

**Report of the Directors and
Financial Statements for the Year Ended 31 March 2016
for
Butterwick Hospice Retail Limited**

WEDNESDAY



A5MC9R5D

A16

21/12/2016

#63

COMPANIES HOUSE

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7

Butterwick Hospice Retail Limited

**Company Information
for the Year Ended 31 March 2016**

DIRECTORS:

G Leggatt-Chidgey
Mrs B S Blakey
J P Bury

SECRETARY:

I Mortimer

REGISTERED OFFICE:

Middlefield Road
Stockton on Tees
TS19 8XN

REGISTERED NUMBER:

02775096 (England and Wales)

AUDITORS:

Davies Tracey
Chartered Accountants and Statutory Auditors
Swan House
Westpoint Road
Teesdale Business Park
Stockton on Tees
TS17 6BP

Butterwick Hospice Retail Limited

Report of the Directors for the Year Ended 31 March 2016

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the operation of Charity shops selling predominantly donated goods. The company pays all its trading profits to its parent undertaking, Butterwick Limited (Registered Charity No 1044816) under Gift Aid.

REVIEW OF BUSINESS

During the year the Company closed its two underperforming shops and is currently actively seeking additional outlets. Although this has, in year, resulted in the Company incurring closure related costs, it is now in a stronger position to increase future profitability.

The Company now operates twelve retail shops and a Warehouse.

In the year the company made a pre-tax profit of £8,758 (2015 - £70,803) which it paid to Butterwick Limited under Gift Aid. After taxation the loss for the year was £388 (2015 - £595).

In addition the company sold items donated to Butterwick Hospice which realised a further £191,153 (2015 - £172,564) on which the Charity recovered Gift Aid totalling £47,304 (2015 - £43,185).

The company's direct and indirect support of Butterwick Hospice, in the year, therefore totalled £247,215 (2015 - £286,552).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

G Leggatt-Chidgley
Mrs B S Blakey
J P Bury

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

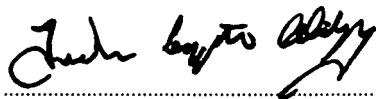
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware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

Butterwick Hospice Retail Limited

**Report of the Directors
for the Year Ended 31 March 2016**

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:



.....
G Leggatt-Chidgey - Director

Date: 21 / 11 / 16

**Report of the Independent Auditors to the Members of
Butterwick Hospice Retail Limited**

We have audited the financial statements of Butterwick Hospice Retail Limited for the year ended 31 March 2016 on pages five to ten. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

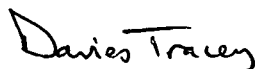
Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

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.



Craig McBride (Senior Statutory Auditor)
for and on behalf of Davies Tracey
Chartered Accountants and Statutory Auditors
Swan House
Westpoint Road
Teesdale Business Park
Stockton on Tees
TS17 6BP

Date: 21/11/16

Butterwick Hospice Retail Limited**Profit and Loss Account
for the Year Ended 31 March 2016**

	Notes	2016 £	2015 £
TURNOVER		643,709	704,676
Cost of sales		<u>29,785</u>	<u>45,738</u>
GROSS PROFIT		613,924	658,938
Administrative expenses		<u>612,668</u>	<u>590,417</u>
		1,256	68,521
Other operating income		<u>7,500</u>	<u>2,282</u>
OPERATING PROFIT	2	8,756	70,803
Payments to parent undertaking under gift aid		<u>8,756</u>	<u>70,803</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Tax on profit on ordinary activities	3	<u>388</u>	<u>595</u>
LOSS FOR THE FINANCIAL YEAR		<u>(388)</u>	<u>(595)</u>

The notes form part of these financial statements

Balance Sheet
31 March 2016

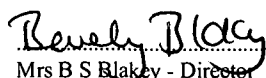
		2016	2015
	Notes	£	£
FIXED ASSETS			
Tangible assets	5	2,752	7,196
CURRENT ASSETS			
Stocks		2,989	4,489
Debtors	6	116,534	77,957
Cash at bank and in hand		46,502	13,894
		166,025	96,340
CREDITORS			
Amounts falling due within one year	7	141,362	75,369
NET CURRENT ASSETS		24,663	20,971
TOTAL ASSETS LESS CURRENT LIABILITIES		27,415	28,167
PROVISIONS FOR LIABILITIES	9	195	559
NET ASSETS		27,220	27,608
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Profit and loss account	11	27,218	27,606
SHAREHOLDERS' FUNDS		27,220	27,608

