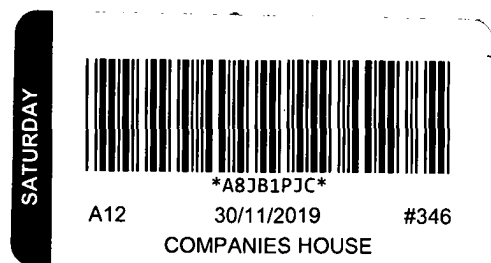


Registered number: 02775096

BUTTERWICK HOSPICE RETAIL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019



BUTTERWICK HOSPICE RETAIL LIMITED

COMPANY INFORMATION

DIRECTORS

B S Blakey
J P Bury
D Jones

COMPANY SECRETARY

V T Harrison

REGISTERED NUMBER

02775096

REGISTERED OFFICE

Butterwick Hospice
Middlefield Road
Stockton on Tees
Cleveland
TS19 8XN

INDEPENDENT AUDITORS

Waltons Clark Whitehill Limited
Chartered Accountants & Statutory Auditors
Maritime House
Harbour Walk
The Marina
Hartlepool
TS24 0UX

BUTTERWICK HOSPICE RETAIL LIMITED

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Balance sheet	7
Notes to the financial statements	8 - 12
The following pages do not form part of the statutory financial statements:	
Detailed profit and loss account and summaries	13 - 15

BUTTERWICK HOSPICE RETAIL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019:

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The company's principal activities are the operation of charity shops and the sale of merchandise to raise funds for the Butterwick Hospice. The company pays all its trading profits to its parent undertaking Butterwick Limited (Registered Charity No. 1044816) under a deed of covenant. In the current year Butterwick Hospice Retail Limited has made a donation of £11,945 to Butterwick Limited.

DIRECTORS

The directors who served during the year were:

B S Blakey
J P Bury
D Jones

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

BUTTERWICK HOSPICE RETAIL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

AUDITORS

The auditors, Waltons Clark Whitehill Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 25/11/2019 and signed on its behalf.



J P Bury
Director



B S Blakey
Director

BUTTERWICK HOSPICE RETAIL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF BUTTERWICK HOSPICE RETAIL LIMITED

UNQUALIFIED OPINION

We have audited the financial statements of Butterwick Hospice Retail Limited (the 'company') for the year ended 31 March 2019, which comprise the statement of income and retained earnings, the balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

BUTTERWICK HOSPICE RETAIL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF BUTTERWICK HOSPICE RETAIL LIMITED (CONTINUED)

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

BUTTERWICK HOSPICE RETAIL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF BUTTERWICK HOSPICE RETAIL LIMITED (CONTINUED)

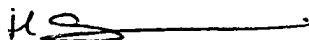
AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

USE OF OUR REPORT

This report is made solely to the company's shareholder 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 shareholder those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholder for our audit work, for this report, or for the opinions we have formed.



Heather O'Driscoll FCA (senior statutory auditor)

for and on behalf of
Waltons Clark Whitehill Limited

Chartered Accountants
Statutory Auditors

Maritime House
Harbour Walk
The Marina
Hartlepool
TS24 0UX

Date: 28 November 2019.

BUTTERWICK HOSPICE RETAIL LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	<i>As restated</i> 2018 £
Turnover	749,601	694,067
Cost of sales	(30,511)	(43,884)
GROSS PROFIT	719,090	650,183
Administrative expenses	(623,690)	(564,180)
Exceptional administrative expenses	5 (103,191)	-
Other operating income	630	-
OPERATING (LOSS)/PROFIT	(7,161)	86,003
Tax on (loss)/profit	(8,112)	27
(LOSS)/PROFIT AFTER TAX	(15,273)	86,030
Retained earnings at the beginning of the year	27,218	27,218
(Loss)/profit for the year	(15,273)	86,030
Dividends declared	(11,945)	(86,030)
RETAINED EARNINGS AT THE END OF THE YEAR	-	27,218

The notes on pages 8 to 12 form part of these financial statements.

BUTTERWICK HOSPICE RETAIL LIMITED
REGISTERED NUMBER: 02775096

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	6	10,397	2,178
		<u>10,397</u>	<u>2,178</u>
CURRENT ASSETS			
Stocks		4,354	3,620
Debtors: amounts falling due after more than one year	7	-	93,616
Debtors: amounts falling due within one year	7	54,350	46,588
Cash at bank and in hand		19,571	27,822
		<u>78,275</u>	<u>171,646</u>
Creditors: amounts falling due within one year	8	(88,670)	(146,571)
NET CURRENT (LIABILITIES)/ASSETS		<u>(10,395)</u>	<u>25,075</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2</u>	<u>27,253</u>
PROVISIONS FOR LIABILITIES			
Deferred tax		-	(33)
NET ASSETS		<u>2</u>	<u>27,220</u>
CAPITAL AND RESERVES			
Called up share capital		2	2
Profit and loss account		-	27,218
		<u>2</u>	<u>27,220</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25/11/2019

B S Blakey
B S Blakey
 Director

J H Bury
J H Bury
 Director

The notes on pages 8 to 12 form part of these financial statements.

BUTTERWICK HOSPICE RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. GENERAL INFORMATION

Butterwick Hospice Retail Limited is a private company, limited by shares, incorporated in England and Wales, registration number 02775096. Its registered office is Butterwick Hospice, Middlefield Road, Stockton on Tees, Cleveland, TS19 8XN.

