

**GARDEN HOUSE HOSPICE TRADING LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

Registered Office:  
Garden House Hospice Care,  
Gillison Close,  
Letchworth Garden City,  
Herts SG61QU

Registered Number:  
02671267

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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Richard Dearden Roger Gochin James Hyde Mike Thompson (appointed 4 <sup>th</sup> October 2021) Sir Tim Wilson (resigned 24 <sup>th</sup> February 2022) Stephen Mellish (resigned 28 <sup>th</sup> June 2021)
<b>Registered number</b>	02671267
<b>Registered office</b>	Garden House Hospice Care Gillison Close Letchworth Hertfordshire SG6 1QU
<b>Independent auditors</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**CONTENTS**

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	Page
Directors' Report	1 - 6
Independent Auditors' Report	7 - 9
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 - 17

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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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The directors present their report and the financial statements for the year ended 31 March 2022.

**CHAIRMAN'S REPORT**

As last year, 2021/22 continued to be challenging with the COVID pandemic meaning we had to shut our shops and some of operations again. Despite this uncertainty, through the hard work of our fantastic staff and volunteers, the Trading Company performed well.

Overall, we produced a profit of £537k (an increase of 53% on 2020/21) and saw the benefit of our investment in the online and upcycling operations which grew by 50%. We were also supported with a Retail, Leisure and Hospitality government grant of £75k which contributed to a successful outturn.

Whilst managing to reopen our shops and operations fully and welcome our customers back, we also opened an additional shop in Letchworth. New fixtures, lighting and flooring and a change in the approach to merchandising, combine to give this latest shop a different look and feel and the sales results have been very pleasing indeed for the Trading team.

During the year, we welcomed a new Director to the Trading Board, Mike Thompson, who is a skilled and successful leader bringing a wealth of experience. Unfortunately, we also said goodbye to another Trustee Director, Tim Wilson. Tim's contribution to the board has been significant and we will miss his enthusiasm and wise counsel.

I am so grateful to our staff and volunteers who have, once again, worked tirelessly to serve our customers and support new initiatives. Their commitment makes a huge difference to the communities we serve. I would also like to thank my colleagues on our Trading Board whose energy and ideas have such an impact on what we are able to achieve, and on the contribution we make to our hospice.



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Richard Dearden  
August 2022

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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Garden House Hospice Trading Company Strategic Objectives**

<u>Our Vision</u>	<u>Our Goal</u>
To make a major contribution in support to the Garden House Hospice Care's vision of community access to its quality end of life care services	To exceed the financial needs of GHHC through our people, our customers, and our brand

**Garden House Hospice Trading Company Strategic Objectives 2021/2022**

<b>Garden House Hospice Trading Company Strategic Objectives 2021/22</b>	<b>Commentary on progress</b>
<p><b>Performance management - people and activity</b></p> <ul style="list-style-type: none"><li>• KPIs</li><li>• Objectives</li></ul> <p><b>Platforms - where, what and how we sell</b></p> <ul style="list-style-type: none"><li>• Shops</li><li>• Online</li><li>• Logistics</li></ul> <p><b>People - right people in the right place</b></p> <ul style="list-style-type: none"><li>• Staff</li><li>• Volunteers</li><li>• Training and Development</li></ul>	<ul style="list-style-type: none"><li>• The trading company successfully delivered an income budget £2.1m with a profit of £537k</li><li>• We developed and followed a very clear Covid reopening plan enabling all shops to open and trade following Covid lockdowns</li><li>• We successfully opened new concepts and shops including Junior House - a specialist children's shops and a pre-loved fashion shop</li><li>• We developed Upcycling House, offering a new way for people to purchased pre-loved furniture</li><li>• We successfully delivered new restock programme including a door-to-door collection service and a Big Charity Restock at various locations in the local area</li><li>• Online sales achieved income of £220k (profit £85k)</li><li>• We developed an online and social media presence for the trading company.</li></ul>

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## GARDEN HOUSE HOSPICE TRADING LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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The following objectives have been agreed by the Trading Company Board of Trustees for the next three years:

#### To be the retailer of choice for sustainable fashion and goods

- Exceed the financial expectations of Garden House Hospice Care
- Make it easy and accessible for people to donate to Garden House Hospice Trading Company
- Develop a digital marketing strategy
- Support with the delivery of our Community Engagement Strategy on the high street
- Offer a range of services to match our audience and community needs
- Development of new trading concepts outside of core area and structure
- Support with delivery of HR Strategy by investing in people, staff and volunteers to improve retention and moral.

