

Report of the Directors and
Unaudited Financial Statements
for the Year Ended 31 March 2022
for
Julian House Trading Limited

Julian House Trading Limited

**Contents of the Financial Statements
for the Year Ended 31 March 2022**

	Page
Company Information	1
Report of the Directors	2
Chartered Accountants' Report	5
Income Statement	6
Balance Sheet	7
Notes to the Financial Statements	8
Trading and Profit and Loss Account	12

Julian House Trading Limited
Company Information
for the Year Ended 31 March 2022

DIRECTORS: D A McDonald (Chair)
H C Bedser
C P Stockham
J Hilton
M Cunio

SECRETARY: Mrs L Baxter

REGISTERED OFFICE: 1 Kelso Place
Upper Bristol Road
Bath
BA1 3AU

REGISTERED NUMBER: 03450273 (England and Wales)

ACCOUNTANTS: Monahans
Fortescue House
Court Street
Trowbridge
BA14 8FA

Julian House Trading Limited

Report of the Directors for the Year Ended 31 March 2022

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

Julian House Trading Limited principally operates bike workshop social enterprises which trade, with embedded skills development opportunities, work experience placements and employability programmes for people experiencing social exclusion, furthering the wider objectives of Julian House.

Julian House Trading Limited operates on behalf of its parent company, Julian House (a company limited by guarantee and registered charity) as a mixed motive investment and to whom Julian House Trading Limited covenants 100% of its profits.

Julian House Trading Limited has a formal Service Level Agreement with Julian House, outlining their respective responsibilities in relation to the provision of and payment for shared services, and ensuring effective separation and governance.

Julian House Trading Limited operates bike workshop social enterprises located in Bath and Trowbridge. Their current activities include:

- Build-a-bike training programmes
- Work experience and volunteering opportunities
- One-to-one employment support
- Bike refurbishment
- Second-hand and new bikes sales
- Bike accessories
- Professional bike servicing
- Dr. Bike mobile bike servicing
- Cycle maintenance courses
- Smoothie bike hire
- E-bike hire

Julian House Trading Limited's vision is shared with Julian House:

- A just society where socially excluded people are supported and empowered to build sustainable, independent lives.

Julian House Trading Limited's values are shared with Julian House:

- We value the individual
- We are collaborative
- We are creative

A strategy session was held with the board of Julian House Trading in November 2021 and followed up by a similar session with all our bike workshop staff. This resulted in our strategic aims being updated and a refreshed purpose statement:

- A sustainable business, which refurbishes, sells, and maintains bikes, while transforming people's lives, through training and work experience opportunities. We put people and planet before profit, and 100% of the profits that we do make, go to the charity Julian House.

REVIEW OF BUSINESS

Performance and achievements

In 2021-22 Julian House Trading Limited's turnover from sales was £412k (compared to £454k in 2020-21). This reduction in turnover is due to the closure of our Bristol Bike Workshop in July 2021.

The overall result for the year was a loss of £5k (compared to a loss of £34k in 2020-21). While this is not quite the result we hoped for, this includes a £18k fully costed contribution to Julian House for shared central services as well as a £25k loss incurred from the closure of the Bristol branch. Without the one-off loss incurred from the closure of the Bristol branch the result for the year would have been a profit of £20k.

Last year Julian House Trading Limited's bike workshops continued to help Julian House to raise their profile with new audiences and diversify their income streams, as well as created significant social value through training and skills for homeless and socially excluded people, alongside wider environmental benefits through recycling, reduced waste, and the promotion of sustainable travel.

During the year, Julian House Trading Limited made positive progress against its strategic aims:

Notable achievements include:

- We supported 89 people with complex needs to access our employability through cycle skills project.

Julian House Trading Limited
Report of the Directors
for the Year Ended 31 March 2022

- We supported 80 people to complete our hands-on Build-a-Bike course, refurbishing a second-hand bike over the course of 4 weekly sessions and riding away on it at the end.
- We supported 40 people to gain AQA accreditations in Building a Bike, Maintaining a Bike, and Health & Safety at Work.
- We provided meaningful work placements for 10 young people at risk of unemployment, through the Kickstart programme.
- We provided 18 people with tailored one-to-one support to help them reach their personal employment and education goals.
- We continued to ensure that 100% of bike workshop staff are qualified to at least Cytech level two.
- We provided cycle maintenance courses, including women-only courses, for 42 members of the public on a range of topics.
- We built and sold 592 second hand refurbished bikes through our bike workshops.
- We were a finalist in the sustainability category of the prestigious Bath Life Awards.
- We launched a new e-bike hire scheme in Bath, as featured on the BBC Travel Show, and achieving a 5* rating on TripAdvisor.
- We attracted 1277 Instagram followers (up from 895 last year) and 1001 Facebook followers (up from 852 last year).
- We donated c.500 bike tyre inner tubes to the charity Cycle of Good who turn them into eco-friendly items to help end poverty in Malawi.
- 93% of clients said the bike workshops had a positive impact on their mental health and emotional wellbeing.
- 96% of clients rated their experience of the bike workshops as excellent or good.
- Our refurbished bikes are a minimum of 80% carbon neutral.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

