

BCH ENTERPRISES LIMITED
DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018
Company Number 02642177

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Company Information

| | |
|-----------------------------|--|
| Directors | Anthony Bowne (Appointed 1 August 2013) Jonathan Peel (Appointed 22 Nov 2005) |
| Secretary | Dean Surtees (Appointed 17 February 2017) |
| Company Number | 02642177 |
| Registered Office | King Charles Court Old Royal Naval College Greenwich London SE10 9JF |
| Independent Auditors | BDO LLP 2 City Place Beehive Ring Road Gatwick, West Sussex RH6 0PA |
| Bankers | Allied Irish Bank 10 Berkeley Square London W1J 6AA |

Directors Report

The directors present their report and the audited financial statements of the company for the year ended 31 July 2018. After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The accounts have therefore been prepared on a going concern basis.

The directors' report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006

Principal activity

The principal activity of the company is the provision of hall hire and associated catering services.

Charitable donations

The company made a distribution under the deed of covenant 2018 of £48,537 and (2017: £63,544) to its immediate parent undertaking, The Blackheath Halls, a registered charity, during 2017/18.

Directors

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

Anthony Bowne (Appointed 1 August 2013)

Jonathan Peel (22 November 2005)

Auditors

BDO LLP are deemed appointed under section 487 (2) of the Companies Act 2006.

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws, including FRS 102 and Companies Act 2006 "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 and 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 and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors Report

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.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A- Small Entities.

On behalf of the Board on 29 November 2018



Jonathan Peel
Director

Company registration no. 02642177 incorporated in England and Wales

Independent auditor's report to the members of BCH Enterprises Limited

Opinion

We have audited the financial statements of BCH Enterprises Limited ("the Company") for the year ended 31 July 2018, which comprise the Profit and Loss account, Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of 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 31 July 2018 and of its profit 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the 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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Financial Statements, 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

Independent auditor's report to the members of BCH Enterprises Limited
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 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.

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 Director's 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' exemptions 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, 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


Independent auditor's report to the members of BCH Enterprises Limited 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 taken together, 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 of the financial statements is located at 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.

A handwritten signature in black ink, appearing to read 'BDO LLP', with a horizontal line drawn underneath it.

James Aston MBE (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom

Date: 30 November 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

BCH ENTERPRISES LIMITED
For the year ended 31 July 2018

Profit and Loss Account

| | Note | 2018 £ | 2017 £ |
|--|-------------|-------------------|-------------------|
| Turnover | 1g | 164,679 | 173,049 |
| Cost of Sales | | (46,196) | (66,623) |
| Gross Profit | | 118,483 | 106,426 |
| Administrative Expenses | | (69,142) | (77,385) |
| Interest Payable | | (804) | (1,086) |
| Profit on ordinary activities before taxation | 2 | 48,537 | 27,955 |
| Tax on profit on ordinary activities | 4 | - | (5,760) |
| Profit for the financial year | | 48,537 | 22,195 |

All the income and expenditure shown above relates to continuing activities.

The notes on pages 11 to 16 form part of the financial statements.

Balance Sheet

| | Note | 2018 £ | 2018 £ | 2017 £ | 2017 £ |
|--|------|---------------|---------------|---------------|---------------|
| Fixed Assets | | | | | |
| Tangible assets | 5 | | 377 | | 912 |
| Current assets | | | | | |
| Stock | 6 | 4,632 | | 7,213 | |
| Debtors | 7 | 53,401 | | 41,977 | |
| Cash at hand and in bank | | 7,214 | | 14,624 | |
| | | <u>65,247</u> | | <u>63,814</u> | |
| Creditors: amount falling due within one year | 8 | (48,271) | | (47,373) | |
| Net current assets | | | 16,976 | | 16,441 |
| Net assets | | | <u>17,353</u> | | <u>17,353</u> |
| Capital and reserves | | | | | |
| Called up share capital | 9 | | 2 | | 2 |
| Profit and loss account | | | 17,351 | | 17,351 |
| Shareholders' funds | | | <u>17,353</u> | | <u>17,353</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A- Small Entities.

Authorised and approved by the Board on 12 November 2018 and signed on its behalf by:



Jonathan Peel
Director

29 November 2018

Company registration no. 02642177

The notes on pages 11 to 16 form part of the financial statements.

