

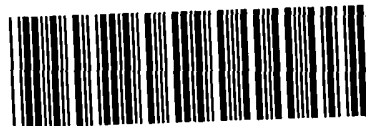
Company Number: 02417607

Isabel Hospice Trading Limited

**Annual Report and
Financial Statements**

For the Year Ended 31 March 2018

MONDAY



LD2 *L7LGLQJD* #12
24/12/2018
COMPANIES HOUSE



Contents

Company Information.....	3
Report of the Directors.....	4
Report of the Independent Auditors	6
Income Statement	9
Balance Sheet	10
Notes to the Financial Statements	11



Isabel Hospice Trading Limited

**Company Information
for the Year Ended 31 March 2018**

STATUS:	The organisation is a company limited by share capital, incorporated on 29 August 1989.
DIRECTORS:	JB Morris A Dury RA Leggetter KC Warnell (appointed June 18) JM Pyra (appointed June 18) W Mitchell (appointed November 17)
SECRETARY:	R Webb
REGISTERED OFFICE:	61 Bridge Road East Welwyn Garden City Hertfordshire AL7 1JR
REGISTERED NUMBER:	02417607
BANKERS:	The Co-operative Bank St Paul's House 10 Warwick Lane London EC4M 7BP
AUDITORS:	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House 108-114 Golden Lane London EC1Y 0TL



Report of the Directors for the Year Ended 31 March 2018

The directors present their report with the financial statements of the company for the year ended 31 March 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of selling donated and purchased goods, all for the ultimate benefit of Isabel Hospice Limited (a registered charity providing care for patients with life-limiting illnesses resident in east Hertfordshire).

REVIEW OF BUSINESS

The company trades from fifteen locations in Hertfordshire; in addition, the company has a sizeable online sales presence. Turnover excludes sales made under the Retail Gift Aid Scheme (whereby individuals donate the proceeds of shop sales to Isabel Hospice Limited), which the company administers as agent for Isabel Hospice Limited.

Profits from continuing operations decreased by £110,000 to £185,000 mainly due to an increase in the cost of sales during the year. After distributing the full amount of profits to Isabel Hospice Limited, the company had no retained profits. Net assets decreased by £7,000 to £147,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2017 to the date of this report.

JB Morris
A Dury
RA Leggetter
K Warnell
J Pyra
W Mitchell

Other changes in directors holding office are as follows:
H Glenister – Appointed 1st January 2017 - Resigned 31st March 2017

All directors hold their shares on trust for Isabel Hospice Limited, a company limited by guarantee and a registered charity.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the report of the directors 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). 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;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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.

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 the financial statements may differ from legislation in other jurisdictions.

Each of the directors confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditor is unaware. Each of the directors also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditor.

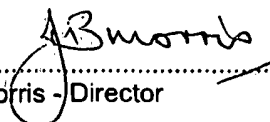
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Sayer Vincent LLP were appointed as the company's auditor during the year and has expressed its willingness to continue in that capacity.

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 19 December 2018 and signed on their behalf by


.....
John Morris - Director

Date: 19/12/18



Report of the Independent Auditors
to the Members of Isabel Hospice Trading Limited



Independent auditor's report to the members of Isabel Hospice Trading Limited

Opinion

We have audited the financial statements of Isabel Hospice Trading Limited (the 'company') for the year ended 31 March 2018 which comprise the profit and loss account, balance sheet, and the 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 March 2018 and of its result for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 other information comprises the information included in the directors' annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 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' annual report for the financial year for which the financial



Report of the Independent Auditors
to the Members of Isabel Hospice Trading Limited



- statements are prepared is consistent with the financial statements
- The directors' annual 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' annual 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, set out in the directors' annual report, 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to



**Report of the Independent Auditors
to the Members of Isabel Hospice Trading Limited**



the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Judith Miller (Senior statutory auditor)
20 December 2018
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL



Isabel Hospice Trading Limited

Statement of Income and Retained Earnings

For the year ended 31 March 2018

	Note	2018 Total £'000	2017 Total £'000
Turnover	2	1,981,418	1,931,201
Cost of sales		(1,796,424)	(1,686,417)
Gross profit / (loss)		184,994	244,784
Other operating income		–	50,000
Profit / (loss) on ordinary activities before interest and taxation	3	184,994	294,784
Interest receivable and similar income		5	89
Profit / (loss) for the financial year		184,999	294,873
Retained earnings			
Total retained earnings brought forward		153,941	143,518
Profit / (loss) for the financial year		184,999	294,873
Distribution under Gift Aid to parent charity		(191,780)	(284,450)
Total retained earnings carried forward		147,160	153,941

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All movements in equity are included within the statement above.