D A McDonald (Chair)
H C Bedser
C P Stockham

Other changes in directors holding office are as follows:

K A Eastham - resigned 3 March 2022
J Hilton - appointed 3 March 2022

M Cunio was appointed as a director after 31 March 2022 but prior to the date of this report.

Julian House Trading Limited

**Report of the Directors
for the Year Ended 31 March 2022**

FUTURE PLANS

Our future plans reflect our drive to support people experiencing social exclusion and to increase our profits; all for the benefit of Julian House who will have growing need for our help, as more and more people are pushed to the margins of society.

Our aims are:

- To provide quality training, employment support, work experience and volunteering opportunities for people facing barriers to work.
- To be a welcoming and inclusive workplace, where our clients, customers, volunteers, and employees, can all have a great experience.
- To be widely known for our great customer service, professional and environmentally sustainable products and services, and positive contribution to the local community.
- To be as profitable as we can, raising at least £25k pa for our partner charity, Julian House, to invest in their life-saving projects.

GOING CONCERN

Having reviewed the expected future performance of the company and having obtained confirmation of the ongoing support of the parent charity, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
Mrs L Baxter - Secretary

Date: 6 September 2022

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Julian House Trading Limited

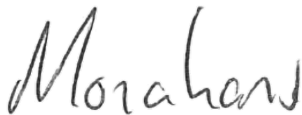
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Julian House Trading Limited for the year ended 31 March 2022 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Julian House Trading Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Julian House Trading Limited and state those matters that we have agreed to state to the Board of Directors of Julian House Trading Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Julian House Trading Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Julian House Trading Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Julian House Trading Limited. You consider that Julian House Trading Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Julian House Trading Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Monahans
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date: 06/09/2022

Julian House Trading Limited

Income Statement
for the Year Ended 31 March 2022

	Notes	2022 £	2021 £
TURNOVER		540,195	589,959
Cost of sales		<u>152,316</u>	<u>160,100</u>
GROSS PROFIT		387,879	429,859
Administrative expenses		<u>393,010</u>	<u>463,454</u>
OPERATING LOSS	4	(5,131)	(33,595)
Interest payable and similar expenses		<u>206</u>	<u>120</u>
LOSS BEFORE TAXATION		(5,337)	(33,715)
Tax on loss		<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(5,337)</u>	<u>(33,715)</u>

The notes form part of these financial statements

Julian House Trading Limited (Registered number: 03450273)

Balance Sheet
31 March 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	5	31,734	36,935
CURRENT ASSETS			
Stocks		71,601	79,590
Debtors	6	11,382	9,602
Cash at bank and in hand		<u>10,047</u>	<u>13,644</u>
		93,030	102,836
CREDITORS			
Amounts falling due within one year	7	<u>68,250</u>	<u>166,888</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>24,780</u>	<u>(64,052)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		56,514	(27,117)
CREDITORS			
Amounts falling due after more than one year	8	<u>318,214</u>	<u>229,246</u>
NET LIABILITIES		<u>(261,700)</u>	<u>(256,363)</u>
CAPITAL AND RESERVES			
Called up share capital		2	2
Retained earnings		<u>(261,702)</u>	<u>(256,365)</u>
		<u>(261,700)</u>	<u>(256,363)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

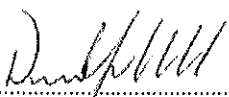
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The 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 06/09/2022 and were signed on its behalf by:


.....
D A McDonald (Chair) - Director

The notes form part of these financial statements

Julian House Trading Limited

Notes to the Financial Statements
for the Year Ended 31 March 2022

1. STATUTORY INFORMATION

Julian House Trading Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with its parent company on the basis that it is a wholly owned subsidiary within the group.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Short-term leasehold property	over 10 years
Fixtures and fittings	over 5 years
Motor vehicles	over 5 years

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

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.

Julian House Trading Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

2. ACCOUNTING POLICIES - continued

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.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

The directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. At the year end date, although the company had net liabilities, having reviewed the expected future performance of the company and obtained confirmation of the ongoing support of the parent charity, the directors are satisfied that the company continues to be a going concern and have prepared the accounts on this basis.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 15 (2021 - 15).

4. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	8,785	48,321
Loss/(profit) on disposal of fixed assets	<u>6,956</u>	<u>(1,000)</u>

Julian House Trading Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

5. TANGIBLE FIXED ASSETS

	Short-term leasehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2021	51,617	25,035	8,146	84,798
Additions	4,549	-	10,950	15,499
Disposals	<u>(23,767)</u>	<u>(5,529)</u>	<u>(1,200)</u>	<u>(30,496)</u>
At 31 March 2022	<u>32,399</u>	<u>19,506</u>	<u>17,896</u>	<u>69,801</u>
DEPRECIATION				
At 1 April 2021	27,953	13,274	6,636	47,863
Charge for year	3,703	4,252	2,783	10,738
Eliminated on disposal	<u>(16,038)</u>	<u>(3,976)</u>	<u>(520)</u>	<u>(20,534)</u>
At 31 March 2022	<u>15,618</u>	<u>13,550</u>	<u>8,899</u>	<u>38,067</u>
NET BOOK VALUE				
At 31 March 2022	<u>16,781</u>	<u>5,956</u>	<u>8,997</u>	<u>31,734</u>
At 31 March 2021	<u>23,664</u>	<u>11,761</u>	<u>1,510</u>	<u>36,935</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
Additions	<u>10,950</u>
At 31 March 2022	<u>10,950</u>
DEPRECIATION	
Charge for year	<u>1,953</u>
At 31 March 2022	<u>1,953</u>
NET BOOK VALUE	
At 31 March 2022	<u>8,997</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other debtors	20	2,198
VAT	1,062	-
Prepayments and accrued income	<u>10,300</u>	<u>7,404</u>
	<u>11,382</u>	<u>9,602</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Hire purchase contracts	2,536	-
Trade creditors	10,470	12,356
Amounts owed to group undertakings	40,645	114,887
Other creditors	-	500
Accruals and deferred income	<u>14,599</u>	<u>39,145</u>
	<u>68,250</u>	<u>166,888</u>

Julian House Trading Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Hire purchase contracts	2,959	-
Amounts owed to group undertakings	<u>315,255</u>	<u>229,246</u>
	<u>318,214</u>	<u>229,246</u>

9. OTHER FINANCIAL COMMITMENTS

	2022	2021
	£	£
Total future minimum payments under non-cancellable operating leases	<u>98,500</u>	<u>42,750</u>

10. ULTIMATE CONTROLLING PARTY

Julian House Trading Limited is a wholly owned subsidiary of Julian House, a charity registered with the Charity Commission (1183751) and a registered company limited by guarantee in England and Wales (11791952). The registered office and place of business of Julian House is 1 Kelso Place, Upper Bristol Road, Bath, BA1 3AU.

Julian House Trading Limited

**Trading and Profit and Loss Account
for the Year Ended 31 March 2022**

	2022		2021	
	£	£	£	£
Turnover				
Grants and donations	53,626		69,114	
HACT income	36,113		258	
Bicycle sale	393,142		440,480	
Government business support grant	35,066		66,969	
Other sales	<u>22,248</u>		<u>13,138</u>	
		540,195		589,959
Cost of sales				
Purchases		<u>152,316</u>		<u>160,100</u>
GROSS PROFIT		387,879		429,859
Expenditure				
Rent - non operating lease	33,333		44,867	
Rates	1,778		169	
Insurance	3,012		3,088	
Light and heat	6,525		5,996	
Water	364		1,258	
Wages	276,965		323,589	
Staff private health insurance	726		985	
Telephone and fax	3,764		4,142	
Printing and stationery	1,139		1,157	
Advertising and promotion	1,530		503	
Hotels, travel and subsistence	1,323		336	
Motor expenses	3,719		7,231	
Staff training and recruitment	1,339		889	
Repairs and maintenance	9,326		11,571	
Computer costs	3,022		3,687	
General office expenses	4,351		4,177	
Accountancy	2,677		1,697	
Internal audit	800		-	
Subscriptions	336		381	
Management charge	<u>18,442</u>		<u>-</u>	
		<u>374,471</u>		<u>415,723</u>
		13,408		14,136
Finance costs				
Bank charges	844		410	
Loan	<u>206</u>		<u>120</u>	
		<u>1,050</u>		<u>530</u>
		12,358		13,606
Depreciation				
Short leasehold	3,703		26,398	
Fixtures and fittings	4,253		19,960	
Motor vehicles	<u>2,783</u>		<u>1,963</u>	
		<u>10,739</u>		<u>48,321</u>
		1,619		(34,715)
(Loss)/profit on disposal of fixed assets				
Motor vehicles		<u>(6,956)</u>		<u>1,000</u>
NET LOSS		<u>(5,337)</u>		<u>(33,715)</u>

This page does not form part of the statutory financial statements