#### Principal Risks and Uncertainties

The Trading Company has a formal risk management process through which the Senior Leadership Team identifies the major risks to which the organisation may be exposed. The risks are then ranked by likelihood and impact. A range of risk mitigation controls are put into place, which are reviewed and revised on an ongoing basis.

The Trading Company Risk Register is also reviewed, on a six-monthly basis by the Trading Company's Board of Directors before being reported to the Charity's Board of Trustees. This is to provide assurance that systems have been developed and are in place to mitigate identified risks to an acceptable level.

All staff and volunteers will receive training and awareness programmes to ensure they are familiar with the procedures for managing and mitigating the risks associated with their roles and responsibilities.

The principal risks and uncertainties identified by the Trading Company are as follows:

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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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<u>Risks identified</u>	<u>Actions taken to mitigate the risk</u>
Failure to reach financial targets:	Income is closely monitored with a 3-stage process for budget setting. A comprehensive dashboard is presented monthly to the Trading board and discussed at board meetings at least 6 times per year. Teams are all given achievable targets to work towards which are monitored weekly with KPIs for sales, rag and Gift Aid all included.
Security Incident:	There are policies in place to ensure the correct processes are followed with regards to banking, cash handling, fraud, and theft. All incidents are followed up correctly following an escalation procedure. This is supplemented by having an education and learning programme in place.
Lack of resources:	There is an effective staff and volunteer recruitment programme in place which is supported by a learning and development programme. Absences including annual leave and sickness are monitored.
Legal & regulatory failure:	There are robust health and safety policies along with auditing, reporting and resolution protocols in place which include data security and safeguarding. All staff and volunteers are given comprehensive H&S training as well as full training needed to carry out their roles.

**Financial Review**

After the uncertainties of the end of the 2019/20 financial year and the whole of the 2020/21 financial year it was good to have some certainty once again. The financial year ended 31 March 2022 started with our shops still closed due to Covid-19 but, on re-opening, sales were strong. Turnover was £2.11m, a 30% increase over 2020/21, due in part to an additional shop opening in Letchworth and partly because of the release of pent-up consumer spending following the relaxation of Covid-19 restrictions. The majority of shops showed strong trading results as did the Online department, but it is likely that the trading environment will prove challenging in the future due to increasing consumer cost squeeze.

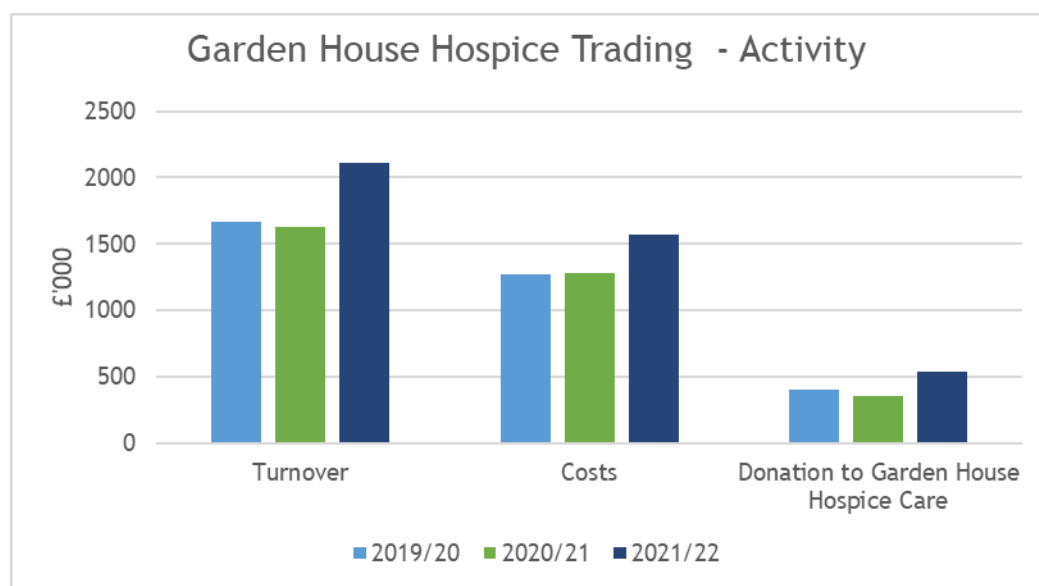
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## GARDEN HOUSE HOSPICE TRADING LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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Garden House Hospice Trading donates its profits to Garden House Hospice Care which owns 100% of its share capital. In 2021/22, this donation amounted to £537,153 (2020/21: £350,062).