Isabel Hospice Trading Limited

Balance sheet

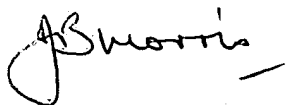
Company no. 02417607

As at 31 March 2018

	Note	£	2018 £	£	2017 £
Fixed assets:					
Tangible assets	14		<u>137,215</u>		<u>146,657</u>
			<u>137,215</u>		<u>146,657</u>
Current assets:					
Stocks	6	9,802		11,892	
Debtors	5	155,907		195,054	
Cash at bank and in hand		<u>145,731</u>		<u>169,266</u>	
		311,440		376,212	
Creditors:					
Amounts falling due within one year	7	<u>271,828</u>		<u>339,261</u>	
Net current assets			<u>39,612</u>		<u>36,951</u>
Total assets less current liabilities			<u>176,827</u>		<u>183,608</u>
Provisions for liabilities	13		<u>29,667</u>		<u>29,667</u>
Net assets			<u><u>147,160</u></u>		<u><u>153,941</u></u>
Capital and reserves					
Retained earnings	3		<u>147,160</u>		<u>153,941</u>
Total reserves			<u><u>147,160</u></u>		<u><u>153,941</u></u>

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors on 19 December and signed on behalf of the Board of Directors:



J MORRIS
Director



RA Leggetter
Director

Isabel Hospice Trading Limited

Notes to the financial statements

For the year ended 31 March 2018

1 Accounting policies

a) Statutory information

Isabel Hospice Trading Limited is a company limited by share capital and is incorporated in the United Kingdom. The registered office address is 61 Bridge Road East, Welwyn Garden City, Hertfordshire, AL7 1JR.

b) Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

c) Going concern

The directors consider that there are no material uncertainties about the company's ability to continue as a going concern.

d) Income

Turnover represents net invoiced sales of bought and donated goods, exclusive of VAT and receipts under the Retail Gift aid Scheme

Income is recognised when goods have been delivered to customers such that risks and rewards of ownership have transferred to them.

e) Retail Gift Aid scheme

The company operates a retail gift aid scheme, which is open to any taxpaying member of the general public. Under the scheme, the company sells donated goods for participants and, on their behalf, passes the proceeds to Isabel Hospice Limited; Isabel Hospice Limited is then able to claim gift aid on the monies it receives. The company acts as agent in the above transaction and sales made under the scheme and the subsequent remittance of the proceeds to Isabel Hospice Limited are excluded from these accounts.

f) Voluntary help

The company receives very substantial assistance in the form of voluntary help. It is not possible to place a financial value on this help.

g) Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the benefits arising from use. Operating leases are leases for assets which do not transfer substantially all the risk and rewards of ownership to the company.

h) Lease incentives

Receipts of lease incentives are spread on a straight line basis over the term of the lease; at the balance sheet date the amount of the incentive that remains to be allocated to future accounting periods is carried forward as deferred income.

i) Property, plant and equipment

Items of equipment are capitalised where the purchase price exceeds £1,000. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is calculated to write down the cost less estimated residual value of all property, plant and equipment, other than freehold land, over their expected useful lives, using the straight line method. The rates applicable are:

● Short leasehold	over duration of lease
● Fixtures and Fittings	20% on cost
● Motor vehicles	25% on cost
● Computer equipment	varying over no more than 5 years.

Isabel Hospice Trading Limited

Notes to the financial statements

For the year ended 31 March 2018

j) Inventories

Inventories have been valued at the lower of cost and estimated selling price less cost to sell. In general, cost is determined on a first in first out basis. A provision is made where necessary for obsolete, slow moving and defective stocks.

k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. If the effect of discounting is material, the debtor is stated at its amortised value using the effective interest method, less provision for bad and doubtful debtors.

l) 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.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Pension

The company doesn't operate its own pension scheme, but makes contributions for employees to an independently administered defined contributions scheme. Contributions payable for the year are charged in the profit and loss account.

2 Turnover

Turnover is attributable to the principal activity of the company.

