

# **Bedgebury Trading Limited**

Financial statements

For the year ended 31 August 2004



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COMPANIES HOUSE

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04/04/05

**Company No. 02008826**

## Company information

**Company registration number**

02008826

**Directors**

Mr R G Sinclair-Smith  
Mr J M Midgley  
Mr J N Willoughby

**Secretary**

Mr J N Willoughby

**Bankers**

National Westminster Bank plc  
High Street  
Cranbrook  
Kent

**Auditors**

Grant Thornton UK LLP  
Chartered Accountants  
Registered Auditors  
Walltree Court  
St Peter's Road  
Petersfield  
Hampshire  
GU32 3HY

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## Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 August 2004.

### Principal activities

The company is a wholly owned trading subsidiary of registered charity number 1089801, Bedgebury School, and is principally engaged in the business of providing riding facilities and services for holiday lettings.

### Directors

The directors who served the company during the year were as follows:

Mr R G Sinclair-Smith  
Mr J M Midgley  
Mr J N Willoughby

No rights to subscribe for shares in, or debentures of, the company were granted to or exercised by the directors during the period.

### Directors' responsibilities

United Kingdom 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 at the end of the year and of the profit or loss for the year then ended. 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 the 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Donations

During the year the company made the following contributions:

	2004 £	2003 £
Charitable	<u>40,000</u>	<u>—</u>

### **Auditors**

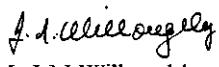
On 1 July 2004, the Grant Thornton partnership transferred its business to a limited liability partnership, Grant Thornton UK LLP. Under section 26(5) of the Companies Act 1989, the director(s) consented to extend the audit appointment to Grant Thornton UK LLP from 1 July 2004.

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

### **Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD

  
Mr J N Willoughby  
Secretary  
.....24/02/2005

## Report of the independent auditors to the members of Bedgebury Trading Limited

We have audited the financial statements of Bedgebury Trading Limited for the year ended 31 August 2004 which comprise the principal accounting policies, profit and loss account, balance sheet, and notes 1 to 13. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the report of the directors and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the report of the directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the report of the directors and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# Report of the independent auditors to the members of Bedgebury Trading Limited (continued)

## **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 August 2004 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

*Grant Thornton UK LLP*

GRANT THORNTON UK LLP  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
PETERSFIELD

3 March 2005

## Principal accounting policies

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year.

### **Fixed assets**

All fixed assets are initially recorded at cost. Under the transitional provisions of the FRSSE, items carried at valuation at the date of transition have not had their values updated.

### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 20% straight line
Leasehold improvements	- 5%/20% straight line
Motor Vehicles	- 25% straight line

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.



## Profit and loss account

	Note	2004 £	2003 £
Turnover		<b>440,730</b>	367,036
Cost of sales		<b>(361,005)</b>	(337,037)
Gross profit		<u>79,725</u>	<u>29,999</u>
Other operating charges	1	<b>(67,016)</b>	(29,488)
Other operating income	2	<b>1,621</b>	1,702
<b>Operating profit</b>	3	<b>14,330</b>	<u>2,213</u>
Interest receivable		<b>358</b>	—
<b>Profit on ordinary activities before taxation</b>		<b>14,688</b>	<u>2,213</u>
Tax on profit on ordinary activities	4	<b>(4,456)</b>	—
<b>Retained profit for the financial year</b>	12	<b>10,232</b>	<u>2,213</u>