#### 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
- 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 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.



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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Directors**

The directors who served during the year were:

Stephen Mellish (resigned 28<sup>th</sup> June 2021)

Roger Gochin

Sir Tim Wilson (resigned 24<sup>th</sup> February 2022)

Richard Dearden

James Hyde

Mike Thompson (appointed 4<sup>th</sup> October 2021)

**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.

**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 Trading board on 30<sup>th</sup> November 2022 and signed on its behalf.



Richard Dearden  
Chairman/Director

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## GARDEN HOUSE HOSPICE TRADING LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GARDEN HOUSE HOSPICE TRADING LIMITED

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#### Opinion

We have audited the financial statements of Garden House Hospice Trading Limited (the 'company') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, Balance sheet, the Statement of Changes in Equity and the notes to the accounts 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 2022 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.

#### 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 the Company'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 annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 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.

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## GARDEN HOUSE HOSPICE TRADING LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GARDEN HOUSE HOSPICE TRADING LIMITED

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#### 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' 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 set out on page 6, 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

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## GARDEN HOUSE HOSPICE TRADING LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GARDEN HOUSE HOSPICE TRADING LIMITED

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respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the law applicable to companies in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

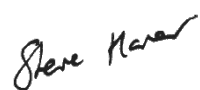
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### 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.



Steve Harper (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP,  
Statutory Auditors  
Date: 6 December 2022

10 Queen Street Place  
London  
EC4R 1AG

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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022**

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	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Turnover	2,110,851	1,631,668
Cost of sales	(81,246)	(60,856)
<b>Gross profit</b>	<b>2,029,605</b>	<b>1,570,812</b>
Administrative expenses	(1,488,893)	(1,216,102)
<b>Operating profit</b>	<b>540,712</b>	<b>354,710</b>
Interest receivable and similar income	52	20
Interest payable and expenses	(3,610)	(4,668)
<b>Profit before tax</b>	<b>537,154</b>	<b>350,062</b>
<b>Payment to parent charity under deed of covenant</b>	<b>537,154</b>	<b>350,062</b>

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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**BALANCE SHEET  
AS AT 31 MARCH 2022**

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	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	5	161,168	143,105
		<u>161,168</u>	<u>143,105</u>
<b>Current assets</b>			
Stocks	6	2,843	3,172
Debtors	7	248,926	155,416
Cash at bank and in hand	8	411,457	354,560
		<u>663,226</u>	<u>513,148</u>
Creditors: amounts falling due within one year	9	(824,294)	(656,153)
<b>Net current (liabilities) / assets</b>		(161,068)	(143,005)
<b>Total assets less current liabilities</b>		100	100
<b>Net assets</b>		<u><u>100</u></u>	<u><u>100</u></u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		-	-
		<u>100</u>	<u>100</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board on 30<sup>th</sup> November 2022 and were signed on its behalf by:



**Richard Dearden**  
Director

The notes on pages 13 to 17 form part of these financial statements.

Company number: 02671267

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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022**

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	Called up share capital £	Profit and Loss Account £	Total £
At 1 April 2020	100	-	100
Profit for the year		350,062	350,062
Gift Aid to parent charity		(350,062)	(350,062)
At 31 March 2021	<hr/> 100	<hr/> -	<hr/> 100
Profit for the year		537,154	537,154
Gift Aid to parent charity		(537,154)	(537,154)
At 31 March 2022	<hr/> 100	<hr/> -	<hr/> 100

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## GARDEN HOUSE HOSPICE TRADING LIMITED

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### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 1. General information

Garden House Hospice Trading Limited is a company incorporated in England and Wales. The principal activities of Garden House Hospice Trading Limited are general merchants and traders.

