

**PETERHOUSE ENTERPRISES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

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**PETERHOUSE ENTERPRISES LIMITED**

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**COMPANY INFORMATION**

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

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**PETERHOUSE ENTERPRISES LIMITED**

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## PETERHOUSE ENTERPRISES LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2018

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The directors present their report and the financial statements for the year ended 30 June 2018.

#### Directors

The directors who served during the year were:

A M L Lever  
I N M Wright

#### Principal activity

The principal activity of the company continued to be that of property development.

#### 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.

#### 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.

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PETERHOUSE ENTERPRISES LIMITED

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DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018

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**Post balance sheet events**

After the year end the Company received payment from the Master and Fellows of Peterhouse in the University of Cambridge (Peterhouse) of £6,180,000 in respect of repayment of a debtor.

The Company has agreed to redeem 6,180,000 Redeemable Preference shares of £1.00 each in the capital of the Company (shares) held by Peterhouse at £1.00 per share.

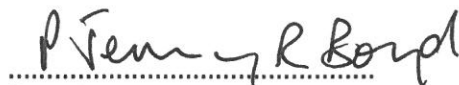
**Auditors**

Under section 487(2) of the Companies Act 2006, Price Bailey LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

**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 5 NOVEMBER 2018 and signed on its behalf.

  
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Secretary



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## PETERHOUSE ENTERPRISES LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PETERHOUSE ENTERPRISES LIMITED

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#### Opinion

We have audited the financial statements of Peterhouse Enterprises Limited (the 'Company') for the year ended 30 June 2018, which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 30 June 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 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 Directors' Report, other than the financial statements and our Auditors' 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

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## PETERHOUSE ENTERPRISES LIMITED

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

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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.

#### **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.

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PETERHOUSE ENTERPRISES LIMITED

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

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**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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 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.

*H. Wilkinson*

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: *5 November 2013*



PETERHOUSE ENTERPRISES LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 £	2017 £
Turnover		558,740	1,505,465
Cost of sales		(134,793)	(1,198,719)
<b>Gross profit</b>		<b>423,947</b>	<b>306,746</b>
Administrative expenses		(21,844)	(22,705)
Other operating income	3	33,074	25,330
<b>Operating profit</b>		<b>435,177</b>	<b>309,371</b>
Interest receivable and similar income		252	-
Interest payable and expenses		(10,680)	(9,889)
<b>Profit before tax</b>		<b>424,749</b>	<b>299,482</b>
<b>Profit after tax</b>		<b>424,749</b>	<b>299,482</b>
Retained earnings at the beginning of the year		95,779	112,206
		95,779	112,206
Profit for the year		424,749	299,482
Deed of covenant distribution		(424,749)	(315,909)
<b>Retained earnings at the end of the year</b>		<b>95,779</b>	<b>95,779</b>

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

**PETERHOUSE ENTERPRISES LIMITED**  
**REGISTERED NUMBER: 03100144**

**BALANCE SHEET**  
**AS AT 30 JUNE 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Investments	5	106,000	106,000
Investment property	6	840,000	765,000
		<u>946,000</u>	<u>871,000</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	6,412,392	6,509,216
Cash at bank and in hand	8	337,371	117,835
		<u>6,749,763</u>	<u>6,627,051</u>
Creditors: amounts falling due within one year	9	(431,453)	(319,422)
<b>Net current assets</b>		<u>6,318,310</u>	<u>6,307,629</u>
<b>Total assets less current liabilities</b>		<u>7,264,310</u>	<u>7,178,629</u>
Creditors: amounts falling due after more than one year	10	(6,784,183)	(6,773,502)
<b>Net assets</b>		<u><u>480,127</u></u>	<u><u>405,127</u></u>
<b>Capital and reserves</b>			
Called up share capital		2	2
Investment property reserve		384,346	309,346
Profit and loss account		95,779	95,779
		<u><u>480,127</u></u>	<u><u>405,127</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

**5 NOVEMBER 2018.**

Director

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

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**PETERHOUSE ENTERPRISES LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018**

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	Called up share capital	Investment property revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2017	2	309,346	95,779	405,127
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	424,749	424,749
Revaluation gain	-	75,000	-	75,000
<b>Other comprehensive income for the year</b>	-	75,000	-	75,000
<b>Total comprehensive income for the year</b>	-	75,000	424,749	499,749
Deed of covenant distribution	-	-	(424,749)	(424,749)
<b>Total transactions with owners</b>	-	-	(424,749)	(424,749)
<b>At 30 June 2018</b>	<b>2</b>	<b>384,346</b>	<b>95,779</b>	<b>480,127</b>

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

PETERHOUSE ENTERPRISES LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2017

	Called up share capital	Investment property revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2016	2	309,346	112,206	421,554
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	299,482	299,482
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	299,482	299,482
Deed of covenant distribution	-	-	(315,909)	(315,909)
<b>Total transactions with owners</b>	-	-	(315,909)	(315,909)
<b>At 30 June 2017</b>	2	309,346	95,779	405,127

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

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## PETERHOUSE ENTERPRISES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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#### 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.

