



**BEDGEBURY TRADING  
LIMITED**

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 AUGUST 2002

# **BEDGEBURY TRADING LIMITED**

## **FINANCIAL STATEMENTS**

For the period ended 31 August 2002

---

Company registration number: 02008826

Registered office: Bedgebury School  
Goudhurst  
Cranbrook  
Kent  
TN17 2SH

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  
Registered auditors  
Chartered accountants

# BEDGEBURY TRADING LIMITED

## FINANCIAL STATEMENTS

For the period ended 31 August 2002

---

INDEX	PAGE
Report of the directors	1 - 2
Report of the auditors	3 - 4
Principal accounting policies	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 11

# BEDGEBURY TRADING LIMITED

## REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the period ended 31 August 2002. Comparative figures are for the 16 month period ended 31 December 2001.

### 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 horse riding facilities and services for holiday lettings.

### Directors

The membership of the Board during the period is set out below. In accordance with the Articles of Association members will be asked to confirm the appointment of Mr R G Sinclair-Smith who retires by rotation and being eligible offers himself for re-election.

The interests of the directors and their families in the shares of the company as at 31 August 2002 and 1 January 2002 were as follows:

	Ordinary shares	
	31 August 2002	1 January 2002
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.

### Charitable and political contributions

Donations to charitable organisations amounted to £nil (period 31 December 2001 : £55,000).

### Directors' responsibilities for the financial statements

Company law in the United Kingdom requires the directors to prepare financial statements for each financial period which 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 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.

**BEDGEBURY TRADING LIMITED**

**REPORT OF THE DIRECTORS**

---

**Auditors**

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

**Small company exemption**

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

BY ORDER OF THE BOARD



J N Willoughby  
Secretary

18 March 2003

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
BEDGEBURY TRADING LIMITED**

We have audited the financial statements of Bedgebury Trading Limited for the period ended 31 August 2002, which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 14 on pages 5 to 11. These financial statements have been prepared 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 directors' report 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 directors' report 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 directors' report, 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**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2002 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

  
GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
PETERSFIELD  
19.3.03

# **BEDGEBURY TRADING LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

---

### **BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), except that certain fixed assets are shown under the transitional provisions of FRS 15 - Tangible fixed assets.

The principal accounting policies of the company have remained unchanged from the previous period and are set out below.

### **TURNOVER**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Leasehold improvements	5%/20%
Plant and machinery	20%
Motor vehicles	25%

### **STOCKS**

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



**BEDGEBURY TRADING LIMITED****PROFIT AND LOSS ACCOUNT**

For the period ended 31 August 2002

	Note	Period ended 31 August 2002 £	Period ended 31 December 2001 £
<b>Turnover</b>	1	<b>239,233</b>	245,063
Cost of sales		<b>(225,517)</b>	(150,497)
Gross profit		<b>13,716</b>	94,566
Administrative expenses		<b>(25,678)</b>	(85,305)
<b>Operating loss</b>		<b>(11,962)</b>	9,261
<b>Exceptional items</b>			
Reorganisation, restructuring costs of operations	12	-	318,626
Other interest receivable and similar income		<b>500</b>	600
<b>Loss on ordinary activities before taxation</b>	1	<b>(11,462)</b>	328,487
Tax on loss on ordinary activities	3	-	(3,281)
<b>Loss transferred from reserves</b>	9	<b>(11,462)</b>	325,206

There were no recognised gains or losses other than the loss for the financial period.

The accompanying accounting policies and notes form an integral part of these financial statements.

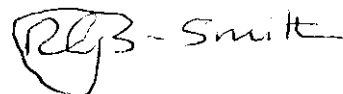
# BEDGEBURY TRADING LIMITED

## BALANCE SHEET AT 31 AUGUST 2002

	Note	31 August 2002 £	31 December 2001 £
<b>Fixed assets</b>			
Tangible assets	4	130,479	138,795
		<u>130,479</u>	<u>138,795</u>
<b>Current assets</b>			
Stocks	5	7,039	3,050
Debtors	6	115,546	71,996
Cash at bank and in hand		4,756	1,287
		<u>127,341</u>	<u>76,333</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(81,185)</u>	<u>(27,031)</u>
<b>Net current assets</b>		<u>46,156</u>	<u>49,302</u>
<b>Total assets less current liabilities</b>		<u>176,635</u>	<u>188,097</u>
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Revaluation reserve	9	12,633	13,610
Profit and loss account	9	164,000	174,485
<b>Shareholders' funds</b>		<u>176,635</u>	<u>188,097</u>

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

The financial statements were approved by the Board of Directors on



Director R G Sinclair-Smith

18 March 2003

The accompanying accounting policies and notes form an integral part of these financial statements.

# BEDGEBURY TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2002

### 1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The analysis of turnover and loss before taxation and net assets by class of business and geographical market segment have not been disclosed.

