Company Registration No. 06539418 (England and Wales)

Rhodes House Limited

Annual report and financial statements for the year ended 30 June 2023

Rhodes House Limited

Company information

Directors	Mr P Anderson	
	Dr E Kiss	
	Mr O Carlstrand	(Appointed 7 November 2022)
	Prof Sir N Shadbolt	(Appointed 16 September 2023)
Secretary	Mrs J Palejowska	
Company number	06539418	
Registered office	Rhodes House South Parks Road Oxford OX1 3RG	
Independent auditor	Saffery LLP 71 Queen Victoria Street London EC4V 4BE	

Rhodes House Limited

Contents

Directors' report
For the year ended 30 June 2023

The directors present their annual report and financial statements for the year ended 30 June 2023.

Principal activities
The principal activity of the company continued to be that of the hiring out of Rhodes House for functions and events.

Activities in the year and future plans
The activities of the company continued to be severely restricted by the major refurbishment and redevelopment of the building in preparation for the launch of the new conference centre, which was anticipated in March 2023, but which was delayed until June 2023. The investment in the building is being undertaken by the Rhodes Trust - Public Purposes Fund, from which the Company leases the building. For the financial year ending 30 June 2023 the company again benefitted from a rent reduction and reduced management charge that reflects this severe reduction in activity.

Both internal and commercial activity in the building commenced in late June, and the directors look forward to significant growth in activity during the coming year.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr P Anderson	
Dr E Kiss	
Mr O Carlstrand	(Appointed 7 November 2022)
Prof Sir N Shadbolt	(Appointed 16 September 2023)

Auditor
In accordance with section 485 of the Companies Act 2006, a resolution proposing that Saffery LLP be re-appointed as auditor will be put at a General Meeting.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr P Anderson
Director

27 October 2023

Directors' responsibilities statement
For the year ended 30 June 2023

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;
- 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 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.

Independent auditor's report
To the members of Rhodes House Limited

Opinion

We have audited the financial statements of Rhodes House Limited (the 'company') for the year ended 30 June 2023 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2023 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
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.

We have nothing to report in respect of the following matters in relation to which 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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors and informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and informed management and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include the Companies Act 2006 and UK Tax legislation.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

C Turtington

Cara Turtington
Senior Statutory Auditor
For and on behalf of Saffery LLP

Date: 20 November 2023

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Rhodes House Limited

Income statement
For the year ended 30 June 2023

	2023 £	2022 £
Turnover	918,961	54,571
Cost of sales	(959,409)	(34,992)
Gross (loss)/profit	(40,448)	19,579
Administrative expenses	(240,507)	(59,126)
Other operating income	-	42,386
(Loss)/profit before taxation	(280,955)	2,839
Tax on (loss)/profit	-	-
(Loss)/profit for the financial year	(280,955)	2,839

The income statement has been prepared on the basis that all operations are continuing operations.

Rhodes House Limited

Statement of financial position
As at 30 June 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	3		55,253		-
Current assets					
Stocks		76,176		-	
Debtors	4	726,248		380,417	
Cash at bank and in hand		174,032		112,934	
		976,456		493,351	
Creditors: amounts falling due within one year	5	(1,312,564)		(493,251)	
Net current (liabilities)/assets			(336,108)		100
Net (liabilities)/assets			(280,855)		100
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			(280,955)		-
Total equity			(280,855)		100

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 October 2023 and are signed on its behalf by:

Mr P Anderson
Director

Company Registration No. 06539418

Statement of changes in equity
For the year ended 30 June 2023

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 July 2021		100	-	100
Year ended 30 June 2022:				
Profit and total comprehensive income for the year		-	2,839	2,839
Distributions to parent charity under gift aid		-	(2,839)	(2,839)
Balance at 30 June 2022		100	-	100
Year ended 30 June 2023:				
Loss and total comprehensive income for the year		-	(280,955)	(280,955)
Balance at 30 June 2023		100	(280,955)	(280,855)

1 Accounting policies

Company information

Rhodes House Limited is a private company limited by shares incorporated in England and Wales. The registered office is Rhodes House, South Parks Road, Oxford, OX1 3RG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company has cash resources and has no requirement for prolonged external funding. The directors have reviewed the business plan that has been prepared, and have a reasonable expectation that the company has a healthy financial future ahead, now that the conference centre is open for commercial business following an extended period of building development. The negative reserves carried forward into year end June 2024 reflect the investment necessary to prepare the company and facilities for the anticipated future growth and profitable activity.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sale related taxes.

Certain events are financially supported by the parent charity. Income received by the company from the parent charity for specific events is recognised within turnover when the event takes place.

1.4 Intangible fixed assets other than goodwill

Expenditure on intangible assets including the website is capitalised where expenditure is in excess of £5,000.

Amortisation is recognised so as to write off the cost of assets over their useful lives, taking into account any impairment of the value of the asset, on the following bases:

Website development costs are to be amortised at 25% p.a.

1 Accounting policies (continued)

1.5 Tangible fixed assets

The building is owned by the Rhodes Trust Public Purposes Fund and is licenced for use by the Company under an Operating Agreement. The Company carries no fixed assets other than the website costs.

1.6 Stocks

Stocks include wine, food, and crockery used in catering service, and are stated at the lower of cost and net realisable value. For crockery, the net realisable value is based on its estimated value in use.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its net realisable value is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, which include creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Intangible fixed assets

	Website Development Costs
	£
Cost	
At 1 July 2022	-
Additions	55,253
At 30 June 2023	55,253
Amortisation and impairment	
At 1 July 2022 and 30 June 2023	-
Carrying amount	
At 30 June 2023	55,253
At 30 June 2022	-

4 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	207,412	-
Amounts owed by group undertakings	16,500	-
VAT receivable	410,885	315,400
Accrued Income	9,087	775
Prepayments	32,364	14,242
Other debtors	50,000	50,000
	726,248	380,417

The company acts as lead entity in the VAT group. VAT receivable thus reflects the VAT on the building development project that was recoverable from HMRC and payable to the Rhodes Trust.

Other debtors include an advance working capital payment which has been made with the contract caterers engaged to provide full services to the conference facilities.

5 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	238,519	50,082
Amounts owed to group undertakings	751,105	436,270
Other creditors	322,940	6,899
	1,312,564	493,251

The company acts as lead entity in the VAT group. Amounts owed to group undertakings include VAT on the building development project that is recoverable by the company from HMRC and payable to the Rhodes Trust.

6 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1a of FRS 102 from disclosing transactions entered into between two or more members of a group, where any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

7 Parent entity

The ultimate parent entity and controlling party is The Rhodes Trust - Public Purposes Fund, a charity registered in the UK, charity registration number 232492 Rhodes House, South Parks Road, Oxford, OX1 3RG.

The results of Rhodes House Limited are included in the consolidated accounts of The Rhodes Trust. The consolidated statements of The Rhodes Trust are available from the registered office.