

**Company Registration No. 2935485**

**ST. JOHN'S ENTERPRISES LIMITED**

**Annual Report and Financial Statements**

**for the year ended 30 June 2017**



# **ST. JOHN'S ENTERPRISES LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS 2017**

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# **ST. JOHN'S ENTERPRISES LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS 2017**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

C F Ewbank  
M Wells

#### **REGISTERED OFFICE**

St. John's College  
Cambridge CB2 1TP

#### **BANKERS**

Barclays Bank plc  
Benet Street Branch  
P.O. Box 2  
Cambridge CB2 3PZ

#### **AUDITOR**

Deloitte LLP  
Statutory Auditor  
Cambridge, UK

## **ST. JOHN'S ENTERPRISES LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 30 June 2017.

The 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 the provision of conference facilities and tourism administration at St John's College, Cambridge. The provision of medical cover to St John's College ceased during the year, as the College has engaged a third party insurer.

### **BUSINESS REVIEW**

Turnover from operating activities increased against the prior year, however the cost of sales has remained consistent resulting in an improvement in gross profit.

### **GOING CONCERN**

Due to the structure of the group, any taxable profits made by the company are covenanted to St John's College on an annual basis.

The directors have prepared the financial statements on a going concern basis. The directors have a reasonable expectation that, based on the current and future trading activity and the financial resources in place that the company has the ability to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approving these financial statements. Thus they continue to adopt the going concern basis of preparation..

### **DIVIDENDS**

The directors do not recommend the payment of a dividend (2016 - £nil).

### **DIRECTORS**

The membership of the Board is set out on page 1.

### **CHARITABLE DONATION**

The company made a charitable donation to St John's College for educational purposes of £811,307 (2016: £790,651).

## **ST. JOHN'S ENTERPRISES LIMITED**

### **DIRECTORS' REPORT**

#### **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), 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 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.

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.

#### **AUDITOR**

Each of the persons who is a director at the date of approval of this annual 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 he ought to have taken as a director to make himself 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.

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

Approved by the Board of Directors  
and signed on behalf of the Board



C F Ewbank

Director

8 November 2017

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. JOHN'S ENTERPRISES LIMITED**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 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.

We have audited the financial statements of St John's Enterprises Limited (the 'company') which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 11.

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).

### **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**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 respect of these matters.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. JOHN'S ENTERPRISES LIMITED (continued)**

### **Responsibilities of directors**

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, 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 auditor's 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.

A further description of our responsibilities for the audit for the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the 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.

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 any material misstatements in the directors' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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 in preparing the directors' report and from the requirement to prepare a strategic report

We have nothing to report in respect of these matters.



Jonathan Gooding FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Cambridge, United Kingdom

21 NOVEMBER 2017

# ST. JOHN'S ENTERPRISES LIMITED

## PROFIT AND LOSS ACCOUNT for the year ended 30 June 2017

	Note	2017 £	2016 £
<b>TURNOVER</b>	3	1,531,299	1,503,694
Cost of sales		(629,967)	(633,498)
<b>Gross profit</b>		901,332	870,196
Administrative expenses		(90,025)	(79,545)
<b>OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	811,307	790,651
Tax on profit on ordinary activities	5	-	-
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		811,307	790,651

All activities derive from continuing operations.

There are no comprehensive income or expenses other than the result for the current and preceding financial years.  
Accordingly, no statement of comprehensive income is given.



# ST. JOHN'S ENTERPRISES LIMITED

## BALANCE SHEET as at 30 June 2017

	Note	2017 £	2016 £
<b>CURRENT ASSETS</b>			
Stocks	6	20,682	11,519
Debtors	7	68,310	79,705
Cash at bank and in hand		<u>1,447,289</u>	<u>1,391,511</u>
		1,536,281	1,482,735
<b>CREDITORS: amounts falling due within one year</b>	8	<u>(1,536,279)</u>	<u>(1,482,733)</u>
<b>NET CURRENT ASSETS, BEING NET ASSETS</b>		<u>2</u>	<u>2</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	2	2
Profit and loss account	9	<u>-</u>	<u>-</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<u>2</u>	<u>2</u>

The financial statements of St. John's Enterprises Limited, registered number 2935485, were approved by the Board of Directors and authorised for issue on 8 November 2017.

