

JULIAN HOUSE TRADING LIMITED
Registered Company (03450273)

Report of the Directors and Unaudited Financial Statements

31 MARCH 2018

JULIAN HOUSE TRADING LIMITED
(Company limited by guarantee no. 03450273)

REPORT AND FINANCIAL STATEMENTS
for the year ended 31 March 2018

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JULIAN HOUSE TRADING LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 March 2018

Directors

David McDonald (Chair)
Philip Addis
Helen Bedser
Catherine Hallam
Peter Denning
Philip Marshall (resigned 30 October 2017)
Nigel Roberts (resigned 25 May 2018)

Secretary

Helene Law

Accountants

MHA Monahans
Fortescue House
Court Street
Trowbridge
BA14 8FA

Registered office

55 New King Street
Bath
Avon
BA1 2BN

Registered number

03450273

JULIAN HOUSE TRADING LIMITED

DIRECTORS' REPORT for the year ended 31 March 2018

The directors present their report with the financial statements for the year ended 31 March 2018.

PRINCIPAL ACTIVITIES

The company principally operates social enterprises which trade, alongside providing quality skills development opportunities, work experience placements, employability support and jobs for socially excluded people. The company operates on behalf of its parent, Julian House (a charity registered under the Industrial and Provident Societies Act now the Co-operative and Community Benefit Societies Act 2014) as a mixed motive investment and to whom the company covenants its profits.

DIRECTORS

The following persons served as directors during the year:

David McDonald (Chair)
Philip Addis
Helen Bedser
Peter Denning
Catherine Hallam
Phillip Marshall (resigned 30 October 2017)
Nigel Roberts (resigned 25 May 2018)

RESULTS FOR THE YEAR

Julian House has seen modest growth during 2017-18, with a turnover of £754,409 up from £696,035 last year.

The loss for the year amounted to £87,664 (2017 : £5,356).

It has been both an exciting and challenging year for our social enterprises.

We launched our 5th bike workshop, opening in Exeter, and more bikes than ever before were donated, fixed and sold, to transform the employment prospects of our clients. We also implemented EPOS across our shops and carried out major refurbishments, to improve efficiency, productivity, customer and client experience.

In Bristol, a difficult trading position for Aspire, our property maintenance social enterprise, and the loss of some small but vital contracts, made the task of providing work placements and training increasingly challenging, and in December the difficult decision was taken to close Aspire in order to focus on our other social enterprises.

The overall financial position this year has been affected by development of the new bike workshop in Exeter, increased staff costs, some exceptional one-off costs and changes to the accounting rules, resulting in an expected financial deficit. Moving forward, our business plan expects to turn a profit in three years time due to some restructure and with the new shops bedding in.

JULIAN HOUSE TRADING LTD VISION

Julian House Trading Ltd share the Julian House vision, for a just society where socially excluded people are supported and empowered to build sustainable, independent lives.

The Julian House Trading Ltd mission is to operate viable social enterprises which provide quality skills development opportunities, work experience placements, employment support and jobs for socially excluded people, furthering the wider objectives of Julian House.

JULIAN HOUSE TRADING LIMITED

DIRECTORS' REPORT

for the year ended 31 March 2018

JULIAN HOUSE TRADING LIMITED STRATEGIC AIMS

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

- 1) To provide positive opportunities for socially excluded people to improve their skills, gain work experience and achieve their employment goals, as follows:
 - 338 (increase from 275 last year) socially excluded people benefited from attending our social enterprises for employment support, build-a-bike courses and work placements.
 - £584,184 (increase from £464,554 last year) generated in social value through access to employment and training opportunities.
 - 18 (increase from 16 last year) socially excluded people gained paid employment.
 - Delivered specialist build-a-bike courses in women-only groups, young people only groups and groups for refugees, as well as our regular build-a-bike courses accessible to all.
 - Established a partnership with Learn Devon to provide IT training and CV skills for clients in Exeter and continued partnership with Learning Curve in Trowbridge and ECI in Exeter.
- 2) To support our social enterprises to be financially strong; using our resources effectively, spending money wisely, attracting sales, fundraised and contract income.

We have:

- Established a new partnership with FCC for supply of bike donations.
 - Continued to benefit from pro-bono charity partner support from Deloitte to help improve business systems.
 - Secured 4 years grant funding from Bristol City Council for an employment and skills social enterprise project.
 - Successfully launched a new bike workshop in Exeter.
- 3) To provide good quality, value for money products and services which exceed the expectations of our customers.

We have:

- Introduced courtesy bike scheme at Bristol Bike Workshop.
- Continued to ensure that 100% of bike workshop staff are qualified to at least Cytech level 2.
- Introduced a new EPOS system for all the bike workshops.
- Carried out refurbishment improvements to the Bath and Bristol Bike Workshops.
- Established the Bike Kitchen at the Bath Bike Workshop which won a National Sustainable Travel Award in November.
- Successfully delivered new cycle maintenance courses for the public in Exeter and Bath.
- Established new Instagram and Facebook pages.

Our business plan reflects our drive for continued commercial success and an unwavering commitment to delivering strong outcomes for our clients.

JULIAN HOUSE TRADING LIMITED

DIRECTORS' REPORT
for the year ended 31 March 2018

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.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the report of the directors and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 accounts 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 accounts, the directors are required to:

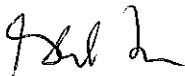
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Small company provisions

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

This report was approved by the board on 13/9/2018 and signed by its order.