The parent undertaking is Butterwick Limited a registered charity and Butterwick Hospice Retail Limited is part of a public benefit entity group.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

2.2 Going concern

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

2.3 Turnover

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

2.4 Pensions

Defined contribution pension plan

The company contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.5 Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

BUTTERWICK HOSPICE RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.6 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 of these services and expenses, without which the company could not operate and for which all involved with Butterwick Limited are extremely grateful.

2.7 EXCEPTIONAL ITEMS

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

2.8 Tangible fixed assets

Depreciation is provided on the following basis:

Short term leasehold property	- in accordance with the lease
Motor vehicles	- 25%
Office equipment	- 20% straight line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income and retained earnings.

2.9 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.

2.10 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

2.11 Dividends

The company pays all its taxable profits for the reporting period to its parent charity under a deed of covenant. These gift aid payments are recognised as dividends.

3. AUDITORS' REMUNERATION

	2019 £	2018 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	1,168	1,430

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

BUTTERWICK HOSPICE RETAIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 20 (2018 - 21).

5. EXCEPTIONAL ITEMS

	2019 £	2018 £
Intercompany bad debt write off.	103,191	-
	<u>103,191</u>	<u>-</u>

The intercompany loan with Seven Wellbeing Centre Limited has been written off and is recognised as exceptional income in Seven Wellbeing Centre.

6. TANGIBLE FIXED ASSETS

	Short term leasehold property £	Motor vehicles £	Office equipment £	Total £
Cost				
At 1 April 2018	97,016	-	17,308	114,324
Additions	-	9,165	1,910	11,075
At 31 March 2019	<u>97,016</u>	<u>9,165</u>	<u>19,218</u>	<u>125,399</u>
Depreciation				
At 1 April 2018	97,016	-	15,130	112,146
Charge for the year on owned assets	-	2,291	565	2,856
At 31 March 2019	<u>97,016</u>	<u>2,291</u>	<u>15,695</u>	<u>115,002</u>
Net Book Value				
At 31 March 2019	<u>-</u>	<u>6,874</u>	<u>3,523</u>	<u>10,397</u>
At 31 March 2018	<u>-</u>	<u>-</u>	<u>2,178</u>	<u>2,178</u>

BUTTERWICK HOSPICE RETAIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. DEBTORS

	2019 £	2018 £
Due after more than one year		
Amounts owed by group undertakings	-	93,616
	<u>-</u>	<u>93,616</u>
	2019 £	2018 £
Due within one year		
Trade debtors	7,456	-
Other debtors	8,237	6,351
Prepayments and accrued income	38,657	40,237
	<u>54,350</u>	<u>46,588</u>

8. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	38,178	41,106
Amounts owed to group undertakings	38,185	100,504
Corporation tax	8,996	-
Other creditors	336	-
Accruals and deferred income	2,975	4,961
	<u>88,670</u>	<u>146,571</u>

9. CONTROLLING PARTY

Butterwick Hospice Retail Limited is a wholly owned subsidiary of Butterwick Limited whose registered office address is:

Butterwick Hospice
Middlefield Road
Stockton on Tees
Cleveland
TS19 8XN

Consolidated accounts for Butterwick Limited, which include the results for Butterwick Hospice Retail Limited, are available from the address above.

BUTTERWICK HOSPICE RETAIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

10. RESTATEMENT OF PRIOR YEAR

The prior period financial statements have been restated in line with updated guidance issued by the ICAEW (ICAEW Technical release TECH 16/14BL revised guidance on donations by a company to its parent charity) to show the gift aid donation to the parent charity as a distribution of profit rather than an administration expense. This has increased profit for the prior year by £86,030 and a dividend of £86,030 has been recognised.

There is no impact on the closing reserves.

BUTTERWICK HOSPICE RETAIL LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	2019	<i>As restated</i>
	£	2018
		£
Turnover	749,601	694,069
Cost of Sales	(30,512)	(43,883)
GROSS PROFIT	719,089	650,186
Other operating income	630	-
LESS: OVERHEADS		
Administration expenses	(726,880)	(564,183)
OPERATING (LOSS)/PROFIT	(7,161)	86,003
Tax on (loss)/profit on ordinary activities	(8,112)	27
(LOSS)/PROFIT FOR THE YEAR	(15,273)	86,030

BUTTERWICK HOSPICE RETAIL LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Turnover	749,601	694,069
	749,601	694,069
	2019 £	2018 £
Cost of sales		
Opening stocks	3,620	2,403
Closing stocks	(4,354)	(3,620)
Purchases	31,246	45,100
	30,512	43,883
	2019 £	2018 £
Other operating income		
Insurance claims receivable	630	-
	630	-

BUTTERWICK HOSPICE RETAIL LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019	<i>As restated</i>
	£	2018
		£
Administration expenses		
Staff salaries	282,279	260,135
Staff national insurance	15,365	12,862
Staff pension costs	6,580	5,886
Staff training	649	-
Motor running costs	6,713	9,497
Hotels, travel and subsistence	5,966	4,613
Postage	3,776	4,015
Telephone and fax	2,442	2,720
Computer costs	5,064	5,772
Trade subscriptions	1,532	3,069
Legal and professional	1,872	763
Auditors' remuneration	1,168	1,430
Equipment hire	-	1,779
Bank charges	2,839	2,603
Sundry expenses	31,178	28,548
Rent	154,555	155,623
Rates	20,878	18,565
Light and heat	21,962	26,509
Insurances	11,244	10,924
Repairs and maintenance	7,263	8,440
Depreciation	2,856	430
Intercompany recharges	37,508	-
Bad debt write off	103,191	-
	726,880	564,183