3 Profit before tax is stated after charging:

	2018 £	2017 £
Auditor's remuneration (excluding VAT):		
Audit	5,000	5,000
Other services	650	-
Depreciation	38,246	39,964
Loss or profit on disposal of fixed assets	(5,750)	-
Operating lease rentals:		
Property	268,195	268,195

4 Directors' and employees' costs and emoluments

No emoluments are paid to any director.

Staff costs during the year were as follows:

	2018 £	2017 £
Wages and salaries	815,799	781,617
Social security costs	47,417	44,275
Pension costs	8,117	8,752
	871,333	834,644

The average number of employees during the year was as follows:

	2018 Number	2017 Number
Retail	41	38
	41	38

Isabel Hospice Trading Limited

Notes to the financial statements

For the year ended 31 March 2018

5 Debtors

	2018 £	2017 £
Other debtors	87,162	95,752
Prepayments	68,745	99,302
	<u>155,907</u>	<u>195,054</u>

6 Stock

	2018 £	2017 £
Finished goods	9,802	11,892
	<u>9,802</u>	<u>11,892</u>

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	63,301	91,654
Amounts owed to group undertakings	82,013	172,557
Social security and other taxes	13,193	12,592
Deferred income	–	4,000
Accrued expenses	113,321	58,458
	<u>271,828</u>	<u>339,261</u>

8 Share capital

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute such amount as maybe required, but not exceeding £1, to the company if it should be wound up while that person is a member, or within one year after they cease to be a member, and such payment is required as a contribution towards settlement of such of the company's debts and liabilities as were contracted before they ceased to be a member.

9 Related party disclosures

The company is controlled by the trustees of Isabel Hospice Limited

During the year, the company:

- i) allocated all of its taxable profits, which were £191,780 (2017: £284,450), to Isabel Hospice Limited;
- ii) paid rent of £184,600 (2017: £184,600) to Isabel Hospice Limited for use of warehouse, office and shop premises;

At the balance sheet date the company owed £82,013 to Isabel Hospice Limited, all of which is in respect of unpaid gift aid. The debt is unsecured interest-free and payable on demand.

10 Operating lease commitments payable as a lessee

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Within one year	244,388	232,558
Between one and five years	847,320	865,171
In more than five years	342,433	542,830
	<u>1,434,141</u>	<u>1,640,559</u>

Isabel Hospice Trading Limited

Notes to the financial statements

For the year ended 31 March 2018

11 Contingent liabilities

The company has guaranteed a bank loan to Isabel Hospice Limited for the purchase of property; at the balance sheet date, this mortgage stood at £757,600 (2017: £813,000). The company anticipates that Isabel Hospice Limited will be able to comply with the terms of the mortgage and no liability is anticipated.

12 Pension commitments

The pension charge represents contributions payable by the company to the employees' pension scheme, which amounted to £8,117 (2017: £8,924). At the balance sheet date the company owed pension contributions of £1,309 (2017: £1,329).

13 Provisions for liabilities

All leased premises are kept in a good state of repair, but the company has obligations under its leases to redecorate periodically and to leave the premises in a previously-agreed condition. Having assessed the current condition of its properties, the directors consider that, at the balance sheet date, the cost of any such remedial works would not exceed £29,667 (2017: £29,667) and so a provision for this sum has been included in these accounts.

14 Tangible fixed assets

	Short leasehold £	Fixtures & fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2017	416,929	32,535	34,965	167,923	652,352
Additions	6,939	2,620	24,995	-	34,554
Disposals	-	-	(34,966)	-	(34,966)
At 31 March 2018	423,868	35,155	24,994	167,923	651,940
DEPRECIATION					
At 1 April 2017	315,077	24,430	34,422	131,766	505,695
Charge for the year	27,468	2,624	542	7,612	38,246
Eliminated on disposal	-	-	(29,216)	-	(29,216)
At 31 March 2018	342,545	27,054	5,748	139,378	514,725
NET BOOK VALUE					
At 31 March 2018	81,323	8,101	19,246	28,545	137,215
At 31 March 2017	101,852	8,105	543	36,157	146,657

15 Ultimate controlling party

The company's ultimate parent undertaking and controlling party is Isabel Hospice Limited, a registered charity (number: 1046826) and company limited by guarantee (number: 03056823). Copies of the consolidated financial statements are available from the Charity Commission. The company donates available profits to its parent undertaking.