

PETERHOUSE ENTERPRISES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

PETERHOUSE ENTERPRISES LIMITED

COMPANY INFORMATION

Directors	A M L Lever I N M Wright
Company secretary	P J R Boyd
Registered number	03100144
Registered office	Peterhouse Trumpington Street Cambridge CB2 1RD
Independent auditors	Price Bailey LLP Chartered Accountants & Statutory Auditors Tennyson House Cambridge Business Park Cambridge CB4 0WZ

PETERHOUSE ENTERPRISES LIMITED

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PETERHOUSE ENTERPRISES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2017

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

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

Directors

The directors who served during the year were:

A M L Lever
I N M Wright

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Price Bailey LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

PETERHOUSE ENTERPRISES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27 NOVEMBER 2017 and signed on its behalf.

P J R Boyd

P J R Boyd
Secretary

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PETERHOUSE ENTERPRISES LIMITED

Opinion

We have audited the financial statements of Peterhouse Enterprises Limited for the year ended 30 June 2017, set out on pages 6 to 15. 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).

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

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 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our

PETERHOUSE ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PETERHOUSE ENTERPRISES LIMITED (CONTINUED)

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.

Opinion 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 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' exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.

PETERHOUSE ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PETERHOUSE ENTERPRISES LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 1, 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.

Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditors' Report.



Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 7.12.2017

PETERHOUSE ENTERPRISES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 £	2016 £
Turnover		1,505,465	67,553
Cost of sales		(1,198,719)	(45,837)
Gross profit		306,746	21,716
Administrative expenses		(22,705)	(21,337)
Other operating income	3	25,330	25,013
Other operating charges		(315,909)	(50,532)
Operating loss		(6,538)	(25,140)
Interest receivable and similar income		-	192
Interest payable and expenses		(9,889)	(9,157)
Loss before tax		(16,427)	(34,105)
Loss for the financial year		(16,427)	(34,105)
Other comprehensive income for the year			
Revaluation gain on investment properties		-	(5,000)
Other comprehensive income for the year		-	(5,000)
Total comprehensive income for the year		(16,427)	(39,105)

PETERHOUSE ENTERPRISES LIMITED
REGISTERED NUMBER: 03100144

BALANCE SHEET
AS AT 30 JUNE 2017

	Note	2017 £	Restated 2016 £
Fixed assets			
Investments	6	106,000	106,000
Investment property	7	765,000	765,000
		<u>871,000</u>	<u>871,000</u>
Current assets			
Stocks	8	-	131,441
Debtors: amounts falling due within one year	9	6,509,216	5,961,255
Cash at bank and in hand	10	117,835	357,689
		<u>6,627,051</u>	<u>6,450,385</u>
Creditors: amounts falling due within one year	11	(319,422)	(136,219)
Net current assets		<u>6,307,629</u>	<u>6,314,166</u>
Total assets less current liabilities		<u>7,178,629</u>	<u>7,185,166</u>
Creditors: amounts falling due after more than one year	12	(6,773,502)	(6,763,613)
Net assets		<u><u>405,127</u></u>	<u><u>421,553</u></u>
Capital and reserves			
Called up share capital		2	2
Investment property reserve		309,346	309,346
Profit and loss account		95,779	112,205
		<u><u>405,127</u></u>	<u><u>421,553</u></u>

The 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 were approved and authorised for issue by the board and were signed on its behalf on
27 NOVEMBER 2017.


I N M Wright
 Director

The notes on pages 8 to 15 form part of these financial statements.

PETERHOUSE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. General information

Peterhouse Enterprises Limited is a private company limited by shares incorporated under the number 03100144 in England and Wales, United Kingdom. The address of the registered office is Peterhouse, Trumpington Street, Cambridge, CB2 1RD. The principal activity of the company continued to be that of property development.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

These financial statements for the year ended 30 June 2017 are the first financial statements prepared in accordance with FRS 102 Section 1A. The date of transition to FRS 102 Section 1A was 01 July 2015.

The following principal accounting policies have been applied:

2.2 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

2. Accounting policies (continued)

2.5 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.6 Work in progress and long term contracts

The attributable profit on long-term contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project.

Costs associated with long-term contracts are included in stock to the extent that they cannot be matched with the contract work accounted for as turnover. Long-term contract balances included in stocks are stated at cost, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

2.10 Creditors

Short term creditors are measured at the transaction price.

2.11 Creditors

Short term 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.

PETERHOUSE ENTERPRISES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

2. Accounting policies (continued)

2.12 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

3. Other operating income

	2017 £	2016 £
Sundry income	25,330	25,013
	<u> </u>	<u> </u>

4. Auditors' remuneration

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	2,000	2,000
	<u> </u>	<u> </u>

5. Employees

The average monthly number of employees, including directors, during the year was 2 (2016 - 2).

