

St Chad's College (Trading) Limited
Directors' report and financial
statements

Registered number 05844646

30 September 2017

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Directors' report

The directors present their Directors' report and financial statements for the year ended 30 September 2017.

Principal activities

The Company's principal activity is the running of conferences and the provision of accommodation.

Business review

The Company made a profit before tax for the year of £143,606 (2016: £58,923) (excluding the dividend payment to St Chad's College). The directors are pleased with the performance of the commercial operations as sales income increased from £159,451 in 2015/16 to £242,811 in 2016/17.

Proposed dividend

Payment of a dividend equivalent to the Company's profit before tax is proposed of £143,606 (2016: £58,923) to be made to St Chad's College, the Company's parent undertaking.

Directors and directors' interests

The directors who held office during the year were as follows:

MJ Masson
AP Wilson

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the Company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

G Cox held office as Company Secretary until 28 March 2017 when he was replaced by AJ Jenkins.

Political and charitable contributions

The Company made no political contributions during the year. Donations to UK charities amounted to £143,606 (2016: £58,923).

Disclosure of information to auditor

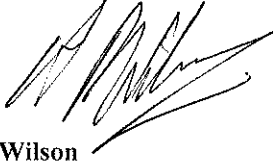
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' report *(continued)*

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



AP Wilson
Director

18 North Bailey
Durham
DH1 3RH

14 December 2017

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), *including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Independent auditor's report to the members of St Chad's College (Trading) Limited

Opinion

We have audited the financial statements of St Chad's College (Trading) Limited ("the company") for the year ended 30 September 2017 which comprise the profit and loss account, balance sheet, cash flow statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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

Independent auditor's report to the members of St Chad's College (Trading) Limited *(continued)*

- 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 the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Mick Thompson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

14 December 2017

Profit and loss account
for the year ended 30 September 2017

	<i>Note</i>	2017 £	2016 £
Turnover	2	242,811	159,451
Cost of sales		(92,314)	(95,867)
Gross profit		150,497	63,584
Administrative expenses		(6,891)	(4,661)
Profit on ordinary activities before taxation	3	143,606	58,923
Interest receivable		-	-
Profit before tax		143,606	58,923
Tax on profit on ordinary activities	4	(28,003)	(11,785)
Profit for the financial year		115,603	47,138

Other comprehensive income
for the year ended 30 September 2017

	2017 £	2016 £
Profit for the year	115,603	47,138
Other comprehensive income for the year, net of income tax	-	-
Total comprehensive income for the year	115,603	47,138

The Company had no recognised gains or losses other than those stated above.

All of the above results are derived from continuing operations.

The notes on pages 10 to 14 form part of these financial statements.

Balance sheet
at 30 September 2017

	<i>Note</i>	2017 £	2016 £
Current assets			
Debtors	6	19,845	14,737
Cash at bank and in hand		172,875	156,934
		<hr/>	<hr/>
		192,720	171,671
Creditors: amounts falling due within one year	7	(192,719)	(171,670)
		<hr/>	<hr/>
Net assets		1	1
		<hr/> <hr/>	<hr/> <hr/>
Capital and reserves			
Called up share capital	8	1	1
		<hr/>	<hr/>
Shareholders' funds		1	1
		<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the board of directors on 14 December 2017 and were signed on its behalf by:



AP Wilson
Director

Registered number: 05844646

The notes on pages 10 to 14 form part of these financial statements.

Cash flow statement
for the year ended 30 September 2017

	2017 £	2016 £
Cash inflow from operating activities	15,941	38,139
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
	<hr/>	<hr/>
Increase in cash and cash equivalents in the year	15,941	38,139
Cash and cash equivalents at the beginning of the year	156,934	118,795
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>172,875</u>	<u>156,934</u>

Cash flows from operating activities

	2017 £	2016 £
Profit for the financial year	115,603	47,138
Taxation	28,003	11,785
Dividends paid	(143,606)	(58,923)
Increase in debtors	(5,108)	(9,267)
Increase in creditors	21,049	47,406
	<hr/>	<hr/>
Net cash flow from operating activities	<u>15,941</u>	<u>38,139</u>

The notes on pages 10 to 14 form part of these financial statements.

