

Walsall Hospice Trading Limited

Directors' Report and Financial Statements

For the year ended 31 March 2006

Company Registration number 2722178 (England & Wales)

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Walsall Hospice Trading Limited

Contents

	Page
Legal and Administrative Details	1
Directors' Report	2 - 3
Independent Auditors' Report	4 - 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 - 11

Walsall Hospice Trading Limited

Legal and Administrative Details

Directors	Paul Kingston Amanda Maisey Terry Robshaw FCA
Secretary	Terry Robshaw FCA
Company number	2722178
Registered office	26 Digbeth Walsall West Midlands WS1 1QU
Auditors	Lancaster Clements Limited Stanley House 27 Wellington Road Bilston West Midlands WV14 6AH
Bankers	Lloyds TSB Plc PO Box 46 The Bridge Walsall West Midlands WS1 1LU HSBC Bank Plc The Bridge Walsall West Midlands WS1 1LN
Solicitors	Cobbetts One Colmore Square Birmingham B4 6AJ

Walsall Hospice Trading Limited

Directors Report for the year ended 31 March 2006

The Directors present their Report and the Financial Statements for the year ended 31 March 2006.

Principal activity

The principal activity of the company is that of charity retail outlets.

Change of Name

The company changed its name to Walsall Hospice Trading Limited on 3 May 2005.

Results and Dividends

The results for the year are detailed on page 6 of the financial statements.

Directors

The directors as at 31 March 2006, all of whom served for the whole of the year ended on that date and until the date of this report, unless otherwise stated, are listed below:

Paul Kingston	
Dr Sumathy Nambisan	(Resigned 26 May 2005)
Amanda Maisey	
Reverend Dr Ian Richard Morley Poole	(Resigned 26 May 2005)
Terry Robshaw	(Appointed 8 April 2005)
Amanda Frances Walker	(Resigned 26 May 2005)
Dixon Raymond Wilton	(Resigned 26 May 2005)

None of the directors have or have had any interest in the ordinary share capital of the company. The parent undertaking is limited by guarantee and as such the directors have no interest in that company.

Directors' Responsibilities

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the Company for that year. In preparing these, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and 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 proper accounting records which 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 1985. 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.

Walsall Hospice Trading Limited

Directors Report for the year ended 31 March 2006

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Lancaster Clements Limited be reappointed as auditors of the company will be put to the Annual General Meeting. This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 14 December 2006 and signed on its behalf by

A handwritten signature in dark ink, appearing to read 'P.A. Kingston', written over the printed name.

Paul Kingston
Chairman

Walsall Hospice Trading Limited

Independent auditors' report to the shareholders of Walsall Hospice Appeal Trading Company Limited

We have audited the financial statements of Walsall Hospice Trading Limited for the year ended 31 March 2006, which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed. We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions Available for Small Entities. Details of the assistance supplied are disclosed within the notes to the financial statements.

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Walsall Hospice Trading Limited

Independent auditors' report to the shareholders of Walsall Hospice Appeal Trading Company Limited

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Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2006 and of its profit for the year then ended; the financial statements have been properly prepared in accordance with the Companies Act 1985 and the information given in the Directors' Report is consistent with the financial statements for the year ended 31 March 2006.

Lancaster Clements Limited

Lancaster Clements Limited

Chartered Certified Accountants and Registered Auditors

18 January 2007

Walsall Hospice Trading Limited

Profit and loss account for the year ended 31 March 2006

	Notes	2006 £	2005 £
Turnover	2	88,604	89,184
Cost of Sales		(1,423)	(756)
Gross Profit		<u>87,181</u>	<u>88,428</u>
Administrative Expenses		(82,052)	(97,256)
Exceptional Items	3	-	13,291
Operating Profit	4	<u>5,129</u>	<u>4,463</u>
Other interest receivable and similar income		2	89
Interest payable and similar charges		(779)	(1,297)
Profit on Ordinary Activities Before Taxation		<u>4,352</u>	<u>3,255</u>
Tax on Profit on Ordinary Activities		-	-
Profit on Ordinary Activities After Taxation		<u>4,352</u>	<u>3,255</u>
Retained Profit brought forward		4,863	1,608
Retained Profit carried forward		<u>9,215</u>	<u>4,863</u>

Walsall Hospice Trading Limited

Balance sheet as at 31 March 2006

		2006		2005	
	Notes	£	£	£	£
Fixed Assets					
Tangible Assets	6		12,034		11,520
Current Assets					
Stocks		3,137		894	
Debtors	7	26,003		28,946	
Cash at Bank and in Hand		13,540		5,394	
		<u>42,680</u>		<u>35,234</u>	
Creditors: amounts falling due within one year	8	<u>(10,499)</u>		<u>(41,889)</u>	
Net Current Assets (Liabilities)			32,181		(6,655)
Total Assets less Current Liabilities			<u>44,215</u>		<u>4,865</u>
Creditors: amounts falling due within one year	9		(15,000)		-
Net Assets			<u>29,215</u>		<u>4,865</u>
Capital and Reserves					
Called up Share Capital	10		20,000		2
Profit and Loss account			9,215		4,863
Shareholders' Funds			<u>29,215</u>		<u>4,865</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Board on 14 December 2006 and signed on its behalf by