H Law
Secretary

JULIAN HOUSE TRADING LIMITED

Chartered Accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Julian House Trading Limited for the year ended 31 March 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Julian House Trading Limited for the year ended 31 March 2018 which comprise of the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity 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 the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts 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 accounts 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 accounts.

MHA Monahans

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

13/09/18

JULIAN HOUSE TRADING LIMITED

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2018

	2018 £	2017 £
Turnover	754,409	696,035
Cost of sales	(267,404)	(243,716)
Gross profit	<u>487,005</u>	<u>452,319</u>
Administrative expenses	(573,995)	(457,898)
Operating loss	<u>(86,990)</u>	<u>(5,579)</u>
Interest receivable and payable	(674)	223
Loss on ordinary activities before taxation	<u>(87,664)</u>	<u>(5,356)</u>
Tax on ordinary activities	-	-
Loss for the financial year	<u><u>(87,664)</u></u>	<u><u>(5,356)</u></u>

There were no recognised gains and losses for 2018 and 2017 other than those included in the income statement.

There was no other comprehensive income for 2018 (2017: £Nil)

JULIAN HOUSE TRADING LIMITED (Registered number 03450273)

BALANCE SHEET
as at 31 March 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	5	158,168	156,177
Current assets			
Stocks	6	61,871	61,866
Debtors	7	28,058	51,340
Cash at bank and in hand		37,480	116,506
		<u>127,409</u>	<u>229,712</u>
Creditors: amounts falling due within one year	8	(89,563)	(243,640)
Net current liabilities		<u>37,846</u>	<u>(13,928)</u>
Total assets less current liabilities		<u>196,014</u>	<u>142,249</u>
Creditors: amounts falling due after more than one year	9	(331,951)	(190,522)
Net liabilities		<u><u>(135,937)</u></u>	<u><u>(48,273)</u></u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		(135,939)	(48,275)
Shareholders' funds		<u><u>(135,937)</u></u>	<u><u>(48,273)</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

b) 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 Sections 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

BALANCE SHEET
as at 31 March 2018

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 13/09/18 .



D McDonald
Director

JULIAN HOUSE TRADING LIMITED

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2018

	Share capital	Profit and loss account	Total
	£	£	£
At 1 April 2016	2	(42,919)	(42,917)
Changes in equity			
Total comprehensive income	-	(5,356)	(5,356)
At 31 March 2017	<u>2</u>	<u>(48,275)</u>	<u>(48,273)</u>
Changes in equity			
Total comprehensive income	-	(87,664)	(87,664)
At 31 March 2018	<u>2</u>	<u>(135,939)</u>	<u>(135,937)</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2018

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 can be found on the Reference and Administrative Information page.

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

2 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "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 as modified by the revaluation of certain assets.

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
Motor vehicles	over 5 years
Fixtures and fittings	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.

JULIAN HOUSE TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2018

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.

Leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis.

Pensions

Contributions to defined contribution plans are expensed 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

	2018	2017
	Number	Number
Average number of persons employed by the company	<u>22</u>	<u>26</u>

4 OPERATING PROFIT / (LOSS)

The operating profit/(loss) is stated after charging:	2018	2017
	£	£
Depreciation of fixed assets	38,923	32,018
Loss on disposal of fixed assets	<u>6,635</u>	<u>-</u>

JULIAN HOUSE TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2018

5 TANGIBLE FIXED ASSETS

	Short-term leasehold properties £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 April 2017	122,534	36,031	110,308	268,873
Additions	25,016	5,000	25,161	55,177
Disposals	(5,410)	(10,645)	(17,340)	(33,395)
At 31 March 2018	<u>142,140</u>	<u>30,386</u>	<u>118,129</u>	<u>290,655</u>
Depreciation				
At 1 April 2017	53,968	15,589	43,139	112,696
Charge for the year	13,069	6,623	19,231	38,923
On disposals	(1,330)	(6,562)	(11,240)	(19,132)
At 31 March 2018	<u>65,707</u>	<u>15,650</u>	<u>51,130</u>	<u>132,487</u>
Net book value				
At 31 March 2018	<u>76,433</u>	<u>14,736</u>	<u>66,999</u>	<u>158,168</u>
At 31 March 2017	<u>68,566</u>	<u>20,442</u>	<u>67,169</u>	<u>156,177</u>

6 STOCK

	2018 £	2017 £
Finished goods and goods for resale	<u>61,871</u>	<u>61,866</u>

7 DEBTORS

	2018 £	2017 £
Trade debtors	6,931	22,567
Prepayments and accrued income	19,742	27,009
Taxation	-	1,586
Other debtors	1,385	178
	<u>28,058</u>	<u>51,340</u>

8 CREDITORS: amounts falling due within one year

	2018 £	2017 £
Trade creditors	10,636	45,441
Amounts owed to group undertakings	64,850	72,250
Other creditors	-	2,117
Accruals and deferred income	11,315	123,832
Other taxes and social security costs	2,762	-
	<u>89,563</u>	<u>243,640</u>

JULIAN HOUSE TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2018

9 CREDITORS: amounts falling due after one year	2018	2017
	£	£
Amounts owed to group undertakings	<u>331,951</u>	<u>190,522</u>
10 OTHER FINANCIAL COMMITMENTS	2018	2017
	£	£
Total future minimum payments under non-cancellable operating leases	<u>106,889</u>	<u>89,231</u>

11 ULTIMATE CONTROLLING PARTY

Julian House Trading Limited is a wholly owned subsidiary of Julian House, a charity registered under the Co-operative and Community Benefit Societies Act 2014 in England and Wales. The registered office and place of business of Julian House is 55 New King Street, Bath, BA2 1BN.

