

YSP Trading Limited

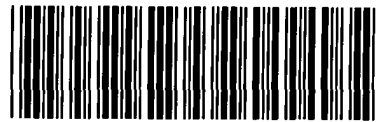
Director's Report and Financial Statements

Year Ended

31 March 2018

Company Number 02498092

SATURDAY



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YSP Trading Limited

Company Information

Director	Peter Murray CBE
Company secretary	Paul Rogers
Registered number	02498092
Registered office	Bretton Hall West Bretton Wakefield WF4 4LG
Independent auditor	BDO LLP 3 Hardman Street Manchester M3 3AT
Bankers	Lloyds TSB Bank Plc 17 Westgate Wakefield WF11 1JZ

YSP Trading Limited

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YSP Trading Limited

Director's Report For the Year Ended 31 March 2018

The director presents his report together with the audited financial statements for the year ended 31 March 2018.

Principal activity

The principal activity of the company comprises the trading operations carried on at the Yorkshire Sculpture Park. Any profits are gifted to the ultimate parent undertaking.

The company has declared a transfer of taxable profits under gift aid pre year-end to the parent charity, Yorkshire Sculpture Park, of £382,149 (2017 restated - £851,982).

A further gift aid distribution, amounting to £313,700 and payable to the parent charity, was approved by the board of directors during the year but was not paid at year-end. As this approval of payment is not due under a Deed of Covenant, the distribution has not been recognised in the financial statements as at 31 March 2018. It is the intention of the Company to transfer funds to the parent charity within nine months of the 31 March 2018 year-end, and therefore the potential increased tax charge for the year relating to this amount has not been recognised in the financial statements. This treatment is in accordance with the Financial Reporting Council's update to FRS102, through the triannual review.

The comparative results have been restated to derecognise a gift aid distribution of £382,149 which was approved and paid under the same terms as set out above. This amount has been presented as a transfer of taxable profits under gift aid to the parent charity during the current year and is noted in the total above.

Director

The director who served during the year was:

Peter Murray CBE

Disclosure of information to auditor

The director at the time when this director's report is approved has confirmed that:


- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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.

Auditor

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

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

This report was approved and signed by order of the board on *10 December 2018* and signed on its behalf.



Paul Rogers
Secretary

YSP Trading Limited

Director's Responsibilities Statement For the Year Ended 31 March 2018

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director 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 director must not approve financial statements unless he is 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 director is required to:

- select suitable and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

YSP Trading Limited

Independent Auditor's Report to the Members of YSP Trading Limited

Opinion

We have audited the financial statements of YSP Trading Limited ("the company") for the year ended 31 March 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and related 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 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 2018 and of its loss 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

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 director has 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.

YSP Trading Limited

Independent Auditor's Report to the Members of YSP Trading Limited (continued)

Other information

The director is 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.

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 director was 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.

YSP Trading Limited

Independent Auditor's Report to the Members of YSP Trading Limited (continued)

Responsibilities of the director

As explained more fully in the directors' responsibilities statement, the director is 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 director determines 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 director is 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 director either intends 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 at the Financial Reporting Council's website at: <https://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 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.

BDO LLP

20/12/2018

Hamid Ghafoor (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester
United Kingdom

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

YSP Trading Limited

Statement of Comprehensive Income For the Year Ended 31 March 2018

	Note	2018 £	As restated 2017 £
Turnover		2,705,082	2,553,098
Cost of sales		(1,168,263)	(1,004,862)
Gross profit		1,536,819	1,548,236
Administrative expenses		(1,204,971)	(1,209,754)
Other operating income		-	43,653
Operating profit	4	331,848	382,135
Interest receivable and similar income		-	14
Profit before tax		331,848	382,149
Tax on profit	7	-	-
Profit for the year		331,848	382,149
Charitable distribution		(382,149)	(851,982)
Total comprehensive income for the year		(50,301)	(469,833)

The notes on pages 9 to 14 form part of these financial statements.

YSP Trading Limited
Registered number: 02498092

Statement of Financial Position
As at 31 March 2018

	Note	2018 £	2018 £	As restated 2017 £	As restated 2017 £
Current assets					
Stocks	8	227,207		198,607	
Debtors: amounts falling due within one year	9	105,769		281,830	
Cash at bank and in hand		64,321		268,610	
		<u>397,297</u>		<u>749,047</u>	
Creditors: amounts falling due within one year	10	(917,429)		(1,218,878)	
Net assets			<u>(520,132)</u>		<u>(469,831)</u>
Capital and reserves					
Called up share capital	11		2		2
Profit and loss account	12		(520,134)		(469,833)
Total equity			<u>(520,132)</u>		<u>(469,831)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

10/12/2018


Peter Murray CBE
Director

The notes on pages 9 to 14 form part of these financial statements.