The functional currency of the Company is GBP and the level of rounding applied is to the nearest £.

The following principal accounting policies have been applied:

##### 2.2 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

###### Rendering of services

Turnover 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 turnover 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.

##### 2.3 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

##### 2.4 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

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**2. Accounting policies (continued)**

**2.5 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 Income and Retained Earnings.

**2.6 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 Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

**2.7 Debtors**

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

**2.8 Associates and joint ventures**

Associates and Joint Ventures are held at cost less impairment.

**2.9 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.

**2.10 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.

**2.11 Financial instruments**

The Company only enters into basic financial instrument 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 Income and Retained Earnings.

**2.12 Creditors**

Short term creditors are measured at the transaction price.

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PETERHOUSE ENTERPRISES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

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3. Other operating income

	2018 £	2017 £
Sundry income	33,074	25,330

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2017 - 2).

5. Fixed asset investments

	Investments in Joint Ventures £
<b>Cost or valuation</b>	
At 1 July 2017	106,000
At 30 June 2018	106,000
<b>Net book value</b>	
At 30 June 2018	106,000
At 30 June 2017	106,000

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 2018 is included within these accounts amounting to £397,677 (2017 - £274,361).

PETERHOUSE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

6. Investment property

	Freehold investment property £
<b>Valuation</b>	
At 1 July 2017	765,000
Surplus on revaluation	75,000
<b>At 30 June 2018</b>	<b>840,000</b>

The 2018 valuations were made by Bidwells LLP, on an open market value for existing use basis.

	2018 £	2017 £
<b>Revaluation reserves</b>		
At 1 July 2017	309,346	309,346
Net gain in movement properties	75,000	-
<b>At 30 June 2018</b>	<b>384,346</b>	<b>309,346</b>

7. Debtors

	2018 £	2017 £
Trade debtors	8,119	12,634
Amounts owed by group undertakings	6,189,503	6,218,315
Other debtors	-	3,906
Prepayments and accrued income	214,770	274,361
	<b>6,412,392</b>	<b>6,509,216</b>

8. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	337,371	117,835

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PETERHOUSE ENTERPRISES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

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**9. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	-	14,224
Amounts owed to group undertakings	427,249	299,482
Other taxation and social security	55	330
Other creditors	1,430	1,430
Accruals and deferred income	2,719	3,956
	<u>431,453</u>	<u>319,422</u>

**10. Creditors: Amounts falling due after more than one year**

	2018 £	2017 £
Amounts owed to group undertakings	144,183	133,502
Redeemable preference shares of £1.00 each	6,640,000	6,640,000
	<u>6,784,183</u>	<u>6,773,502</u>

**11. 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.

**12. Post balance sheet events**

After the year end the Company received payment from the Master and Fellows of Peterhouse in the University of Cambridge (Peterhouse) of £6,180,000 in respect of repayment of a debtor.  
The Company has agreed to redeem 6,180,000 Redeemable Preference shares of £1.00 each in the capital of the Company (shares) held by Peterhouse at £1.00 per share.

**13. 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.

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PETERHOUSE ENTERPRISES LIMITED

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DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2018

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		2018 £	2017 £
Turnover		558,740	1,505,465
Cost of sales		(134,793)	(1,198,719)
<b>Gross profit</b>		<u>423,947</u>	<u>306,746</u>
Other operating income	3	<u>33,074</u>	<u>25,330</u>
<b>Less: overheads</b>			
Administration expenses		(21,844)	(22,705)
<b>Operating profit</b>		<u>435,177</u>	<u>309,371</u>
Interest receivable		252	-
Interest payable		(10,680)	(9,889)
<b>Profit for the year</b>		<u>424,749</u>	<u>299,482</u>

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PETERHOUSE ENTERPRISES LIMITED

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SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2018

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	2018 £	2017 £
<b>Turnover</b>		
Birdwood project income	161,063	1,231,104
Manor Farm income	397,677	274,361
	<u>558,740</u>	<u>1,505,465</u>
	2018 £	2017 £
<b>Cost of sales</b>		
Purchases and sub contractor costs	<u>134,793</u>	<u>1,198,719</u>
	2018 £	2017 £
<b>Other operating income</b>		
Sundry income	<u>33,074</u>	<u>25,330</u>
	2018 £	2017 £
<b>Administration expenses</b>		
General office expenses	16,342	17,344
Legal and professional	2,105	2,619
Auditors' remuneration	2,500	2,000
Bank charges	50	160
Management fee	847	582
	<u>21,844</u>	<u>22,705</u>
	2018 £	2017 £
<b>Interest receivable</b>		
Bank interest receivable	<u>252</u>	<u>-</u>
	2018 £	2017 £
<b>Interest payable</b>		
Group interest payable	<u>10,680</u>	<u>9,889</u>

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