Paul Kingston
Chairman

Walsall Hospice Trading Limited

Notes to the financial statements for the year ended 31 March 2006

1. Accounting Policies

1.1. Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2. Changes in accounting policy

In preparing the financial statements for the current year, the company has adopted the Financial Reporting Standards for Smaller Entities (effective January 2005). This has had no material effect on the financial statements.

1.3. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.4. Tangible Fixed Assets and Depreciation

Depreciation is provided with the intention of writing off costs of Tangible Fixed Assets over their useful lives. The provision is calculated using the straight-line method over the following periods:

Fixtures, fittings and equipment - 5 years

Motor vehicles - 5 years

1.5. Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

1.6. Stock

Stock is valued at the lower of cost and net realisable value.

1.7.. 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.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Exceptional Items

	2006 £	2005 £
VAT Recovery	-	13,291

Walsall Hospice Trading Limited

Notes to the financial statements for the year ended 31 March 2006

4. Operating Profit	2006 £	2005 £
Operating profit is stated after charging/ (crediting):		
Exceptional items (Note 3)	-	(13,291)
Depreciation and other amounts written off tangible assets	3,084	3,271
Loss on disposal of tangible fixed assets	-	603
Auditors' remuneration	1,500	1,500
	<u> </u>	<u> </u>

5. Directors' Emoluments

There were no Directors emoluments (2005 - none)

6. Tangible Fixed Assets

	Fixtures, Fittings and Equipment £	Motor Vehicles £	Total £
Cost			
At 1 April 2005	1,950	13,426	15,376
Additions	3,598	-	3,598
At 31 March 2006	<u>5,548</u>	<u>13,426</u>	<u>18,974</u>
Depreciation			
At 1 April 2005	1,170	2,686	3,856
Charge for the year	399	2,685	3,084
At 31 March 2006	<u>1,569</u>	<u>5,371</u>	<u>6,940</u>
Net Book Values			
At 31 March 2006	<u>3,979</u>	<u>8,055</u>	<u>12,034</u>
At 31 March 2005	<u>780</u>	<u>10,740</u>	<u>11,520</u>

7. Debtors

	2006 £	2005 £
Other debtors	11,465	24,164
Prepayments and accrued income	14,538	4,782
	<u>26,003</u>	<u>28,946</u>

Walsall Hospice Trading Limited

Notes to the financial statements for the year ended 31 March 2006

8. Creditors: amounts falling due within one year	2006 £	2005 £
Trade creditors	6,154	-
Amounts owed to group undertaking: -Loan	-	32,297
Other	1,951	8,007
Accruals and deferred income	2,394	1,585
	<u>10,499</u>	<u>41,889</u>

9. Creditors: amounts falling due after one year	2006 £	2005 £
Amounts owed to group undertaking: - Loan Stock	15,000	-

On 8 April 2005 the company issued, £15,000 of 5% Redeemable/Convertible loan stock to its parent undertaking. The terms are that £5,000 is due for redemption on 31 March in each of 2007, 2008 and 2009. In the event that any tranche is not redeemed on the due date, that tranche will be converted into ordinary share capital, ranking pari passu with the existing ordinary share capital.

10. Share Capital	2006 £	2005 £
Authorised		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>1,000</u>
Allotted, Called up and Fully Paid		
2 Ordinary shares of £1 each	<u>20,000</u>	<u>2</u>

On 8 April 2005 the company issued, at par value, 19,998 ordinary £1 shares to its parent undertaking.

11. Financial Commitments

At 31 March 2006 the company had annual commitments under non-cancellable operating leases as follows:

	2006 £	2005 £
Expiry Date:		
Between one and five years	44,111	13,352
In over five years	10,504	10,504
	<u>54,615</u>	<u>23,856</u>

Walsall Hospice Trading Limited

Notes to the financial statements for the year ended 31 March 2006

12. Parent Undertaking

The parent undertaking is Walsall Hospice (formerly Walsall Hospice Appeal Limited), a Charitable Company registered in England and Wales. During the year the company repaid the loan of £31,000 from the parent undertaking from the issue of Share Capital and 5% Loan Stock. Interest was charged at 2% above base rate on the loan up to the date of repayment which amounted to £46 (2005 - £1,297). Loan Stock Interest amounted to £733 (2005 - Nil). At the balance sheet date Walsall Hospice Trading Limited owed that company £1,951 (2005 - £40,304).

13. Other Services Provided by Auditors

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.