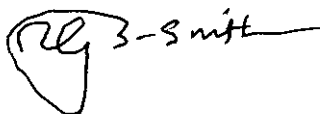
## Balance sheet

	Note	2004 £	2003 £
<b>Fixed assets</b>			
Tangible assets	5	<u>91,428</u>	<u>120,494</u>
<b>Current assets</b>			
Stocks	6	10,609	6,388
Debtors	7	106,613	82,990
Cash at bank		53,955	11,624
		<u>171,177</u>	<u>101,002</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>73,525</u>	<u>42,648</u>
<b>Net current assets</b>		<u>97,652</u>	<u>58,354</u>
<b>Total assets less current liabilities</b>		<u>189,080</u>	<u>178,848</u>
<b>Capital and reserves</b>			
Called-up equity share capital	10	2	2
Revaluation reserve	11	9,701	11,167
Profit and loss account	12	179,377	167,679
<b>Shareholders' funds</b>		<u>189,080</u>	<u>178,848</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on 22/02/2005 and are signed on their behalf by:

R G Sinclair-Smith  
 Director



## Notes to the financial statements

### 1 Other operating income and charges

	2004 £	2003 £
Administrative expenses	67,016	29,488
Other operating income	(1,621)	(1,702)
	<u>65,395</u>	<u>27,786</u>

### 2 Other operating income

	2004 £	2003 £
Sundry income	<u>1,621</u>	<u>1,702</u>

### 3 Operating profit

Operating profit is stated after charging:

	2004 £	2003 £
Directors' emoluments	—	—
Depreciation of owned fixed assets	15,600	14,902
Auditors' fees	<u>2,500</u>	<u>2,500</u>

### 4 Taxation on ordinary activities

	2004 £	2003 £
Current tax:		
UK Corporation tax based on the results for the year	<u>4,456</u>	—
Total current tax	<u>4,456</u>	<u>—</u>

The directors estimate that the company has trading losses available to carry forward amounting to £nil (2003: £4,000).

**5 Tangible fixed assets**

**Plant and machinery etc.**  
**£**

Cost or valuation	
At 1 September 2003	394,562
Additions	3,861
Disposals	(37,410)
At 31 August 2004	<u>361,013</u>
Depreciation	
At 1 September 2003	274,068
Charge for the year	15,600
On disposals	(20,083)
At 31 August 2004	<u>269,585</u>
Net book value	
At 31 August 2004	<u><b>91,428</b></u>
At 31 August 2003	<u>120,494</u>

**6 Stocks**

	<b>2004</b>	2003
	<b>£</b>	£
Raw materials	<u><b>10,609</b></u>	<u>6,388</u>

**7 Debtors**

	<b>2004</b>	2003
	<b>£</b>	£
Trade debtors	<b>105,181</b>	73,770
Other debtors	<b>1,432</b>	9,220
	<u><b>106,613</b></u>	<u>82,990</u>

**8 Creditors: amounts falling due within one year**

	<b>2004</b>	2003
	<b>£</b>	£
Trade creditors	<b>28,434</b>	22,477
Amounts owed to group undertakings	<b>13,942</b>	7,697
Corporation tax	<b>4,456</b>	—
Other taxation and social security	<b>16,922</b>	4,456
Other creditors	<b>9,771</b>	8,018
	<u><b>73,525</b></u>	<u>42,648</u>

**9 Transactions with related parties**

Transactions with related parties were as follows:

- The company has transactions and shared costs resulting in an amount of £26,058 due from the School (2003 : £7,697 due to the School) and £40,000 due to the School at the balance sheet date in respect of a gift aid donation (2003 : £nil).

**10 Share capital**

Authorised share capital:

	2004	2003
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2004		2003
	No	£	No
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>

**11 Revaluation reserve**

	2004	2003
	£	£
Balance brought forward	11,167	12,633
Transfer to the Profit and Loss Account on realisation	(1,466)	(1,466)
Balance carried forward	<u>9,701</u>	<u>11,167</u>

**12 Profit and loss account**

	2004	2003
	£	£
Balance brought forward	167,679	164,000
Retained profit for the financial year	10,232	2,213
Transfer from revaluation reserve	1,466	1,466
Balance carried forward	<u>179,377</u>	<u>167,679</u>

**13 Controlling related party and ultimate controlling related party**

Bedgebury School, registered charity number 1089801, registered company number 4259130, is this company's ultimate controlling related party by virtue of its 100% shareholding in this company.