YSP Trading Limited

Statement of Changes in Equity For the Year Ended 31 March 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2017	2	(469,833)	(469,831)
Comprehensive income for the year			
Profit for the year	-	331,848	331,848
Charitable distribution	-	(382,149)	(382,149)
Total comprehensive income for the year	-	(50,301)	(50,301)
At 31 March 2018	2	(520,134)	(520,132)

Statement of Changes in Equity For the Year Ended 31 March 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2016	2	-	2
Comprehensive income for the year			
Profit for the year	-	382,149	382,149
Charitable distribution - as restated	-	(851,982)	(851,982)
Total comprehensive income for the year - as restated	-	(469,833)	(469,833)
At 31 March 2017 - as restated	2	(469,833)	(469,831)

The notes on pages 9 to 14 form part of these financial statements.

YSP Trading Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

1. General information

YSP Trading Limited is a private company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the director's report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of FRS 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 Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue is recognised in the year to which the provision of services or sale of goods relates.

2.3 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.

2.4 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.

2.5 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less subject to insignificant risk of changes in value.

2.6 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.

YSP Trading Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

2. Accounting policies (continued)

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

The company's cash at bank and in hand and trade and other debtors and its trade and other creditors are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

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.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

YSP Trading Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

2. Accounting policies (continued)

2.9 Distributions and prior year adjustment of gift aid

Taxable profits transferred to the parent entity, Yorkshire Sculpture Park, a charitable company registered by guarantee, are recognised as distributions from equity when the company has made an irrevocable commitment to the parent to pay tradeable profits and are stated as gift aid distributions.

During the year the company has made a transfer of taxable profits under gift aid to the parent charity of £382,149 (2017 restated - £851,982).

A further gift aid distribution, amounting to £313,700 and payable to the parent charity, was approved by the Board of Directors during the year but was not paid at the year-end. As this approval of payment is not due under a Deed of Covenant, the distribution has not been recognised in the financial statements as at 31 March 2018. It is the intention of the Company to transfer funds to the parent charity within nine months of the 31 March 2018 year end, and therefore the potential impact on the tax charge for the year relating to this amount has not been recognised in the financial statements. This treatment is in accordance with the Financial Reporting Council's update to FRS 102, through the triannual review.

The comparative results have been restated to reflect the Financial Reporting Council's update to FRS 102 as set out in note 16.

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

Management has judged that historic sales volumes of products is an appropriate reflection of their future demand and that the provisions applied are sufficient to write the products down to fair value.

4. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Other operating lease rentals	15,981	28,219

5. Employees

The average monthly number of employees, including directors, during the year was 95 (2017 - 94).

6. Gift Aid payment to parent charity

	2018 £	2017 £
Amount payable based on taxable profit for the year	382,149	851,982

YSP Trading Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

7. Taxation

There is no tax charge due to the gift aid payment.

8. Stocks

	2018 £	2017 £
Goods for resale	<u>227,207</u>	<u>198,607</u>

Stock recognised in cost of sales during the year as an expense was £1,159,129 (2017 - £974,884).

There is no material difference between the replacement cost of stocks and the amounts stated above.

9. Debtors: amounts falling due within one year

	2018 £	2017 £
Trade debtors	12,988	18,019
Amounts owed by group undertakings	18,148	-
Other debtors	74,633	263,811
	<u>105,769</u>	<u>281,830</u>

The impairment loss recognised in profit or loss for the year in respect of bad and doubtful trade debtors was £Nil (2017 - £Nil).

10. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	16,834	128,851
Amounts owed to group undertakings	804,725	1,027,285
Taxation and social security	88,525	57,692
Accruals and deferred income	7,345	5,050
	<u>917,429</u>	<u>1,218,878</u>

YSP Trading Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

11. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

12. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

13. Pension commitments

The company contributes to defined contribution schemes to provide retirement benefits for certain employees. 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 £32,772 (2017 - £31,112). There were no outstanding contributions payable to the fund at the reporting date (2017 - £Nil).

14. Related party transactions

The company has taken advantage of the exemption available in section 33.1A of 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

15. Controlling party

The directors regard Yorkshire Sculpture Park (a company incorporated in England and Wales, limited by guarantee) as the company's controlling party and ultimate parent undertaking. Copies of its financial statements are available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

YSP Trading Limited

Notes to the Financial Statements For the Year Ended 31 March 2018

16. Prior year adjustment

The comparative results have been restated to derecognise gift aid distribution of £382,149 which was approved and paid under the same terms as set out in the accounting policy "Distributions and prior year adjustment of gift aid". This amount has been presented as gift aid income in the parent charities Statement of Financial Activities during the current year and is noted in the total above.

The comparative results have also been restated to recognise gift aid income of £851,982 which was paid during 2016/17 but previously accrued in the financial statements for the year ended 31 March 2016. This amount has been presented as gift aid income in the Yorkshire Sculpture Park's Statement of Financial Activities during the comparative year.

The restatement in respect of gift aid payments has also been reflected in the restatement of "Amounts owed by group undertakings".

	Company £
Reconciliation of funds at 1 April 2016	
Funds at 1 April 2016 as previously reported	2
Derecognise gift aid contribution	851,982
Funds at 1 April 2016 as restated	851,984
	Company £
Reconciliation of funds at 31 March 2017	
Funds at 31 March 2017 as previously reported	2
Derecognise gift aid contribution	382,149
Funds at 31 March as restated	382,151