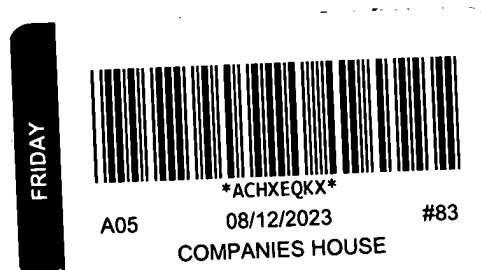


HAMPSHIRE CULTURAL TRUST TRADING LIMITED

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Company number: 09257219



Hampshire Cultural Trust Trading Limited
Company number: 09257219

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Hampshire Cultural Trust Trading Limited
Company number: 09257219

Company information

Directors	J Winkworth (Chairman) (resigned 13 July 2022; re-appointed 12 May 2023) M Southgate (Chairman) (resigned 27 September 2023) P Cardy (appointed 13 July 2022; resigned 11 May 2023)) J Croxford (appointed 27 September 2023) T Osborn (resigned 25 April 2022) C Sadler (appointed 13 July 2022) P Sapwell
Company Secretary	Victoria Donkin
Registered Office	Chilcomb House, Chilcomb Lane, Winchester SO23 8RD
Registered Number	09257219
Senior Statutory Auditor	Paul Giessler
Auditors	PKF Francis Clark Hitchcock House Hilltop Park Devizes Road Salisbury SP3 4UF

Directors' report
For the year ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J Winkworth (Chairman) (resigned 13 July 2022; re-appointed 12 May 2023)
M Southgate (Chairman) (resigned 27 September 2023)
P Cardy (appointed 13 July 2022; resigned 11 May 2023))
J Croxford (appointed 27 September 2023)
T Osborn (resigned 25 April 2022)
C Sadler (appointed 13 July 2022)
P Sapwell

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with the applicable laws 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 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 accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

Going Concern

The directors have prepared cashflow forecasts to demonstrate that, at the date of signing this report, the company will continue to operate as a going concern for at least 12 months, with the ongoing support of the parent company, which has been confirmed by the trustees.

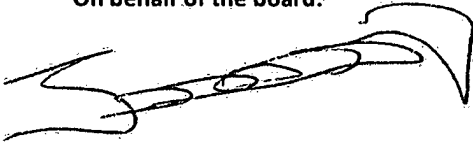
Hampshire Cultural Trust Trading Limited
Company number: 09257219

Directors' report
For the year ended 31 March 2023

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information. The company has taken advantage of the small companies exemption.

On behalf of the board:



J. Winkworth (Director)

Date:

15/11/23

Independent Auditor's Report to the Members of Hampshire Cultural Trust Trading Limited

Opinion

We have audited the financial statements of Hampshire Cultural Trust Trading Limited (the 'company') for the year ended 31 March 2023, which comprise the Income Statement, Balance Sheet, 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) incorporating the requirements of Section 1A.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 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 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 director's 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 original financial statements were 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 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.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of Hampshire Cultural Trust Trading Limited

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with 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 our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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 Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 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:

Independent Auditor's Report to the Members of Hampshire Cultural Trust Trading Limited

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to Hampshire Cultural Trust Trading Limited, gained through appropriate audit engagement team selection (ensuring competence and capability to recognise non-compliance) and discussions with management. This covered any knowledge or evidence of actual and potential fraud, litigation and claims, which was followed up with corroborative audit review work. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the company's ability to continue trading and the risk of material misstatement to the accounts. Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations relating to breaches around health and safety regulations. We considered the extent to which non-compliance with these laws and regulations may 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 and relevant tax legislation.

We also discussed with management to what extent the business is exposed to fraud – either inherently because of nature of operations, assets or because of weaknesses in internal controls. From these discussions we have evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements. The key incentive identified is to generate profits for distribution to the parent company and we determined that the principal risks were related to the overstatement of profit, either through overstating revenue, understating expenditure or management bias in 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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to be come aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

Based on this understanding we designed our audit procedures to identify non-compliance with relevant laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances of fraud, of which there were none.
- Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance.

In response to the identified risk, as part of our audit work we:

- We sampled sales from outside the accounting system to ensure they are complete in the accounts. We performed cut off to ensure revenue recognition has been applied correctly.
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.


A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Hampshire Cultural Trust Trading Limited
Company number: 09257219

Independent Auditor's Report to the Members of Hampshire Cultural Trust Trading Limited

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.



