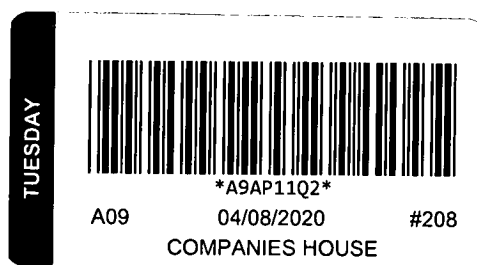


COMPTON CARE TRADING LIMITED

Annual Report and Financial Statements

Year ended 31 March 2020



Company Registered Number: 2328703
Registered Office - 4 Compton Road West, Compton, Wolverhampton WV3 9DH

COMPTON CARE TRADING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2020

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COMPTON CARE TRADING LIMITED

REPORT AND FINANCIAL STATEMENTS 2020

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2020.

ACTIVITIES

The principal activity of the company is that of operating retail charity shops selling clothes, furniture, bric-a-brac and giftware on behalf of the parent company, Compton Care Group Limited. It also operates a coffee shop and provides catering services to the parent company.

Compton Care Trading Limited was appointed on 1 April 2012 as the agent in respect of the marketing, distribution and the sale to customers of goods supplied to Compton Care Group Limited by way of charitable donations and also in respect of the management of the retail premises from which such goods are sold.

The company is registered in England.

REVIEW OF THE BUSINESS

Details of the trading in the year are summarised in the profit and loss account on page 6 and the financial position of the company is set out in the balance sheet on page 7 and the notes on pages 8 to 11.

The directors consider the company's state of affairs to be satisfactory. The directors expect the present level of activity to be maintained for the foreseeable future.

RESULTS

The profit on ordinary activities for the year was £180,077 (2019: £216,426), which is payable to the parent company Compton Care Group Limited by way of Gift Aid. After dealing with the above, there was a transfer to reserves of £180,077 (2019 – £216,426).

On 23 July 2020, the Board passed a resolution to pay Compton Care Group Limited £180,077 by way of Gift Aid representing the profits for the year ended 31 March 2020.

COVID-19 IMPACT

The outbreak of Covid-19 has meant that the shops closed during March 2020 with a plan for a controlled roll-out of re-openings to occur during the summer of 2020. The closures will negatively impact the results for the first quarter of the financial year 2020-21.

DIRECTORS

The directors of the company, who held office during the year, are shown below:

Mr JF McKinnon - (Chairman) (appointed 9 October 2019)

Mr G Burke

Mr C R Peddie

Mr R J Bailey - (Chairman) (resigned 9 October 2019)

COMPTON CARE TRADING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2020

DIRECTORS' REPORT

The directors had no beneficial interests in the company's shares or received any remuneration save as described under note 3 on page 9. The Directors' Responsibilities Statement is on page 3.

DIRECTORS' INDEMNITY

The directors of the company had indemnity insurance during the period in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as directors and officers of the company.

SMALL COMPANY PROVISIONS

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption provided by Part 15 and Section 414B(b) of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board.



JF McKinnon
Chairman

23 July 2020

23 RD JULY 2020

COMPTON CARE TRADING LIMITED

REPORT AND FINANCIAL STATEMENTS 2020

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPTON CARE TRADING LIMITED

Opinion

We have audited the financial statements of Compton Care Trading Limited for the year ended 31 March 2020 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit 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.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the company's financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 1, the consideration in the going concern basis of preparation on page 9 and the post balance sheet events note on page 11.

During the latter part of the financial year, there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the United Kingdom.

The impact of COVID-19 is still evolving and, based on the information available at this point in time, the directors have assessed the impact of COVID-19 on the business and reflected the directors' conclusion that adopting the going concern basis for preparation of the financial statements is appropriate.

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 auditor's 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPTON CARE TRADING LIMITED (continued)

We have nothing to report in this regard.

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 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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption 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 3, 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.

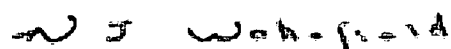
Auditor's responsibilities for the audit of the financial statements

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.

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 auditor's report.

Use of the audit 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.