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 21/11/16 and were signed on its behalf by:



G Leggatt-Chidgey - Director



Mrs B S Blakely - Director

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Turnover represents income received from the sale of donated goods and merchandise, exclusive of VAT where applicable.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- in accordance with the lease
Office equipment	- 20% on cost
Motor vehicles	- 25% on cost

Stocks

Stocks of unsold donated goods are not valued for Balance Sheet purposes. Stocks of merchandise are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely that not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Operating leasing agreements

Rentals paid under operating leases are charged to income as incurred.

Voluntary service

In addition to recorded income and expenses the company received the benefit of many thousands of voluntary hours and unclaimed out of pocket expenses contributed by individuals wishing to assist Butterwick Limited, a registered charity, to which this company covenants all its profits. It would be impossible to place a value on all these services and expenses, without which the company could not operate and for which all involved with Butterwick Limited are extremely grateful.

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation - owned assets	6,896	8,265
Profit on disposal of fixed assets	(292)	-
Auditors' remuneration	4,747	4,625
Pension costs	6,867	5,520
	<u>6,867</u>	<u>5,520</u>
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2016

3. **TAXATION**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	752	1,558
Deferred tax	(364)	(963)
Tax on profit on ordinary activities	<u>388</u>	<u>595</u>

4. **PENSIONS**

The group operates a defined contribution pension scheme. The assets of the scheme are held in independently administered funds.

The total pension cost charge for the year represents contributions payable by the company and amounted to £6,867 (2015 - £5,520).

5. **TANGIBLE FIXED ASSETS**

	Short leasehold £	Office equipment £	Motor vehicles £	Totals £
COST				
At 1 April 2015	97,016	14,006	12,868	123,890
Additions	-	2,452	-	2,452
Disposals	-	-	(12,868)	(12,868)
At 31 March 2016	<u>97,016</u>	<u>16,458</u>	<u>-</u>	<u>113,474</u>
DEPRECIATION				
At 1 April 2015	92,380	11,446	12,868	116,694
Charge for year	4,636	2,260	-	6,896
Eliminated on disposal	-	-	(12,868)	(12,868)
At 31 March 2016	<u>97,016</u>	<u>13,706</u>	<u>-</u>	<u>110,722</u>
NET BOOK VALUE				
At 31 March 2016	<u>-</u>	<u>2,752</u>	<u>-</u>	<u>2,752</u>
At 31 March 2015	<u>4,636</u>	<u>2,560</u>	<u>-</u>	<u>7,196</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade debtors	120	-
Amounts owed by group undertakings	49,730	1,238
Other debtors	66,684	76,719
	<u>116,534</u>	<u>77,957</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	49,402	8,660
Amounts owed to group undertakings	75,553	51,844
Taxation and social security	752	1,558
Other creditors	15,655	13,307
	<u>141,362</u>	<u>75,369</u>

8. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2016	2015
	£	£
Expiring:		
Within one year	11,711	26,847
Between one and five years	23,752	32,752
In more than five years	63,500	81,500
	<u>98,963</u>	<u>141,099</u>

9. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax		
Accelerated capital allowances	<u>195</u>	<u>559</u>
		Deferred tax
		£
Balance at 1 April 2015		559
Credit to Profit and Loss Account during year		(364)
Balance at 31 March 2016		<u>195</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

11. RESERVES

	Profit and loss account
	£
At 1 April 2015	27,606
Deficit for the year	(388)
At 31 March 2016	<u>27,218</u>

12. RELATED PARTY DISCLOSURES

Advantage has been taken of the exemption not to disclose details of transactions with fellow group undertakings on the grounds that they are included in the consolidated accounts. The consolidated accounts are available from Butterwick Limited at its registered office, Middlefield Road, Stockton on Tees.

13. ULTIMATE PARENT COMPANY

The company is a 100% owned subsidiary of Butterwick Limited, a registered charity (no. 1044816) incorporated in England.