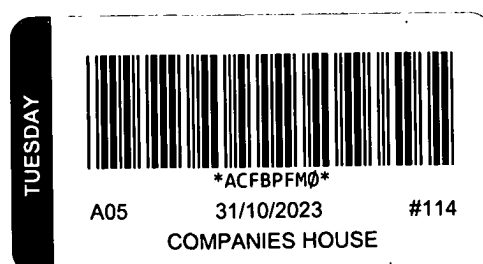


Company Number: 02417607

Isabel Hospice Trading Limited

Annual Report and Financial Statements

For the Year Ended 31 March 2023



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Isabel Hospice Trading Limited

Company Information
for the Year Ended 31 March 2023

STATUS:	The organisation is a company limited by guarantee, incorporated on 29 August 1989.
DIRECTORS:	Ian Williams Terence Philpott Amy Reeve Melanie Cottrell Ian Ellis (appointed 15 December 2022)
SECRETARY:	Helen Glenister
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



Isabel Hospice Trading Ltd
Report of the Directors and Financial Statements for the Year Ended 31 March 2023

Report of the Directors for the Year Ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

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 sixteen 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.

The 22/23 financial year Hospice Trading's turnover from trading activities increased by £0.15m, total income for 22/23 was £2.5mil.

Efficient management of expenditure enabled Trading Company recording a surplus for the 22/23 financial year of £256k (prior year £304k). The Trading Company however ended the year with a positive cash surplus of £512k, a reduction from prior year £868k.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

Ian Williams
Terence Philpott
Amy Reeve
Melanie Cottrell

Other changes in directors holding office are as follows:

Ian Ellis (appointed 15 December 2022)

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.



Isabel Hospice Trading Ltd
Report of the Directors and Financial Statements for the Year Ended 31 March 2023

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 re-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 6 September 2023 and signed on their behalf by


.....

Ian Williams – Chairman of the Board



**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 2023 which comprise the statement of income and retained earnings, balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2023 and of its loss 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Isabel Hospice Trading Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 statements are prepared is consistent with the financial statements; and
- 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 statement of directors' responsibilities 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.



Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the company from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



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



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)

27 October 2023

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 2023

	Note	2023 Total £	Restated 2022 Total £
Turnover	2	2,557,822	2,408,146
Cost of sales		(2,145,021)	(2,042,482)
Gross profit / (loss)		412,801	365,664
Other operating income		3,312	98,722
Administrative expenses		(160,000)	(160,001)
(Loss)/profit on ordinary activities before taxation	3	256,114	304,385
Retained earnings			
Total retained earnings brought forward		94,310	94,310
(Loss) / profit for the financial year		256,114	304,385
Distribution under Gift Aid to parent charity		(256,114)	(304,385)
Total retained earnings carried forward		94,310	94,310

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

Statement of financial position

Company no. 020417607

As at 31 March 2023

			2023		2022
	Note	£	£	£	£
Fixed assets:					
Tangible assets	6		114,272		133,533
			114,272		133,533
Current assets:					
Stocks	7	81,361		5,415	
Debtors	8	166,230		190,957	
Cash at bank and in hand		512,456		868,424	
		760,047		1,064,796	
Creditors:					
Amounts falling due within one year	9	722,329		1,045,084	
Net current liabilities			37,718		19,712
Total assets less current liabilities			151,991		153,245
Provisions for liabilities			57,680		58,935
Net assets			94,310		94,310
Retained earnings			94,310		94,310
Total reserves			94,310		94,310

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 6 September 2023 and signed on their behalf by:



.....
Ian Williams
Chairman of the Board

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) 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, for subsidiaries. The financial statements have been prepared on the historical cost basis.

c) Going concern

The Directors consider there are no material uncertainties about the Company's ability to continue as a going concern.

The 22-23 financial year provided a surplus of £379k with retail shops performing strongly and e-commerce contributing. Cash balances at year end were £512k, retained earnings were £466k, and the parent company is financially solvent.

The Company is expected to be in surplus again in 23-24, with £354k budgeted for the financial year. There is a strategic aim to grow the retail portfolio, remaining cash positive throughout. The Company has sufficient working capital to support its activities during this period. Continued surpluses and net cash inflow are expected for the financial year 24-25 and beyond

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.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

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

▣ 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 has 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.

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) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

m) Pensions

Employees are entitled to a defined contribution pension scheme, with the cost being recognised in the statement of income and retained earnings when paid.

2 Turnover and other operating income

Turnover is attributable to the principal activity of the company.

Isabel Hospice Trading Limited**Notes to the financial statements****For the year ended 31 March 2023****3 Profit before tax is stated after charging:**

	2023	2022
	£	£
Auditor's remuneration (excluding VAT):		
Audit	3,500	10,700
Other services	1,200	3,050
Depreciation	38,946	84,527
Loss on disposal of fixed assets	(2,222)	-
Operating lease rentals:		
Property	325,085	350,811

4 Directors' and employees' costs and emoluments

No emoluments are paid to any director.

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	1,117,895	997,366
Social security costs	74,250	64,155
Pension costs	40,560	37,869
	1,232,705	1,099,391

The average number of employees (including directors) during the year was as follows:

2023	2022
78	68

5 Taxation

All profits are paid to the parent entity by way of a distribution under gift aid and a corresponding tax credit is recorded at the point of the distribution, therefore there is no liability to corporation tax in either the current or prior financial year.

6 Tangible fixed assets

	Short leasehold £	Fixtures & fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At April 2022	357,938	85,888	5,000	42,613	491,439
Additions	20,184	330	1,392	-	21,905
Disposals	-	(33,850)	-	-	(33,850)
At 31 March 2023	378,122	52,368	6,392	42,613	479,494
Depreciation					
At April 2022	295,076	58,858	3,750	221	357,904
Charge for the year	14,241	15,712	1,250	7,744	38,946
Eliminated on disposal	-	(31,629)	-	-	(31,629)
At 31 March 2023	309,316	42,941	5,000	7,964	365,222
Net book value					
At 31 March 2023	68,806	9,427	1,392	34,648	114,272
At 31 March 2022	62,861	27,030	1,250	42,392	133,533

7 Stocks

	2023 £	2022 £
Finished goods	81,361	5,415
	81,361	5,415

8 Debtors

	2023 £	2022 £
Trade debtors	4,654	4,800
Other debtors	66,694	79,846
Prepayments	93,097	101,528
Accrued income	1,785	4,784
	166,230	190,957

Notes to the financial statements

For the year ended 31 March 2023

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	128,193	102,168
Amounts owed to group undertakings	545,873	899,351
Social security and other taxes	23,800	21,271
Accrued expenses	24,462	22,294
	<u>722,329</u>	<u>1,045,084</u>

10 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 £57,680 (2022: £58,935) and so a provision for this sum has been included in these accounts.

11 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.

12 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.

13 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

	Properties 2023 £	2022 £
Less than one year	157,596	266,190
One to five years	377,479	602,325
Over five years	654,126	817,400
	<u>1,189,202</u>	<u>1,685,915</u>

Isabel Hospice Trading Limited

Notes to the financial statements

For the year ended 31 March 2023

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.