Statement of changes in equity
for the year ended 30 September 2017

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 October 2015	1	-	1
Total comprehensive income for the period			
Profit or loss	-	47,138	47,138
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	47,138	47,138
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity			
Dividends	-	(58,923)	(58,923)
Tax credit with respect to dividend	-	11,785	11,785
	<hr/>	<hr/>	<hr/>
Total distributions to owners	-	(47,138)	(47,138)
Balance at 30 September 2016	1	-	1
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Balance at 1 October 2016	1	-	1
Total comprehensive income for the period			
Profit or loss	-	115,603	115,603
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	115,603	115,603
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity			
Dividends	-	(143,606)	(143,606)
Tax credit with respect to dividend	-	28,003	28,003
	<hr/>	<hr/>	<hr/>
Total contributions by and distributions to owners	-	(115,603)	(115,603)
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2017	1	-	1
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

St Chad's College (Trading) Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The presentation currency of these financial statements is sterling.

The Company's parent undertaking, St Chad's College, does not include the Company in its financial statements on the grounds that the parent Company is small and is therefore not required to produce consolidated accounts. The financial statements of St Chad's College are available to the public and may be obtained from 18 North Bailey, Durham, DH1 3RH.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

1.3 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Notes (continued)

1 Accounting policies (continued)

1.5 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.6 Impairment of financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.7 Turnover

Turnover represents net invoiced sales of goods and provision of services after discounts/rebates, excluding value added tax. Revenue is recognised on despatch of goods or the provision of services. Payments received in advance of this point are shown as deferred income within creditors.

1.8 Taxation

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Notes (continued)

2 Turnover

	2017 £	2016 £
Sale of goods	13,945	6,147
Provision of services	228,631	153,225
Other income	235	79
	<u>242,811</u>	<u>159,451</u>

3 Notes to the profit and loss account

The profit on ordinary activities before taxation is stated after charging:

	2017 £	2016 £
<i>Auditor's remuneration:</i>		
Audit of these financial statements	2,000	2,000
	<u>2,000</u>	<u>2,000</u>

4 Taxation

A notional tax charge at 19.5% (2016: 20%) has been recorded in the profit and loss account with a corresponding tax credit in the statement of changes in equity. This reflects the treatment of the gift aid payment from this Company to St Chad's College as a dividend.

5 Remuneration of key management personnel

The directors of the Company and the Company secretary are its key management personnel. None of them received any remuneration from the Company during the current or prior year. One director is a trustee of the parent Company, St Chad's College. Their salary is included in the staff costs in the financial statements of the parent Company. There are no staff directly employed by the company. Staff members engaged in the activities of the Company are employed by the parent company and the cost recharged to the company.

6 Debtors

	2017 £	2016 £
Trade debtors	13,578	14,737
Accrued income	6,267	-
	<u>19,845</u>	<u>14,737</u>

Notes (continued)

7 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	-	-
Amounts owed to parent undertaking	170,366	143,685
Social security and other taxes	20,328	15,152
Accruals and deferred income	2,025	12,833
	192,719	171,670
	192,719	171,670

8 Called up share capital

	2017	2016
	£	£
<i>Authorised</i>		
1,000 Ordinary shares of £1 each	1,000	1,000
	1,000	1,000
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1	1	1
	1	1
	1	1

There were no transactions in the company's shares in the period.

9 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of St Chad's College which is the ultimate parent company incorporated in the UK.

During the year management and wages recharges of £90,345 (2016: £84,762) were made by St Chad's College to the company and a dividend of £143,606 (2016: £58,923) was made to St Chad's College.

10 Financial instruments

Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	2017	2016
	£	£
Assets measured at amortised cost	13,578	14,737
Liabilities measured at amortised cost	(190,694)	(158,837)
	(177,116)	(144,100)
	(177,116)	(144,100)

Notes *(continued)*

11 Accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Management considers that there are no judgements that have any material effect on the Company's financial statements.