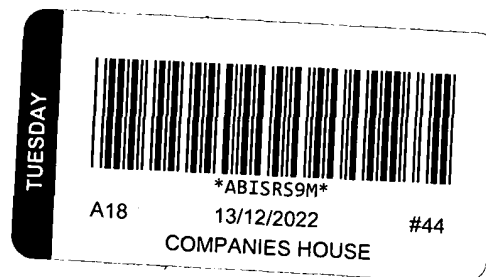


**KATHARINE HOUSE RETAIL LIMITED**

**Company Registration No. 03949314 (England and Wales)**

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**



# KATHARINE HOUSE RETAIL LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	Mr D J Sandy Mr D M Harding Mr M G Evans Mr I Henderson Dr R T Soulsby Mr A P Jeffries	(Resigned 7 April 2022)
------------------	---	-------------------------

<b>Secretary</b>	Dr R T Soulsby
------------------	----------------

<b>Company number</b>	03949314
-----------------------	----------

<b>Registered office</b>	Unit I Priestly Court Gillette Close Stafford Staffordshire ST18 0LQ
--------------------------	---

<b>Auditors</b>	Crowe UK LLP Rounds Green Road Oldbury West Midlands B69 2DG
-----------------	--

<b>Business address</b>	Unit I Priestly Court Gillette Close Stafford Staffordshire ST18 0LQ
-------------------------	---

---

# KATHARINE HOUSE RETAIL LIMITED

## CONTENTS

---

	Page
Directors' report	1
Auditors' report	3
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 16
Detailed trading and profit and loss account	17
Schedule of administrative expenses	18

---

# KATHARINE HOUSE RETAIL LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2022

---

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

#### 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 judgment 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.

#### Directors

The directors who served during the Year were:

Mr D J Sandy	
Mr D M Harding	
Mr M G Evans	(Resigned 7 April 2022)
Mr I Henderson	
Dr R T Soulsby	
Mr A P Jeffries	

#### Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

# KATHARINE HOUSE RETAIL LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

---

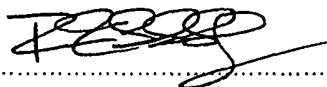
### Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Small companies note

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

This report was approved by the board and signed on its behalf.



---

Dr R T Soulsby  
**Director**

Date: 27 September 2022

# KATHARINE HOUSE RETAIL LIMITED

## CHARTERED AUDITORS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE AUDITED STATUTORY FINANCIAL STATEMENTS OF KATHARINE HOUSE RETAIL LIMITED FOR THE YEAR ENDED 31 MARCH 2022

---

### Opinion

We have audited the financial statements of Katharine House Retail Limited (the 'Company') for the Year ended 31 March 2022, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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 contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# KATHARINE HOUSE RETAIL LIMITED

## CHARTERED AUDITORS' REPORT (CONTINUED) TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE AUDITED STAUTORY FINANCIAL STATEMENTS OF KATHARINE HOUSE RETAIL LIMITED FOR THE YEAR ENDED 31 MARCH 2022

---

### Opinion on other matters prescribed by the Companies Act 2006

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

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

### Matters on which we are required to report by exception

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

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

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

### Responsibilities of directors

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context was the Companies Act 2006 together with FRS 102. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

# KATHARINE HOUSE RETAIL LIMITED

## CHARTERED AUDITORS' REPORT (CONTINUED) TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE AUDITED STATUTORY FINANCIAL STATEMENTS OF KATHARINE HOUSE RETAIL LIMITED FOR THE YEAR ENDED 31 MARCH 2022

---

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing any regulatory correspondence and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Kerry Brown (Senior statutory auditor)  
for and on behalf of  
**Crowe U.K. LLP**

Statutory Auditor

Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

Date: 02 December 2022

# KATHARINE HOUSE RETAIL LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

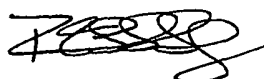
		2022	2021
	Notes	£	£
Turnover		237,521	170,453
Cost of sales		(12,480)	(15,217)
<b>Gross profit</b>		<b>225,041</b>	<b>155,236</b>
Administrative expenses		(159,081)	(105,245)
Other Operating income			
<b>Operating profit</b>		<b>65,960</b>	<b>49,991</b>
Interest payable and similar expenses	3	-	(108)
<b>Profit before taxation</b>		<b>65,960</b>	<b>49,883</b>
Tax on Profit		(1,045)	3,341
<b>Profit for the financial year</b>		<b>64,915</b>	<b>53,224</b>

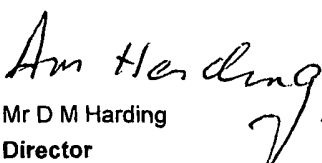
**KATHARINE HOUSE RETAIL LIMITED**  
**BALANCE SHEET**  
**AS AT THE YEAR ENDED 31 MARCH 2022**

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		7,800		24,271
			<u>7,800</u>		<u>24,271</u>
<b>Current assets</b>					
Stocks		205		811	
Debtors	5	33,403		18,926	
Cash at bank and in hand		273,750		1,413,395	
		<u>307,358</u>		<u>1,433,132</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(316,700)</u>		<u>(1,450,251)</u>	
<b>Net current liabilities</b>			<u>(9,342)</u>		<u>(17,119)</u>
<b>Total assets less current liabilities</b>			<u>(1,542)</u>		<u>7,152</u>
<b>Creditors: amounts falling after one year</b>			-		-
Provisions for liabilities			1,544		2,589
<b>Net assets</b>			<u><u>2</u></u>		<u><u>9,741</u></u>
<b>Capital and reserves</b>					
Called up share capital	8		2		2
Profit and loss reserves			-		9,739
<b>Total equity</b>			<u><u>2</u></u>		<u><u>9,741</u></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 by the board of directors and authorised for issue on 27th September 2022 and are signed on its behalf by:

