

Isabel Hospice Trading Limited

**Annual Report and
Financial Statements**

For the Year Ended 31 March 2019



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Company Information
for the Year Ended 31 March 2019

DIRECTORS: JB Morris (resigned 9th July 2019)
A Dury
RA Leggetter
KC Warnell
JM Pyra (resigned 1st July 2019)
W Mitchell (resigned 30th July 2019)

SECRETARY: R Webb

REGISTERED OFFICE: 61 Bridge Road East
Welwyn Garden City
Hertfordshire
AL7 1JR

REGISTERED NUMBER: 02417607 (England and Wales)

AUDITORS: Sayer Vincent
Statutory Auditors
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

Report of the Directors for the Year Ended 31 March 2019

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

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 18 locations across eastern Hertfordshire; in addition, the company has a sizeable online sales presence. Profits from continuing operations increased by £247,000 to £432,000 mainly due to an increase in sales during the year. After distributing the full amount of profits to Isabel Hospice Limited, the company had no retained profits.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

JB Morris
A Dury
RA Leggetter
KC Warnell

Other changes in directors holding office are as follows:

JB Morris – Appointed 31st October 2011 - Resigned 9th July 2019

J Pyra – Appointed 27th July 2018 - Resigned 1st July 2019

W Mitchell – Appointed 28th November 2017 - Resigned 30th July 2019

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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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. This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
R A Leggetter - Director

Date:

19/12/2019

Report of the Independent Auditors

Isabel Hospice Trading Limited

We have audited the financial statements of Isabel Hospice Trading Limited for the year ended 31 March 2019 on pages eight to fourteen. The financial reporting framework that has been applied in their preparation is 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'.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Report of the Directors.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Judith Miller (Senior statutory auditor)

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Date: 20 December 2019.....

Isabel Hospice Trading Ltd (Company no. 02417607)

Statement of Income and Retained Earnings

For the year ended 31 March 2019

	Note	2019 Total £	2018 Total £
Turnover	2	2,259,366	1,981,418
Cost of sales		(1,827,819)	(1,796,424)
Gross profit / (loss)		431,547	184,994
Profit/(loss) on ordinary activities before interest and taxation	3	431,547	184,994
Interest receivable and similar income		-	5
Profit/(loss) on ordinary activities before taxation		431,547	184,999
Retained earnings			
Total retained earnings brought forward		147,160	153,941
Profit/(loss) for the financial year		431,547	184,999
Distribution under Gift Aid to parent charity		(431,547)	(191,780)
Total retained earnings carried forward		147,160	147,160

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 Ltd (Company no. 02417607)

Balance sheet
As at 31 March 2019

	Note	£	2019 £	2018 £
Fixed assets:				
Tangible assets	5		305,732	137,215
Current assets:				
Stocks	6	11,395	9,802	
Debtors	7	236,398	155,907	
Cash at bank and in hand		-	145,731	
		<u>247,793</u>	<u>311,440</u>	
Creditors:				
Amounts falling due within one year	8	385,592	271,828	
		<u>385,592</u>	<u>271,828</u>	
Net current assets			<u>(137,799)</u>	<u>39,612</u>
Total assets less current liabilities			<u>167,933</u>	<u>176,827</u>
Provisions for liabilities	9		<u>20,773</u>	<u>29,667</u>
Net assets			<u>147,160</u>	<u>147,160</u>
Capital and reserves				
Retained earnings			<u>147,160</u>	<u>147,160</u>
Total reserves			<u>147,160</u>	<u>147,160</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 19/12/19 and signed on their behalf by:



RA Leggetter
Director



Robin Webb
Secretary

Notes to the financial statements

For the year ended 31 March 2019

1 Accounting policies

a) Statutory information

Isabel Hospice Trading Limited Ltd is a company limited by guarantee and is incorporated in the England and Wales. 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 – The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (March 2018) and with the Companies Act 2006.

The directors have taken advantage of the reduced disclosure framework exemptions as noted in FRS 102 section 1.12. 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 goods and services, exclusive of VAT.

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

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

f) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

g) 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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

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.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

h) Stocks

Stock 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.

Notes to the financial statements

For the year ended 31 March 2019

i) **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.

j) **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.

k) **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.

l) **Foreign exchange**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are recognised in profit or loss in the period in which they arise.

2 **Turnover**

Turnover is attributable to the principal activity of the company.

3 **Profit before tax is stated after charging:**

	2019 £	2018 £
Auditor's remuneration (excluding VAT):		
Audit	10,003	5,000
Other services	-	650
Depreciation	54,451	38,246
Loss or profit on disposal of fixed assets	-	(5,750)
Operating lease rentals:		
Property	293,568	268,195

Notes to the financial statements

For the year ended 31 March 2019

4 Directors' and employees' costs and emoluments

No emoluments are paid to any director.

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	947,095	815,799
Social security costs	57,884	47,417
Pension costs	34,035	8,117
	1,039,014	871,333

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

2019	2018
63	41

5 Tangible fixed assets

	Short leasehold £	Fixtures & fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2018	423,868	35,155	24,994	167,923	651,940
Additions	124,529	95,513	1,450	1,476	222,968
Disposals	-	-	-	-	-
At 31 March 2019	548,397	130,668	26,444	169,399	874,908
DEPRECIATION					
At 1 April 2018	342,545	27,054	5,748	139,378	514,725
Charge for the year	24,985	15,007	6,551	7,908	54,451
Eliminated on disposal	-	-	-	-	-
At 31 March 2019	367,530	42,061	12,299	147,286	569,176
NET BOOK VALUE					
At 31 March 2019	180,867	88,607	14,145	22,113	305,732
At 31 March 2018	81,323	8,101	19,246	28,545	137,215

Notes to the financial statements

For the year ended 31 March 2019

6 Stocks

	2019 £	2018 £
Finished goods	11,395	9,802

7 Debtors

	2019 £	2018 £
Other debtors	144,874	87,162
Prepayments	91,524	68,745
	236,398	155,907

8 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank overdraft	5,303	-
Trade creditors	159,995	63,301
Amounts owed to group undertakings	160,608	82,013
Social security and other taxes	19,554	13,193
Accrued expenses	40,132	113,321
	385,592	271,828

9 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 £20,773 (2018: £29,667) and so a provision for this sum has been included in these accounts.

10 Share capital

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

Every member of the company undertakes to contribute such amount as may be 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.

Isabel Hospice Trading Ltd (Company no. 02417607)

Notes to the financial statements

For the year ended 31 March 2019

11 Related party transactions

The company has taken advantage of the exemptions not to disclose any transactions with its parent undertaking conferred by FRS 102 on the grounds that the company's results are included in the consolidated results of the parent undertaking.

During the year, the company:

- i) allocated all of its taxable profits, which were £431,547 (2018: £184,999), to Isabel Hospice Limited;
- ii) paid rent of £184,600 (2018: £184,600) to Isabel Hospice Limited for use of warehouse, office and shop premises;

12 Operating lease commitments payable as a lessee

The company's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	2019 £	2018 £
Less than one year	375,708	244,388
One to five years	1,397,707	847,320
Over five years	1,222,965	342,433
	2,996,380	1,434,141

13 Contingent liabilities

None

14 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.