Signed on behalf of the Board of Directors



C F Ewbank  
Director

# ST. JOHN'S ENTERPRISES LIMITED

## STATEMENT OF CHANGES IN EQUITY as at 30 June 2017

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 July 2016	2	-	2
Profit for the year	-	811,307	811,307
Amounts covenanted to charitable body	-	(811,307)	(811,307)
Balance at 30 June 2017	<u>2</u>	<u>-</u>	<u>2</u>

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 July 2015	2	-	2
Profit for the year	-	790,651	790,651
Amounts covenanted to charitable body	-	(790,651)	(790,651)
Balance at 30 June 2016	<u>2</u>	<u>-</u>	<u>2</u>

## **ST. JOHN'S ENTERPRISES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2017**

#### **1. ACCOUNTING POLICIES**

The particular accounting policies adopted are described below. They have all been applied consistently in the current and preceding year.

##### **General Information and Basis of Accounting**

St. John's Enterprises Limited is a company incorporated in the United Kingdom under the Companies Act.

The Company is a private Company limited by shares and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on pages 2 and 3.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard (FRS 102) issued by the Financial Reporting Council.

The functional currency of St. John's Enterprises Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

St. John's Enterprises Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and intra-group transactions.

##### **Going concern**

Due to the structure of the group, any taxable profits made by the company are covenanted to St John's College on an annual basis.

The directors have prepared the financial statements on a going concern basis. The directors have a reasonable expectation that, based on the current and future trading activity and the financial resources in place that the company has the ability to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approving these financial statements. Thus they continue to adopt the going concern basis of preparation.

##### **Turnover**

Turnover represents the invoiced value of sales net of value added tax for the supply of services provided during the year. All turnover is derived from operations in the United Kingdom.

Turnover from catering and accommodation services is recognised in the period when the conference occurs.

Turnover from tourist entry fees is recognised on the date when the tourists visit the College.

Turnover from merchandise sales is recognised when legal ownership of the merchandise passes to the buyer.

Turnover from medical expenses scheme is recognised in the period when the medical expense occurs.

##### **Stocks**

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

##### **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 by the balance sheet date.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on a non-discounted basis.

## ST. JOHN'S ENTERPRISES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### 1. ACCOUNTING POLICIES (continued)

##### Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

#### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not believe there to be any material judgements or key sources of estimation uncertainty.

#### 3. TURNOVER

	2017	2016
	£	£
Conference and catering services	1,190,045	1,182,452
Tourism and merchandise	328,064	293,933
Medical cover	13,190	27,309
	<u>1,531,299</u>	<u>1,503,694</u>

#### 4. OPERATING PROFIT

	2017	2016
	£	£
<b>Operating profit is after charging:</b>		
Fees payable to the company's auditor for the audit of the company's annual accounts	4,285	4,120
Fees payable to the company's auditor for other services (being compliance work relating to taxation matters and the conversion of annual financial statements into iXBRL format)	-	3,142
	<u>-</u>	<u>3,142</u>

The company had no employees during the year or preceding year. The directors received no remuneration. All turnover is related to the sale of services and goods.

# ST. JOHN'S ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2017

### 5. TAXATION

	2017 £	2016 £
Profit on ordinary activities before tax	811,307	790,651
Tax on profit on at standard UK tax rate 19.75% (2016 : 20%)	160,233	158,130
Factor affecting charge for the year:		
Expenses not deductible for tax purposes	8	-
Effect of covenant to charitable body	(160,241)	(158,130)
Total actual amount of current tax	-	-

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted by the balance sheet date being 20% with effect from 1 April 2015, 19% effective from 1 April 2017 and 17% effective from 1 April 2020. The closing deferred tax assets and liabilities have been calculated at 17%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

### 6. STOCKS

	2017 £	2016 £
Goods for resale	20,682	11,519

There is no material difference between the carrying value of the goods for resale and their replacement cost.

### 7. DEBTORS

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	68,310	77,945
Accrued income	-	1,760
	68,310	79,705

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	53,633	40,338
Amounts owed to parent undertaking	1,411,432	1,349,677
Accruals and deferred income	71,214	92,718
	1,536,279	1,482,733

All balances between St John's Enterprises and St John's College are non-interest bearing and repayable on demand.

## ST. JOHN'S ENTERPRISES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2017

#### 9. CALLED UP SHARE CAPITAL AND RESERVES

	2017	2016
	£	£
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

The company's other reserve is as follows:

The profit and loss reserve represents cumulative profits or losses net of amounts covenanted to St John's College, a charitable body.

#### 10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate controlling party and sole shareholder is St John's College, Cambridge. All profits, as defined in the deed, are payable to the parent under a deed of covenant.

#### 11. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary and its results are included in the consolidated accounts of St John's College, Cambridge. Accordingly the company is exempt from disclosing transactions with other wholly owned group companies under FRS 102, section 33. The accounts of St John's College are publicly available from The Bursary, St John's College, Cambridge, CB2 1TP.