Statement of Changes in Equity

| | Note | £ |
|--|------|---------------|
| Balance at 1 August 2016 | | 46,082 |
| Profit and Comprehensive Income for the Year | | 22,195 |
| Qualifying charitable distribution to parent | | (63,544) |
| Tax Relief obtained on qualifying distribution | | 12,620 |
| Closing reserves at 31 July 2017 | | <u>17,353</u> |
| Balance at 1 August 2017 | | 17,353 |
| Profit and Comprehensive Income for the Year | | 48,537 |
| Qualifying charitable distribution to parent | | (48,537) |
| Closing reserves at 31 July 2018 | | <u>17,353</u> |

The notes on pages 11 to 16 form part of the financial statements.

Notes to the financial statements

1. Principal accounting policies

The principal accounting policies, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year in dealing with items, which are considered material in relation to the financial statements.

The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

a) Basis of preparation

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A- Small Entities. The financial statements have been prepared on the historical cost basis, except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The accounts have therefore been prepared on a going concern basis.

BCH Enterprises Limited is a company and the financial statements are presented in Sterling (£).

b) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

The threshold limit for capitalisation of tangible fixed assets was increased in the year ended 31st July 2018 from £100 to £500.

Fixtures, fittings and equipment - 20% per annum on a straight-line basis.

c) Stock

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

d) Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

e) Creditors

Short-term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

f) Taxation

Notes to the financial statements

Taxation provided is chargeable on the profits of the year, together with deferred taxation. Where there is deferred taxation, it is provided in full on timing differences between the recognition of gains and losses in the financial statements and their recognition in tax computations. However, the company does not discount deferred tax assets and liabilities.

g) Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

h) Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

i) Cash flow statement

The company has taken advantage of the exemption permitted by FRS 102, whereby a cash flow statement need not be prepared by a small company, as defined in Companies Act 2006.

j) Payment to parent charity under qualifying charitable donation

The company has adopted a policy of paying all its taxable profits to its parent charity, The Blackheath Halls, under qualifying charitable donation. These taxable profits transferred to parent entity are recognised through equity rather than as an expense through the profit and loss, and therefore an operating profit exists at the balance sheet date with no tax liability as a covenant has been signed by the trustees to donate all profits to the parent charity.

k) Critical accounting judgements and estimates

In preparing the financial statements, the trustees are required to make estimates and judgements. The items in the financial statements where these judgements and estimates have been made include:

- Accruals- The estimates for payables relates to the liabilities not settled at year end. A review is performed on an individual creditor's basis to estimate the amount will be collected.
- Tangible fixed assets- A review is performed annually for indicators of impairment.

2. Profit on ordinary activities before taxation

| | 2018 | 2017 |
|--------------------------------|--------------|--------------|
| | £ | £ |
| This is stated after charging: | | |
| Depreciation | 339 | 442 |
| Auditor's remuneration | 6,874 | 3,972 |

Notes to the financial statements

3. Directors and employees

Staff costs during the year were as follows:

| | 2018 £ | 2017 £ |
|-----------------------|---------------|---------------|
| Wages and Salaries | 17,517 | 23,006 |
| Social security costs | 481 | 355 |
| Other pension costs | 543 | 583 |
| | <u>18,541</u> | <u>23,944</u> |

The average monthly number of employees during the year:

| | Number | Number |
|------------------|----------|----------|
| Bar and Catering | <u>2</u> | <u>2</u> |
| | <u>2</u> | <u>2</u> |

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of BCH Enterprises. Key management personnel is the Director of Blackheath Halls.

BCH Enterprises paid no remuneration to the Director of Blackheath Halls as they were remunerated by The Blackheath Halls (2017 - £Nil).

Directors

No directors received any remuneration/waived payments from the group during the year (2017 - none).

There have been no expenses paid to directors in 2018 (2017 - £Nil).

4. Taxation on profit on ordinary activities

| | 2018 £ | 2017 £ |
|---|-----------|--------------|
| Current tax on profit for the year | 9,562 | 5,760 |
| Tax relief on qualifying charitable donations | (9,562) | - |
| Total Tax Charge | <u>-</u> | <u>5,760</u> |

Notes to the financial statements

4. Taxation (continued)

| | 2018 £ | 2017 £ |
|--|-----------|--------------|
| Factors affecting tax charge for the current year | | |
| Profit on ordinary activities before tax | 48,537 | 27,955 |
| Tax on profit on ordinary activities at standard corporation tax rate of 19% (2017: 20%) | 9,222 | 5,591 |
| <i>Effects of</i> | | |
| Depreciation in excess of capital allowances | 339 | 169 |
| Current tax charge for the period | 9,562 | 5,760 |
| Tax Relief on qualifying Charitable Donations | (9,562) | - |
| Total Tax Charge | <u>-</u> | <u>5,760</u> |