  
Dr R T Soulsby  
Director

  
Mr D M Harding  
Director

Company Registration No. 03949314

# KATHARINE HOUSE RETAIL LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	Share Capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2020	2	9,740	9,742
Year ended 31 March 2021			
Profit and total comprehensive income for the year	-	53,224	53,224
Distributions to the parent charity under gift aid		(53,224)	(53,224)
Balance at 31 March 2021	2	9,740	9,742
Year ended 31 March 2022			
Profit and total comprehensive income for the year	-	64,915	64,915
Distributions to the parent charity under gift aid		(74,655)	(74,655)
Balance at 31 March 2022	2	-	2

# KATHARINE HOUSE RETAIL LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	14	(1,066,159)	1,231,051
<b>Investing activities</b>			
Purchase of tangible fixed assets		-	-
Loan write off		-	-
Proceeds on disposal of tangible fixed assets		1,168	250
Interest received		-	-
<b>Net cash used in investing activities</b>		1,168	250
<b>Financing activities</b>			
Dividends and distributions paid		(74,654)	(53,224)
Capital repayment of HP		-	(8,886)
Interest Payable		-	(108)
<b>Net cash used in financing activities</b>		(74,654)	(62,218)
<b>Net increase/(decrease) in cash and cash equivalents</b>		(1,139,645)	1,169,083
Cash and cash equivalents at beginning of year		1,413,395	244,312
<b>Cash and cash equivalents at end of year</b>		273,750	1,413,395

# KATHARINE HOUSE RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2022**

---

### **1 Accounting policies**

#### **Company information**

Katharine House Retail Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 1, Priestly Court, Gillette Close, Stafford, Staffordshire, ST18 0LQ.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Katharine House Retail Limited is a wholly owned subsidiary of Katharine House Hospice and the results of Katharine House Retail Limited are included in the consolidated financial statements of Katharine House Hospice which are widely available to the public.

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts.

Revenue from the sale of donated goods under gift aid is recognised when the donor confirms their agreement for the donation to take place.

Revenue from the sale of other goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	between 10%-33% over the expected length of lease
Fixtures, fittings & equipment	20% straight line
Computer equipment	50% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# KATHARINE HOUSE RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

#### 1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# KATHARINE HOUSE RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### 1 Accounting policies

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

# KATHARINE HOUSE RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### 1 Accounting policies

##### 1.10 Equity Instruments

Equity instruments issued by the company are recorded as the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

###### Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### Deferred Tax

Deferred tax is provided in full on timing differences which represents a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from accelerated capital allowances as it is not thought that a tax charge will arise in the foreseeable future due to the charitable nature of the Holding Company. Deferred tax assets and liabilities are not discounted.

##### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

##### 1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

##### 1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

##### 1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# KATHARINE HOUSE RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Average number of paid staff	3	4
Unpaid Directors	5	6

#### 3 Interest Payable and similar expenses

	2022 £	2021 £
--	-----------	-----------

Interest payable and similar expenses include the following:

Interest payable for Hire Purchase of Vans	-	108
--	---	-----

#### 4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
<b>Cost</b>			
At 1 April 2021	53,922	134,505	188,427
Additions			-
Disposals		(21,200)	(21,200)
At 31 March 2022	53,922	113,305	167,227
<b>Depreciation and impairment</b>			
At 1 April 2021	53,051	111,105	164,156
Depreciation charged in the year	871	15,600	16,471
Eliminated in respect of disposals		(21,200)	(21,200)
At 31 March 2022	53,922	105,505	159,427
<b>Carrying amount</b>			
At 31 March 2022	-	7,800	7,800
At 31 March 2021	871	23,400	24,271

**KATHARINE HOUSE RETAIL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**5 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade debtors	1,068	-
Other debtors	32,335	18,926
	<u>33,403</u>	<u>18,926</u>

**6 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	21,200	1,382
Amounts due to group undertakings	292,089	1,447,938
Accruals and deferred income	3,411	931
	<u>316,700</u>	<u>1,450,251</u>

**7 Deferred taxation**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Liability as at 1 April	(2,589)	752
Credited to profit and loss	1,045	(3,341)
Liability as at 31 March	<u>(1,544)</u>	<u>(2,589)</u>

**8 Called up share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Ordinary share capital		
Authorised		
1,000 Ordinary of £1 each	1,000	1,000
Issued and fully paid		
2 Ordinary of £1 each	<u>2</u>	<u>2</u>

# KATHARINE HOUSE RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 9 Parent company

The company's issued share capital is held by Katharine House Hospice, a registered charity (number 1011712) and a company limited by guarantee (number 02700516) in England and Wales. The Company is included in the consolidated financial statements of Katharine House Hospice. Its registered office and principal place of business is Weston Road, Stafford, ST16 3SB.

### 10 Cash generated from operations

	2022 £	2021 £
Profit for the year after tax	64,915	53,224
<b>Adjustments for:</b>		
Taxation charged	1,045	(3,341)
Investment income	-	-
Interest Payable	-	108
Profit on disposal of fixed assets	(1,167)	(250)
Depreciation and impairment of tangible fixed assets	16,471	26,210
<b>Movements in working capital:</b>		
Decrease/(increase) in stocks	606	868
Decrease/(increase) in debtors	(14,477)	86,277
(Decrease)/increase in creditors	(1,133,552)	1,067,955
<b>Cash generated from operations</b>	<b>(1,066,159)</b>	<b>1,231,051</b>