.....
Paul Giessler FCA (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Hitchcock House
Hilltop Park
Devizes Road
Salisbury
Wiltshire
SP3 4UF

5 December 2023

Hampshire Cultural Trust Trading Limited
Company number: 09257219

Income Statement
For the year ended 31 March 2023

	2023	2022
	£	£
TURNOVER	1,204,194	709,381
Cost of sales	491,441	342,426
GROSS PROFIT	<u>712,753</u>	<u>366,955</u>
Administrative expenses	642,044	133,002
	<u>70,709</u>	<u>233,953</u>
Other operating income	<u>0</u>	<u>100,886</u>
OPERATING PROFIT AND PROFIT BEFORE TAXATION	70,709	334,839
Tax on profit	0	0
PROFIT FOR THE FINANCIAL YEAR	<u>70,709</u>	<u>334,839</u>

Retained Earnings

	£	£
At 1 April 2022	336,413	90,665
Profit for the year	70,709	334,839
Gift aid	(327,804)	(89,091)
At 31 March 2023	<u>79,318</u>	<u>336,413</u>

All recognised gains and losses are included in the income statement.

All transactions are derived from continuing activities

The notes form an integral part of these financial statements

Hampshire Cultural Trust Trading Limited
Company number: 09257219

Balance Sheet

For the year ended 31 March 2023.

	Notes	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	5		68,157		76,479
Current assets					
Stock	6	149,413		130,206	
Debtors	7	11,213		191,882	
Cash at bank and in hand		5,765		1,671	
		166,391		323,759	
Creditors					
Amounts falling due within one year	8	(149,844)		(58,439)	
Net current assets			16,547		265,320
Total assets less current liabilities			84,704		341,799
Provision for liabilities	9		(4,386)		(4,386)
Net assets			80,318		337,413
Capital and reserves					
Called up share capital	10		1,000		1,000
Retained earnings			79,318		336,413
Shareholders' funds			80,318		337,413

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board of directors on

and signed on its behalf by:

J Winkworth
 Director

15/11/23

Company number 09257219

The notes form an integral part of these financial statements

Notes to the Financial Statements
For the year ended 31 March 2023

1 Statutory Information

Hampshire Cultural Trust Trading Limited is a private company limited by share capital and incorporated in England and Wales. The registered number is 09257219. The registered office is Chilcomb House, Chilcomb Lane, Winchester, Hampshire, SO23 8RD.

2 Accounting policies

2.1 Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 (Section 1a) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounting policies as disclosed have been applied consistently throughout the current and preceding year.

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

2.2 Turnover

Turnover from shop, café and bar sales are recognised at the point of sale. This is when the risks and rewards of ownership pass to the buyer.

Turnover for hire charges relates to hire of a venue and, or room space and includes weddings and hire of land for events. This is recognised in the period where the hire is paid in full, which would ordinarily be 6 weeks in advance of the event. At this point, the hire fee is non-refundable in accordance with the terms and conditions of hire. Where a non-refundable deposit is made at the time of booking, this is recognised on receipt.

Turnover relating to the hire of educational equipment or costume is recognised on receipt. In respect of costume hire, a refundable deposit is payable at the time of booking, and this is held on the balance sheet until the costume is returned. If there is damage or subsequent late return fees, the deposit is not refunded and moved to the income statement.

Income from parking charges are recognised on receipt.

2.3 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Notes to the Financial Statements
For the year ended 31 March 2023

2.4 Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	25%
Fixtures and fittings	25%
Leasehold improvements	10%
Computer equipment	33.3%

2.5 Stock

Stock is valued at the lower of cost and net realisable value, after making provisions for obsolete and slow moving items.

2.6 Financial instruments

The trust's financial assets and liabilities consist only of basic financial instruments, including cash and cash equivalents, short term investments, trade and other debtors, trade and other creditors and accrued expenses. They are initially recognised at transaction price or value, including transaction costs, and are subsequently measured at their settlement value. The fair value of these items approximate their carrying value due to their short term value. Financial assets are assessed for indicators of impairment at each reporting date. Unless otherwise noted, the trust is not exposed to significant interest, foreign exchange or credit risk arising from these instruments.

2.7 Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Notes to the Financial Statements
For the year ended 31 March 2023

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2.9 Employee and pension costs

Hampshire Cultural Trust, the parent company, employs staff who are recharged across to this company where the employees role is primarily related to this company's trading activities.

The total cost of their employment is recharged across, including Employers' National Insurance and any cost of providing a pension by the trust.

2.10 Going concern

The Directors adopt the going concern basis in preparing the Directors' Report and financial statements. This is based on the reasonable expectation, using forecasts and projections and taking into account reasonably foreseeable changes in income and expenditure, and the confirmed ongoing support of the Charity, that the company can continue to operate for the foreseeable future.

