to 20% in future years will not materially affect the future tax charge.

# Eton College Services Limited

## Notes to the financial statements for the year ended 31 August 2015 (continued)

### 6 Payment under gift aid

The taxable profits of the company are paid under gift aid to Eton College, subject to the availability of distributable reserves.

### 7 Tangible fixed assets

	Motor Vehicles £	Plant & Equipment £	Total £
<b>Cost</b>			
At 1 September 2014	19,690	527,893	547,583
<b>At 31 August 2015</b>	<b>19,690</b>	<b>527,893</b>	<b>547,583</b>
<b>Accumulated depreciation</b>			
At 1 September 2014	10,173	341,800	351,973
Charge for the year	3,938	29,360	33,298
<b>At 31 August 2015</b>	<b>14,111</b>	<b>371,160</b>	<b>385,271</b>
<b>Net book amount at 31 August 2015</b>	<b>5,579</b>	<b>156,733</b>	<b>162,312</b>
Net book amount at 31 August 2014	9,517	186,093	195,610

### 8 Stocks

	2015 £	2014 £
Finished goods	14,681	22,443

### 9 Debtors

	2015 £	2014 £
<b>Amounts falling due within one year</b>		
Trade debtors	105,714	136,378
Amounts owed by group undertakings	31,121	36,647
Other debtors	-	653
Taxation	215	-
Prepayments and accrued income	4,750	276
	<b>141,800</b>	<b>173,954</b>

# Eton College Services Limited

## Notes to the financial statements for the year ended 31 August 2015 (continued)

### 10 Creditors

	2015 £	2014 £
<b>Amounts falling due within one year:</b>		
Trade creditors	14,328	24,542
Amounts due to group undertakings	449,440	343,434
Taxation and social security	15,290	13,262
Other creditors	22,000	22,333
Accruals and deferred income	132,954	21,973
	<b>634,012</b>	<b>425,544</b>

### 11 Called up share capital

	2015 £	2014 £
<b>Called up, allotted and fully paid</b>		
2 ordinary shares of £1 each	2	2

### 12 Profit and loss account

	2015 £	2014 £
Balance at 1 September 2014	(407,485)	(414,657)
Profit for the year	16,166	7,172
<b>Balance at 31 August 2015</b>	<b>(391,319)</b>	<b>(407,485)</b>

### 13 Reconciliation of movement in shareholders' funds

	Capital contribution reserve £	Profit and loss account £	Called up share capital £	2015 Total £	2014 Total £
Balance brought forward	439,993	(407,485)	2	32,510	25,338
Profit for the year	-	16,166	-	16,166	7,172
Balance carried forward	439,993	(391,319)	2	48,676	32,510

# **Eton College Services Limited**

## **Notes to the financial statements for the year ended 31 August 2015 (continued)**

### **14 Pension costs**

The company participates in a pension scheme operated by Eton College providing benefits based on final pensionable pay. The contributions paid by the company are accounted for as if they were a defined contribution scheme, as the company is unable to identify its share of the underlying assets and liabilities in the scheme.

The cost of contributions to the scheme during the year amounted to £44,090 (2014: £30,896). An actuarial valuation of the Eton College scheme was undertaken as at 31 August 2013 and a past service deficit on a statutory funding basis of £6,330,000 was identified. £3,000,000 of deficit reducing contributions were paid in to the scheme by the College in April 2014. At 31 August 2015 the deficit calculated on an FRS 17 basis was estimated to be £15,395,000. The implications of the deficit and the assumptions adopted by the actuaries are disclosed in the consolidated Eton College accounts.

There were no outstanding or prepaid balances relating to the scheme at the current or prior period end.

### **15 Related party transactions**

The company has taken advantage of the exemption which is conferred by Financial Reporting Standard 8, 'Related Party Disclosures' that allows 100% owned subsidiaries not to disclose transactions with other group companies.

### **16 Ultimate parent and controlling party**

The directors regard Eton College as the parent and ultimate controlling party due to its 100% interest in the share capital of the company. Eton College heads the smallest and largest group for which consolidated accounts are prepared. Copies of the parents' consolidated financial statements are available on the Charity Commission website under registered charity number 1139086.