The Company's registered office is:  
Garden House Hospice Care  
Gillison Close  
Letchworth Garden City  
Hertfordshire  
SG6 1QU

#### 2. Accounting policies

##### 2.1 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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 (see note 3).

The financial statements have been prepared on the going concern basis as the directors have not identified any material uncertainties in relation to the use of the going concern assumption. In making this assessment, the directors have considered the impact of Covid-19 and have considered budgets and cash flow forecasts which cover at least one year from the date of approving these accounts.

The following principal accounting policies have been applied:

##### 2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be measured reliably
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.



**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all the following conditions are satisfied:

- the amount of revenue can be measured reliably
- it is probable that the Company will receive the consideration due under the contract
- the stage of completion of the contract at the end of the reporting period can be measured reliably and
- the costs incurred and the costs to complete the contract can be measured reliably.

### 2.3 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.

Depreciation is charged so-as-to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives are as follows:

Motor vehicles	5 years
Fixtures and fittings	5 or 10 years
Equipment	5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

### 2.4 Stocks

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.

### 2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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## GARDEN HOUSE HOSPICE TRADING LIMITED

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### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 2.7 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 Comprehensive Income.

#### 2.8 Creditors

Short term 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.

#### 2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 4. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	1,600	1,500
	<u>1,600</u>	<u>1,500</u>

**GARDEN HOUSE HOSPICE TRADING LIMITED**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**5. Tangible fixed assets**

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 April 2021	31,193	39,000	171,732	241,925
Additions during the year	4,784	-	70,522	75,306
Disposals during the year	-	-	-	-
<b>At 31st March 2022</b>	<b>35,977</b>	<b>39,000</b>	<b>242,254</b>	<b>317,231</b>
<b>Depreciation</b>				
At 1 April 2021	17,751	8,242	72,827	98,820
Charge for the year on owned assets	7,456	7,800	41,987	57,243
Released on disposal	-	-	-	-
<b>At 31st March 2022</b>	<b>25,207</b>	<b>16,042</b>	<b>114,814</b>	<b>156,063</b>
<b>Net book value</b>				
At 31st March 2022	<u>10,770</u>	<u>22,958</u>	<u>127,440</u>	<u>161,168</u>
At 31st March 2021	<u>13,442</u>	<u>30,758</u>	<u>98,905</u>	<u>143,105</u>

**6. Stocks**

	2022 £	2021 £
Finished goods and goods for resale	2,843	3,172
	<u>2,843</u>	<u>3,172</u>

**7. Debtors**

	2022 £	2021 £
Trade debtors	35,972	8,034
Other debtors	116,698	55,509
Prepayments and accrued income	96,256	91,873
	<u>248,926</u>	<u>155,416</u>

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**GARDEN HOUSE HOSPICE TRADING LIMITED**

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**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**8. Cash and cash equivalents**

	2022	2021
	£	£
Cash at bank and in hand	<u>411,457</u>	<u>354,560</u>

**9. Creditors: Amounts falling due within one year**

	2022	2021
	£	£
Trade creditors	162,687	164,966
Profit to be paid to parent charity under Gift Aid	537,154	350,062
Other amounts owed to group undertakings	99,419	99,083
Accruals and deferred income	25,034	42,042
	<u>824,294</u>	<u>656,153</u>

The amounts owed to group undertakings include loans of £80,000 (2021: £80,000) which are unsecured and repayable on demand. Interest was charged on the amount at 5% above Base Rate from 1 February 2021.

**10. Commitments under operating leases for property**

At 31st March 2022 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Falling due within 1 year	179,790	277,457
Between 2 and 5 years	134,526	198,223
More than 5 years	-	-
	<u>314,316</u>	<u>475,680</u>

**11. Controlling party**

The ultimate controlling party is the parent undertaking, Garden House Hospice Care which is a charitable company registered in England and Wales. The accounts of Garden House Hospice Trading Limited are consolidated into the accounts of the parent undertaking. The accounts of Garden House Hospice Care are available from the Charity Commission and Companies House. Exemption has been taken under Section 33 of FRS102 from disclosing transactions with the parent undertaking.