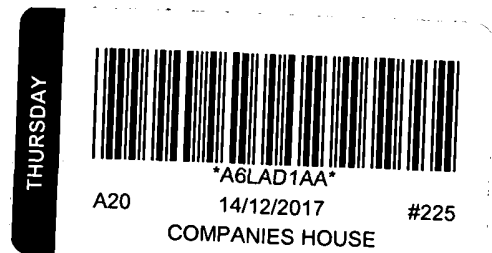


PEACE HOSPICE SHOPS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

Registered Number: 02908934



PEACE HOSPICE SHOPS LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2017

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PEACE HOSPICE SHOPS LIMITED

COMPANY INFORMATION

YEAR ENDED 31 MARCH 2017

DIRECTORS

Mr Jarmo Kesanto - Chair
Mrs G Hollander OBE
Mrs B Chadwick

REGISTERED OFFICE AND BUSINESS ADDRESS

Peace Hospice Care
Peace Drive
Watford
Hertfordshire
WD17 3PH

REGISTERED NUMBER

02908934 (England and Wales)

AUDITORS

Price Bailey LLP
Chartered Accountants & Statutory Auditors
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

PEACE HOSPICE SHOPS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of running Charity Shops for the benefit of Peace Hospice Care.

DIRECTORS

The directors during the year under review were:

Mr Jarmo Kesanto - Chair

Mrs G Hollander OBE

Mrs B Chadwick

No director held any beneficial interest in the issued share capital of the company at any time.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 FRS 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 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.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

PEACE HOSPICE SHOPS LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2017

AUDITORS

The auditors, Price Bailey, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

SMALL COMPANIES NOTE

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and was approved by the Board of Directors on and signed on its behalf by:



Mr Jarmo Kesanto
Director
24 October 2017

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PEACE HOSPICE SHOPS LIMITED

We have audited the financial statements of Peace Hospice Shops Limited for the year ended 31 March 2017 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 Financial Reporting Council'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 Directors' Report 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 2017 and of its result 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 the audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PEACE HOSPICE SHOPS LIMITED
(CONTINUED)**

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.
- 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 in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Helena Wilkinson BSc FCA DChA
Senior Statutory Auditor

for and on behalf of
Price Bailey LLP

Chartered Accountants
Statutory Auditors

Tennyson House
Cambridge Business Park Cambridge
CB4 0WZ

Date: 6.12.2017

PEACE HOSPICE SHOPS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
TURNOVER		1,563,889	1,517,621
Cost of sales		(148,793)	(159,200)
GROSS PROFIT		1,415,096	1,358,421
Compensation for compulsory purchase of shop lease			185,709
Administrative expenses		(1,190,808)	(1,114,920)
OPERATING PROFIT	3	224,288	429,210
Interest receivable and similar income		385	473
PROFIT ON ORDINARY ACTIVITIES BEFORE GIFT AID		224,673	429,683
Gift aid donations		(224,673)	(429,683)
PROFIT FOR THE FINANCIAL YEAR BEFORE TAXATION		-	-
Tax on profit on ordinary activities	5	-	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		-	-
Profit brought forward		18,171	18,171
RETAINED PROFIT CARRIED FORWARD		18,171	18,171

There were no recognised gains and losses for 2017 or 2016 other than those included in the profit and loss account.

There was no other comprehensive income for 2017 (2016 - £NIL).

The notes on pages 7 to 9 form part of these financial statements

PEACE HOSPICE SHOPS LIMITED (Company number 02908934)

BALANCE SHEET

AS AT 31 MARCH 2017

	Note	£	2017	£	£	2016	£
FIXED ASSETS							
Tangible assets	6	74,537				97,925	
CURRENT ASSETS							
Stocks		452			-		
Debtors	5	91,769			115,227		
Cash and cash equivalents		199,896			94,200		
		292,117			209,427		
CREDITORS: amounts falling due within one year	6	(348,481)			(289,179)		
NET CURRENT LIABILITIES				(56,364)		(79,752)	
TOTAL ASSETS LESS CURRENT LIABILITIES				18,173		18,173	
CAPITAL AND RESERVES							
Called up share capital	7			2		2	
Profit and loss account				18,171		18,171	
SHAREHOLDERS' FUNDS				18,173		18,173	

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 of Directors on 24.10.2017 and were signed below on its behalf by:


Mr Jarmo Kesanto
Director
24 October 2017

The notes on pages 7 to 9 form part of these financial statements

PEACE HOSPICE SHOPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1. GENERAL INFORMATION

Peace Hospice Shops Limited is a private company limited by shares incorporated in England and Wales, United Kingdom. The address of the registered office is Peace Hospice Care, Peace Drive, Watford, Hertfordshire, WD17 3PH.

2. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

These financial statements for the year ended 31 March 2017 are the first financial statements prepared in accordance with FRS 102 Section 1A. The date of transition to FRS 102 Section 1A was 1 April 2015.

The financial statements are presented in sterling, which is the functional currency of the company.

The following principal accounting policies have been applied:

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents sales of goods and lottery income. The company is registered as a VAT group together with its parent company Peace Hospice Care.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. Depreciation is provided on the following basis:

Equipment - 25% on cost (equipment in shops with a lease of less than four years is written off over the length of the lease)

Motor vehicles – 20% on cost

Stock

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Debtors

Short term debtors are measured at transaction price, less any impairment.

PEACE HOSPICE SHOPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

2. ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price.

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, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

Operating lease commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates defined contribution individual personal pension plans. The assets of these schemes are held separately from those of the company in individual funds for each member. Contributions payable for the year are charged in the profit and loss account.

Lottery income and expenditure

Lottery income is apportioned to the period to which it relates with amounts received for future draws carried forward as a creditor. Lottery expenditure is charged in the profit and loss account as it is incurred.

3. OPERATING PROFIT

	2017 £	2016 £
The operating profit is stated after charging:		
Depreciation – owned assets	34,388	24,495
Auditors' remuneration	3,100	4,550
Pension costs	11,329	8,540
Rent payable	<u>313,960</u>	<u>275,181</u>

4. EMPLOYEES

The average monthly number of employees, including directors, during the year was 36 (2016 - 38).

5. TAXATION

The company pays over its profits by means of gift aid to the parent undertaking, Peace Hospice Care, which is a registered charity. Therefore no liability to corporation tax arises on the company's results.

PEACE HOSPICE SHOPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

6. TANGIBLE FIXED ASSETS	Equipment £	Motor Vehicles £	Total £
At 1 April 2016	355,272	40,143	395,415
Additions		11,000	11,000
Disposals		(4,299)	(4,299)
At 31 March 2017	355,272	46,844	402,116
Depreciation			
At 1 April 2016	259,680	37,810	297,490
Charge for year	32,605	1,783	34,388
Disposals		(4,299)	(4,299)
At 31 March 2017	292,285	35,294	327,579
Net Book Value			
At 31 March 2017	62,987	11,550	74,537
At 31 March 2016	95,592	2,333	97,925
7. STOCKS		2017 £	2016 £
Finished goods and goods for resale		452	-
		452	-
8. DEBTORS: amounts falling due within one year		2017 £	2016 £
Other debtors		5,376	5,476
Accrued income			15,556
Prepayments		74,584	75,775
VAT repayable		11,809	18,420
		91,769	115,227
9. CASH AND CASH EQUIVALENTS		2017 £	2016 £
Cash at bank and in hand		199,896	94,200
		199,896	94,200

PEACE HOSPICE SHOPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

10. CREDITORS: amounts falling due within one year	2017	2016
	£	£
Trade creditors	24,730	58,264
Amounts owed to group company	231,114	125,976
Other creditors	41,130	51,243
Accrued expenses	51,507	53,696
	<u>348,481</u>	<u>289,179</u>
11. CALLED UP SHARE CAPITAL	2017	2016
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>
12. OPERATING LEASE COMMITMENTS	2017	2016
	£	£
The following payments are committed to be paid within one year on land and buildings, with leases expiring:		
Less than one year	266,700	10,583
Between one and two years	245,700	-
Between two and five years	508,860	1,173,000
In more than five years	-	1,261,300
	<u>1,021,260</u>	<u>1,389,183</u>
The following payments are committed to be paid within one year on vehicles, with leases expiring:		
Between one and two years	<u>-</u>	<u>-</u>
14. FINANCIAL INSTRUMENTS		
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	199,896	94,200
Financial assets that are debt instruments measured at amortised cost	5,376	5,476
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	296,974	235,483

Financial assets measured at fair value through profit or loss comprise of cash at hand and in bank.

Financial assets measured at amortised cost comprise of other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors and amounts owed to group undertakings and other creditors.

PEACE HOSPICE SHOPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2017

15. ULTIMATE PARENT COMPANY

The ultimate controlling party is Peace Hospice Care, a company incorporated in the United Kingdom limited by guarantee and a registered charity. Peace Hospice Care is the company's immediate and ultimate parent undertaking. Consolidated accounts are available from Peace Hospice Care by writing to their registered office.

16. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption from the requirement to disclose transactions with wholly owned group companies.

17. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.