5. Tangible Fixed Assets

| | Fixtures, Fittings & Equipment £ |
|--------------------------------|---|
| Cost | |
| At 1 st August 2017 | 12,891 |
| Additions | - |
| Disposals | (273) |
| At 31 st July 2018 | <u>12,618</u> |
| Depreciation | |
| At 1 st August 2017 | 11,979 |
| Depreciation charge | 339 |
| Disposals | (77) |
| At 31 st July 2018 | <u>12,241</u> |
| Net Book Value | |
| At 31 st July 2018 | <u>377</u> |
| At 31 st July 2017 | 912 |

Notes to the financial statements

6. Stock

| | 2018 £ | 2017 £ |
|------------------------------------|-----------|-----------|
| Current tax on profit for the year | 4,632 | 7,213 |

7. Debtors

| | 2018 £ | 2017 £ |
|--------------------------------------|---------------|---------------|
| Trade Debtors | 1,491 | 25,717 |
| Prepayments and accrued income | - | 420 |
| Amounts owed from group undertakings | 51,910 | 15,840 |
| | <u>53,401</u> | <u>41,977</u> |

8. Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|--------------------------------------|---------------|---------------|
| Trade Creditors | 3,306 | 1,171 |
| Amounts owed from group undertakings | 33,588 | 10,922 |
| Other taxes and social security | - | 222 |
| Accruals and deferred income | 11,377 | 35,058 |
| | <u>48,271</u> | <u>47,373</u> |

9. Called-up share capital

| | 2018 £ | 2017 £ |
|------------------------------|-----------|-----------|
| Authorised | | |
| 100 ordinary shares £1 each | 100 | 100 |
| Issued | | |
| 2 ordinary shares of £1 each | 2 | 2 |

Notes to the financial statements

10. Control

The company is a wholly owned subsidiary of The Blackheath Halls, a charity limited by guarantee and incorporated in England and Wales. The company operates from The Blackheath Halls' premises. The ultimate holding company is Trinity Laban Conservatoire of Music and Dance, a company registered in England and Wales and a registered charity. The Blackheath Halls is a non-profit making organisation raising funds to advance education particularly by the encouragement of the arts of music and other related areas of the arts. The Blackheath Halls' registered office and company and charity number are as follows:

The Blackheath Halls
King Charles Court
Old Royal Naval College
Greenwich SE10 9JF
Company No: 01747753, Charity No: 287589

11. Related parties

The company has taken advantage of the exemption under FRS102 whereby it need not disclose related party transactions with its parent undertaking on the grounds that the company is a 100% subsidiary and the consolidated accounts are publicly available.

12. Qualifying distribution to parent charity

The company made a qualifying distribution in 2018 of £48,537 (2017: £63,544) to its immediate parent undertaking, The Blackheath Halls. A resolution of the Board on the 25th June 2018 approved the transfer of 100% of the taxable profits of BCH Enterprises Ltd to its parent Company, The Blackheath Halls on an annual basis.

BCH ENTERPRISES LIMITED
For the year ended 31 July 2018

Profit and Loss Account

| | 2018 £ | 2018 £ | 2017 £ | 2017 £ |
|---|-----------------|-----------------|-----------------|-----------------|
| Income | | | | |
| Hire Fees | | 106,008 | | 95,023 |
| Bar and Catering | 57,914 | | 76,035 | |
| Cost of Sales | <u>(46,196)</u> | | <u>(66,623)</u> | |
| | | <u>11,718</u> | | <u>9,412</u> |
| | | 117,726 | | 104,435 |
| Sundry Income | | 757 | | 1,991 |
| Gross Profit for the year | | <u>118,483</u> | | <u>106,426</u> |
| Expenditure | | | | |
| Net assets | | <u>17,353</u> | | <u>17,353</u> |
| Management Charge | (62,773) | | (69,586) | |
| Miscellaneous | (6,369) | | (7,799) | |
| Interest Payable & Similar charges | <u>(804)</u> | | <u>(1,086)</u> | |
| | | <u>(69,946)</u> | | <u>(78,471)</u> |
| Profit for the year on ordinary activities before taxation | | <u>48,537</u> | | <u>27,955</u> |
| Taxation | | - | | (5,760) |
| Profit for the financial year | | <u>48,537</u> | | <u>22,195</u> |

This does not form part of the statutory financial statements.