PETERHOUSE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

6. Fixed asset investments

	Investments in Joint Ventures £
Cost or valuation	
At 1 July 2016	106,000
At 30 June 2017	<u>106,000</u>
Net book value	
At 30 June 2017	<u>106,000</u>
At 30 June 2016	<u>106,000</u>

Participating interests

The company holds a 40% share in Manor Farm Stretham LLP, a limited liability partnership incorporated in the United Kingdom whose principal activity is the development of land and buildings at Manor Farm, Stretham. The investment of £106,000 represents the cost of the land transferred to Manor Farm Stretham LLP. At the year end Manor Farm Stretham LLP had built and sold some properties within Phase I of the build and the estimated profit share for the year ended 30 June 2017 is included within these accounts as accrued income amounting to £274,361.

PETERHOUSE ENTERPRISES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

7. Investment property

	Freehold investment property £
Valuation	
At 1 July 2016	765,000
At 30 June 2017	<u>765,000</u>
Comprising	

The 2017 valuations were made by Bidwells LLP, on an open market value for existing use basis.

	2017 £	2016 £
Revaluation reserves		
At 1 July 2016	309,346	314,346
Net deficit in movement properties	-	(5,000)
At 30 June 2017	<u>309,346</u>	<u>309,346</u>

8. Stocks

	2017 £	2016 £
Work in progress	-	131,441
	<u>-</u>	<u>131,441</u>

9. Debtors

	2017 £	2016 £
Trade debtors	12,634	5,453
Amounts owed by group undertakings	6,218,315	5,953,519
Other debtors	3,906	2,283
Prepayments and accrued income	274,361	-
	<u>6,509,216</u>	<u>5,961,255</u>

PETERHOUSE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

10. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	117,835	357,689
	<u>117,835</u>	<u>357,689</u>

11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	14,224	3,221
Other taxation and social security	330	-
Other creditors	1,430	130,279
Accruals and deferred income	303,438	2,719
	<u>319,422</u>	<u>136,219</u>

12. Creditors: Amounts falling due after more than one year

	2017 £	Restated 2016 £
Amounts owed to group undertakings	133,502	123,613
Share capital treated as debt	6,640,000	6,640,000
	<u>6,773,502</u>	<u>6,763,613</u>

13. Related party transactions

The company has taken advantage of the exemptions in FRS 102 section 1A regarding additional disclosure of information on related party transactions with undertakings that are wholly owned by a member of the Peterhouse group.

14. Controlling party

The immediate and ultimate parent and controlling party is Peterhouse College in the University of Cambridge.

The results of the company are included in the consolidated financial statements of Peterhouse, an incorporated charity. The consolidated financial statements are available from Peterhouse College, Trumpington Street, Cambridge, CB2 1RD.

PETERHOUSE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

15. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 July 2015. The impact of the transition to FRS 102 is as follows:

	Note	As previously stated 1 July 2015 £	Effect of transition 1 July 2015 £	FRS 102 (as restated) 1 July 2015 £	As previously stated 30 June 2016 £	Effect of transition 30 June 2016 £	FRS 102 (as restated) 30 June 2016 £
Fixed assets		876,000	-	876,000	871,000	-	871,000
Current assets		6,471,938	-	6,471,938	6,450,385	-	6,450,385
Creditors: amounts falling due within one year		(3,949)	-	(3,949)	(136,219)	-	(136,219)
Net current assets		6,467,989	-	6,467,989	6,314,166	-	6,314,166
Total assets less current liabilities		7,343,989	-	7,343,989	7,185,166	-	7,185,166
Creditors: amounts falling due after more than one year	1	(243,332)	(6,640,000)	(6,883,332)	(123,613)	(6,640,000)	(6,763,613)
Net assets		7,100,657	(6,640,000)	460,657	7,061,553	(6,640,000)	421,553
Capital and reserves	1	7,100,657	(6,640,000)	460,657	7,061,554	(6,640,001)	421,553

PETERHOUSE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

15. First time adoption of FRS 102 (continued)

	Note	As previously stated 30 June 2016 £	Effect of transition 30 June 2016 £	FRS 102 (as restated) 30 June 2016 £
Turnover		67,553	-	67,553
Cost of sales		(45,837)	-	(45,837)
		<hr/>	<hr/>	<hr/>
		21,716	-	21,716
Administrative expenses		(21,337)	-	(21,337)
Other operating income		(25,519)	-	(25,519)
		<hr/>	<hr/>	<hr/>
Operating profit		(25,140)	-	(25,140)
Interest receivable and similar income		192	-	192
Interest payable and similar charges		(9,157)	-	(9,157)
		<hr/>	<hr/>	<hr/>
Loss on ordinary activities after taxation and for the financial year		(34,105)	-	(34,105)
		<hr/>	<hr/>	<hr/>

Explanation of changes to previously reported profit and equity:

- 1 Under previous UK GAAP, preference shares were recognised as equity. FRS 102 requires that a financial instrument should be treated as a financial liability, where the issuer does not have the unconditional right to avoid settling in cash or another financial asset, and where settlement is dependent on the occurrence or non-occurrence of uncertain future events beyond the control of the issuer and holder.