31/07/20

Nicola Wakefield (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

COMPTON CARE TRADING LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 March 2020

	Note	2020 £	2019 £
TURNOVER		330,573	327,819
Cost of sales		(86,123)	(65,433)
GROSS PROFIT		244,450	262,386
Administrative expenses		(67,944)	(48,798)
OPERATING PROFIT	2	176,506	213,588
Bank interest receivable		3,571	2,838
PROFIT ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION		180,077	216,426

All activities derive from continuing operations.

STATEMENT OF CHANGES IN EQUITY Year ended 31 March 2020

	Called up Share Capital £	Profit & Loss Account £	Total £
At 1 April 2018	2	183,780	183,782
Profit for the year	-	216,426	216,426
Other comprehensive income for the year			
- Gift aid donation to parent company (Compton Care Group Limited)	-	(183,514)	(183,514)
At 31 March 2019	2	216,692	216,694
Profit for the year	-	180,077	180,077
Other comprehensive income for the year			
- Gift aid donation to parent company (Compton Care Group Limited)	-	(216,426)	(216,426)
At 31 March 2020	2	180,343	180,345

COMPTON CARE TRADING LIMITED (Company Number 02328703)

BALANCE SHEET As at 31 March 2020

	Note	2020	2019
		£	£
CURRENT ASSETS			
Stocks		31,520	12,992
Trade debtors		190,690	94,107
Prepayments		130,396	124,442
Other debtors		22,411	494,402
Amounts due from a fellow subsidiary		85	-
Cash at bank and in hand		369,765	816,769
		<u>744,867</u>	<u>1,542,712</u>
CREDITORS: amounts falling due within one year			
Trade creditors		142,544	66,109
Amount due to group companies		319,314	1,156,126
Taxation and social security		17,082	19,687
Accruals		79,343	84,096
Other Creditors		6,239	-
		<u>564,522</u>	<u>1,326,018</u>
NET CURRENT ASSETS		<u>180,345</u>	<u>216,694</u>
NET ASSETS		<u>180,345</u>	<u>216,694</u>
CAPITAL AND RESERVES			
Called up share capital	6	2	2
Profit and loss account		180,343	216,692
SHAREHOLDER'S FUNDS		<u>180,345</u>	<u>216,694</u>

The financial statements have been prepared in accordance with the special provisions subject to small companies' regime within Part 15 of the Companies Act 2006 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 23 July 2020.

James McKinnon

JF McKinnon
Director

23 July 2020

COMPTON CARE TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2020

1. ACCOUNTING POLICIES

Basis of accounting

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 Company has adopted the triennial review of FRS102 effective for periods commencing 1 January 2019. The policies applied under the entity's previous accounting framework are not materially different to the triennial review of Financial Reporting Standard 102 and have not impacted on the profits generated from ordinary activities after taxation and net assets.

Turnover

Turnover represents goods sold in the normal course of the company's business, excluding VAT. The entire turnover is derived from activities within the United Kingdom.

Stocks

Stocks, which comprise goods for resale, are stated at the lower of cost and net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.

Operating leases

Operating lease rentals are charged to profit and loss account in equal amounts over the lease term.

Taxation

All trading profits are paid across to the parent charity under Gift Aid and so no corporation tax liability arises.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Allocation of costs

Costs of running the shops are apportioned to donated goods or bought-in-goods on the basis of the sales value, with the exception of costs that are directly attributable to one or other of the activities. The costs apportioned to the donated goods are charged to the charity.

COMPTON CARE TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 March 2020

1. ACCOUNTING POLICIES

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make significant judgements and estimates. The areas where these judgements and estimates have been made include:

Trade debtors - trade debtors consist of amounts due from external organisations and individuals including customers. An allowance for doubtful debt will be maintained for any estimated losses resulting from the viability of these external organisations and individuals to make the required payments. Any allowance is based on the Company's regular assessment of the credit worthiness and financial conditions for those external parties included within trade debtor balances.

Preparation of accounts on a going concern basis

The Directors consider there are no material uncertainties about the Company's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives Directors confidence the Company remains a going concern for the foreseeable future.

The company has performed a stress test analysis concerning the Covid-19 impact as part of the going concern assessment and the Directors have considered the analysis and are confident the pandemic will not impact the future viability of the company.