The estimates and associated assumptions used are based on historical experience

3 Employees

The total cost of employment in the income statement includes the gross payroll cost, employers' NI and the associated pension cost, net of CJRS claims, for the time incurred by Hampshire Cultural Trust employees on trading activities.

The company does not directly contract any employees.

4 Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Depreciation	<u>19,446</u>	<u>18,585</u>

Notes to the Financial Statements
For the year ended 31 March 2023

5 Tangible fixed assets

	Leasehold improvements £	Plant & machinery £	Fixtures & fittings £	Computer equipment £	Total £
Cost					
At 1 April	82,411	32,830	37,763	1,589	154,593
Additions	0	6,024	5,100	0	11,124
Disposals	0	0	0	0	0
At 31 March	82,411	38,854	42,863	1,589	165,717
Depreciation					
At 1 April	24,723	15,649	36,154	1,588	78,114
Charge for the year	8,241	8,961	2,244	0	19,446
Eliminated on disposal	0	0	0	0	0
At 31 March	32,964	24,610	38,398	1,588	97,560
Net book value					
As at 31 March 2023	49,447	14,244	4,465	1	68,157
As at 31 March 2022	57,688	17,181	1,609	1	76,479

6 Stock

	2023 £	2022 £
Stock held for resale	132,886	125,671
Bar and café stock	16,527	4,535
	<u>149,413</u>	<u>130,206</u>

7 Debtors: Amounts falling due within one year

	2023 £	2022 £
Trade debtors	2,555	16,373
Amounts owed by group undertakings	0	169,520
Other debtors	8,658	5,989
	<u>11,213</u>	<u>191,882</u>

8 Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	28,676	44,209
Taxation	65,903	1,379
Amounts owed to group undertakings	38,394	0
Other creditors	16,871	12,851
	<u>149,844</u>	<u>58,439</u>

Notes to the Financial Statements
For the year ended 31 March 2023

9 Provision for liabilities

	2023	2022
	£	£
Deferred tax	4,386	4,386

10 Called up share capital

	2023	2022
	£	£
Allotted, issued and fully paid up 1,000 ordinary shares of £1 each	1,000	1,000

11 Ultimate controlling party

In the opinion of the directors, the ultimate controlling party is Hampshire Cultural Trust, a Charitable Company, registered in the United Kingdom.

Group accounts have been prepared by the ultimate controlling party, copies of these can be obtained from Hampshire Cultural Trust, Chilcomb House, Chilcomb Lane, Winchester, Hampshire, SO23 8RD.

The company has taken advantage, under the terms of FRS102, not to disclose related party transactions with other members of the group.

Hampshire Cultural Trust Trading Limited
Company number: 09257219

Detailed Profit and Loss Account
For the year ended 31 March 2023

	2023		2022	
	£	£	£	£
Turnover				
Shop Sales	386,488		261,243	
Hire Charges	46,013		59,092	
Parking Charges	4,535		2,764	
Café Sales	553,199		260,169	
Bar Sales	123,049		67,416	
Pier & Sweet Shop	90,910		58,697	
Total Turnover		1,204,194		709,381
Cost of Sales				
Opening Stock	130,206		110,123	
Purchases	510,648		362,508	
	<u>640,854</u>		<u>472,632</u>	
Closing Stock	(149,413)		(130,206)	
		<u>491,441</u>		<u>342,426</u>
Gross Profit		712,753		366,955

Hampshire Cultural Trust Trading Limited
Company number: 09257219

Detailed Profit and Loss Account
For the year ended 31 March 2023

	2023		2022	
	£	£	£	£
Other Income				
Grants & Other Income	-		100,886	
Expenditure				
Wages	130,479		77,129	
National Insurance	7,997		5,677	
Pensions	7,669		5,443	
Equipment hire and maintenance	68,578		10,986	
Telephone, post and stationery	150		367	
Advertising	-		-	
Travelling	57		215	
Licences	70		371	
Repairs and renewals	-		-	
Laundry and cleaning	1,146		392	
Computer expenses	8,396		6,470	
Sundry expenses	500		262	
Accountancy	-		-	
Consultancy fees	734		600	
Auditors' remuneration	6,400		2,800	
Commission paid	12		(338)	
Entertainment	9,564		1,260	
Bad debts	-		-	
Bank and credit card charges	5,679		2,782	
Trading Management Fee	375,168			
Depreciation on leasehold improvements	8,240		8,241	
Depreciation on plant and equipment	8,961		8,208	
Depreciation on IT equipment	-		530	
Depreciation on fixtures and fittings	2,244		1,607	
		642,044		133,002
Net Profit		70,709		334,839

Following the post-pandemic return to normal trading and growth in trading company profits, a management fee has been charged by the trust to the trading company for the first time.