The loss on ordinary activities is stated after:

	Period ended 31 August 2002 £	Period ended 31 December 2001 £
Auditors' remuneration	2,500	3,000
Depreciation and amortisation: Tangible fixed assets, owned	9,519	19,740

### 2 DIRECTORS AND EMPLOYEES

The only employees of the company are the directors, none of whom received any remuneration during the period. A charge is made by Bedgebury School in respect of time spent by its staff on the activities of the company, and this is included in cost of sales.

### 3 TAX ON LOSS ON ORDINARY ACTIVITIES

The tax charge represents:

	Period ended 31 August 2002 £	Period ended 31 December 2001 £
UK Corporation tax at 20% (2001: 20%)	-	3,281

# BEDGEBURY TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2002

### 4 TANGIBLE FIXED ASSETS

	Leasehold improve- ments £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2002	228,087	51,125	109,230	388,442
Additions	-	1,203	-	1,203
At 31 August 2002	228,087	52,328	109,230	389,645
Depreciation				
At 1 January 2002	97,999	42,418	109,230	249,647
Provided in the period	6,908	2,611	-	9,519
At 31 August 2002	104,907	45,029	109,230	259,166
Net book amount at 31 August 2002	123,180	7,299	-	130,479
Net book amount at 31 December 2001	130,088	8,707	-	138,795

### 5 STOCKS

	31 August 2002 £	31 December 2001 £
Consumable stores	7,039	3,050

### 6 DEBTORS

	31 August 2002 £	31 December 2001 £
Trade debtors	63,133	8,990
Amounts owed by group undertakings	46,082	51,826
Amounts owed by related parties	-	5,683
Other debtors	2	2
Prepayments and accrued income	6,329	5,495
	115,546	71,996

**BEDGEBURY TRADING LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the period ended 31 August 2002

**7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 August 2002 £	31 December 2001 £
Trade creditors	28,175	7,193
Amounts owed to group undertakings	29,760	-
Corporation tax	3,281	3,281
Social security and other taxes	11,783	4,819
Accruals and deferred income	8,186	11,738
	<u>81,185</u>	<u>27,031</u>

**8 SHARE CAPITAL**

	31 August 2002 £	31 December 2001 £
Authorised Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid Ordinary shares of £1 each - unpaid	<u>2</u>	<u>2</u>

**9 RESERVES**

	Revaluation reserve £	Profit and loss account £
At 1 January 2002	13,610	174,485
Retained loss for the period	-	(11,462)
Transfer from revaluation reserve to profit and loss account	(977)	977
At 31 August 2002	<u>12,633</u>	<u>164,000</u>

**10 CAPITAL COMMITMENTS**

There were no other capital commitments at 31 August 2002 or 31 December 2001.

**11 CONTINGENT LIABILITIES**

There were no contingent liabilities at 31 August 2002 or 31 December 2001.

## **BEDGEBURY TRADING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

For the period ended 31 August 2002

---

#### **12 COMMITMENT TO CHARITABLE PARENT**

The company entered into a deed of covenant in 1986 under which it had to pay to The Foundation of the Comtesse de Noailles (known as Bedgebury School) charity number 306306 an amount equal to its taxable profits prior to deducting the amount payable under the covenant.

By virtue of a Charity Commission Order dated 27 November 2001 the accumulated debt of £318,626 owed to the parent charity was written off. Following a reconstruction of the charity and its subsidiary undertakings advised upon by Farrer & Co and BDO Stoy Hayward and authorised by a Charity Commission scheme sealed on 3 January 2002, Bedgebury Trading Limited became the sole subsidiary of the charity number 1089801, company number 4259130 Bedgebury School. The duty to gift aid taxable profits less the net amount of depreciation and capital allowances continues into the future.

#### **13 CONTROLLING RELATED PARTY AND ULTIMATE CONTROLLING RELATED PARTY**

As part of the reorganisation of the legal structure of the School and its related entities, which took effect from 1 January 2002, the undertaking and assets of Church Education Corporation Limited, including the shares of this company, were transferred to a newly constituted charitable company named Bedgebury School, registered charity number 1089801, registered company number 4259130, which is limited by guarantee.

Bedgebury School is this company's controlling and ultimate controlling related party by virtue of its 100% shareholding in this company.

#### **14 TRANSACTIONS WITH RELATED PARTIES**

Transactions with related parties were as follows :

- The company has paid a donation of £nil to Bedgebury School (period ended 31 December 2001 : £55,000 paid to The Foundation of the Comtesse de Noailles) a registered charity. It also has other transactions and shared costs resulting in an amount of £46,081 due from the School (31 December 2001 : £50,110 due from The Foundation of the Comtesse de Noailles) and £29,760 due to the School at the balance sheet date (31 December 2001 : £nil due to The Foundation of the Comtesse de Noailles).

- The company made use of premises which are owned by Bedgebury School (31 December 2001 : premises owned by The Foundation of the Comtesse de Noailles). Charges of £11,043 (31 December 2001 : £56,973) were levied for the use of the facilities.