2. OPERATING PROFIT	2020 £	2019 £
The operating profit is stated after charging		
Auditor's remuneration	3,800	3,675

3. STAFF COSTS INCLUDING DIRECTORS

Directors' remuneration

No directors received any emoluments in the year (2019: £Nil).

	2020 £	2019 £
Staff costs		
Wages and salaries	28,691	17,552
Social security costs	1,612	1,011
Other pension costs	946	565
	<u>31,249</u>	<u>19,128</u>

	Number	Number
The average monthly number of employees (full time equivalent including directors) during the year was:	<u>1</u>	<u>1</u>

COMPTON CARE TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2020

4. DONATION TO PARENT COMPANY

An amount of £216,426 was paid to Compton Care Group Limited under the Gift Aid Scheme (2019: £183,514).

5. TAXATION

The company's profits are subject to corporation tax, but as all profits earned have agreed to be gifted to the parent company, a registered charity, by way of Gift Aid, no taxation charge will arise. A resolution to approve the gift was approved by the Board on 23 July 2020.

6. CALLED UP SHARE CAPITAL

	2020 £	2019 £
Authorised:		
200,000 ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
Allotted, called up and fully paid:		
2 ordinary shares of £1 each (2019: 200,000)	<u>2</u>	<u>2</u>

7. PARENT COMPANY

The company's ultimate parent company and controlling party is Compton Care Group Limited, the only parent undertaking to consolidate the Financial Statements of the company, a company registered in England (charity registration number 512387).

Copies of the group financial statements are available from 4 Compton Road West, Compton, Wolverhampton WV3 9DH.

8. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption contained in Financial Reporting Standard 102 and does not disclose transactions between itself and its parent and fellow subsidiary companies given this Company is a wholly owned subsidiary of Compton Care Group Limited.

9. FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets measured at amortised cost	<u>582,951</u>	<u>1,405,278</u>
Financial liabilities measured at amortised cost	<u>(461,858)</u>	<u>(1,222,235)</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, amount due from a fellow subsidiary and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise trade creditors and amounts due to the parent company (Compton Care Group Limited).

COMPTON CARE TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2020

10. POST BALANCE SHEET EVENTS

During the latter part of the financial year, there has been a global pandemic from the outbreak of COVID-19. Since the Balance Sheet date the global pandemic from the outbreak of COVID-19 has continued to develop and is causing widespread disruption to normal patterns of business activity across the world, including the United Kingdom.

11. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £946 (2019 - £565). Contributions totalling £6,239 (2019 - £Nil) were payable to the fund at the balance sheet date, which included an element of contributions accounted for within the parent company, Compton Care Group Limited.

COMPTON CARE TRADING LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT Year ended 31 March 2020

	2020	2019
	£	£
SALES	330,573	327,819
Cost of sales	(86,123)	(65,433)
Gross profit	<u>244,450</u>	<u>262,386</u>
Expenditure		
Staff costs	31,249	19,128
Property costs	14,200	10,341
Cleaning & Waste Disposal	1,608	993
Catering & Hospitality	130	70
Equipment Maintenance & Consumables	1,080	801
Staff Welfare, Uniforms & Recruitment	121	108
Education & Training	119	28
Vehicle Expenses	528	457
Travel Expenses	83	51
Printing, Stationery & Postage	503	317
EPOS Rental & Consumables	1,478	710
Telephone & IT	382	297
Marketing & Communications	268	125
General Insurance	637	347
Bank Charges & Security Costs	1,060	577
Professional Fees	4,998	4,948
Agency Fee	9,500	9,500
	<u>(67,944)</u>	<u>(48,798)</u>
OPERATING PROFIT	<u>176,506</u>	<u>213,588</u>
OTHER INCOME		
Bank interest receivable	3,571	2,838
PROFIT FOR THE YEAR BEFORE AND AFTER TAXATION	<u>180,077</u>	<u>216,426</u>
Paid to parent company by Gift Aid	(216,426)	(183,514)
(LOSS) / PROFIT FOR THE YEAR AFTER GIFT AID	<u>(36,349)</u>	<u>32,912</u>

This page does not form part of the statutory financial statements.