

# **Diocesan Trading Limited**

**Company number 2564900**

**Directors' Report and Financial Statements**

**for the year ended**

**31 March 2018**



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DIOCESAN TRADING LIMITED

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018**

**OFFICERS, PROFESSIONAL ADVISERS AND COMPANY REGISTRATION DETAILS**

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**DIRECTORS**

Right Reverend Bishop M O'Toole  
D M Butler BSc, FRICS  
Reverend K R Kirby  
A A Akinpelu, M.Sc, FCCA (Appointed 17 May 2018)

**AUDITORS**

PKF Francis Clark  
Torquay

**SECRETARY**

A A Akinpelu, M.Sc, FCCA

**SOLICITORS**

Tozers  
Exeter

**REGISTERED OFFICE**

St Boniface House  
Ashburton  
Newton Abbot  
TQ13 7JL

**PRINCIPAL BANKERS**

National Westminster Bank plc  
Exeter

**COMPANY NUMBER**

2564900

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018**

**DIRECTORS' REPORT**

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The Directors present their report and the audited financial statements for the year ended 31 March 2018.

**PRINCIPAL ACTIVITIES**

The Company is a wholly owned trading subsidiary of the charity known as Plymouth Diocesan Trust. The Company deals with property management, design and building services and the production of certain printed material on behalf of the charity.

**DIRECTORS**

The Directors of the Company during the year ended 31 March 2018 were:

Right Reverend Bishop M O'Toole  
D M Butler BSc, FRICS  
Reverend K R Kirby  
A A Akinpelu, M.Sc, FCCA (Appointed 17 May 2018)

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those 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;

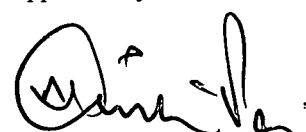
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies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

In so far as the Directors are aware:

- There is no relevant audit information of which the company's auditor is unaware; and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

*The Directors' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.*

Approved by the Board on 18 December 2018 and signed on it's behalf by:

  
A A Akinpelu, Secretary

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DIOCESAN TRADING LIMITED**

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**Opinion**

We have audited the financial statements of Diocesan Trading Limited (the 'company') for the year ended 31 March 2018, which comprise the Statement of Income and Retained Earnings, 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 Financial Reporting Standard 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 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 directors have 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.

**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.

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018**

**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 Strategic Report and 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 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**


Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018**

**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.

  
.....  
CHRISTOPHER HICKS BA FCA DChA (Senior Statutory Auditor)

PKF Francis Clark, Statutory Auditor  
Sigma House  
Oak View Close  
Edginswell Park  
Torquay  
TQ2 7FF

Date:  20 December 2018

DIOCESAN TRADING LIMITED

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018**

**STATEMENT OF INCOME AND RETAINED EARNINGS**

	Notes	2018 £	2017 £
<b>TURNOVER</b>	1(a), 1 (b)	85,537	9
Cost of sales		<u>(75,804)</u>	<u>(607)</u>
Gross profit		9,733	(598)
Administrative expenses		<u>(4,858)</u>	<u>(4,281)</u>
<b>OPERATING PROFIT / (LOSS)</b>		4,875	(4,879)
Interest receivable and sundry income		<u>-</u>	<u>-</u>
<b>PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		4,875	(4,879)
Taxation on profit / (loss) on ordinary activities		<u>-</u>	<u>-</u>
<b>Profit / (Loss) for the financial year</b>		4,875	(4,879)
Retained earnings brought forward		8,412	13,291
Gift Aid – Plymouth Diocesan Trust		-	-
Retained earnings carried forward		<u><b>13,287</b></u>	<u><b>8,412</b></u>

Movements on reserves are set out in note 8 on page 10.

The notes on pages 7 to 10 form part of these financial statements.



DIOCESAN TRADING LIMITED

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018**

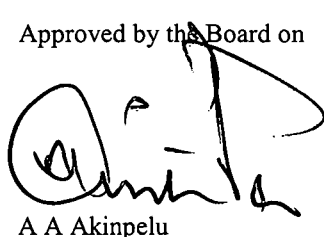
**BALANCE SHEET as at 31 March 2018**

	Notes	2018 £	2017 £
<b>TANGIBLE FIXED ASSETS</b>	3	8,762	1
<b>CURRENT ASSETS</b>			
Stocks		-	-
Debtors	4	77,036	-
Cash at bank		32,024	18,719
		109,060	18,719
<b>CREDITORS - Amounts falling due within one year</b>	5	(103,535)	(9,308)
<b>NET CURRENT ASSETS</b>		5,525	9,411
<b>TOTAL ASSETS LESS LIABILITIES</b>		<b>£14,287</b>	<b>£9,412</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	1,000	1,000
Profit and Loss account		13,287	8,412
<b>SHAREHOLDERS' FUNDS</b>		<b>£14,287</b>	<b>£9,412</b>

The notes on pages 7 to 10 form part of these financial statements.

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

Approved by the Board on 18 December 2018 and signed on its behalf by:



A A Akinpelu

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018**

**1 ACCOUNTING POLICIES**

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**General information**

The company is a private company limited by share capital, incorporated in England and Wales. Its registered office is as detailed on page 1.

**Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Statement of compliance**

These financial statements have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland incorporating the requirements of Section 1A and the Companies Act 2006.

**Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional and presentational currency of the company is sterling.

**Changes in accounting policy**

Accounting for Gift Aid and tax.

In accordance with the requirement of FRED68 the company continues to recognise the annual Gift Aid donation to the parent in the period in which the donation is made. However, in accordance with the requirement of FRED68, for the year ended 31 March 2018, the company has not recognised tax on profits relating to Gift Aid payments where it is probable that they will be made within nine months of the year end.

**(a) Turnover**

Turnover is the amount derived from ordinary activities and is net of Value Added Tax.

**(b) Management Fees**

- (i) Management fees are recognised in accordance with the degree of completion of projects.
- (ii) Management fees in respect of capital projects are recognised when the final outcome of the project can be assessed with reasonable certainty.

**(c) Professional fees**

Professional fees are recognised in the same accounting period as the management fees to which they relate.

**(d) Long-term contracts – building projects undertaken directly by the company**

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when the customer has accepted them. Full provision is made for losses on all contracts in the year in which they are first foreseen.

**(e) Work in Progress**

Work in progress is valued at cost plus attributable profit, less foreseeable losses and amounts received or receivable. Cost includes all direct costs.

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018**

**(f) Stock**

Stock of printed publications is valued at the lower of cost and net realisable value.

**(g) Tangible fixed assets and depreciation**

Tangible fixed assets have been included in the financial statements at their historical cost and are depreciated at rates calculated to write off the cost, less the residual value, of each asset over its expected useful life, using the following annual rates:

Computers	33.3%
Plant and Equipment	10-15 years

**(h) Tax**

In accordance with the provisions of FRED68, no liability for corporation tax is recognised in these financial statements, since the profits for the year will be donated to the parent charity under the Gift Aid provisions.

**(i) Deferred tax**

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**(j) Gift Aid**

Gift aid payments are charged to profits when they are paid.

**(k) Joint Venture**

The Joint Venture is classified as a fixed asset investment and is included at cost.

**(l) Financial instruments**

*Classification*

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Short term intra group debtors and creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

*Recognition and measurement*

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018****2 STAFF NUMBERS**

The average numbers of persons employed by the company (including directors) during the year, was 0 (2017 – 0).

**3 TANGIBLE FIXED ASSETS**

	<b>Equipment £</b>
<b>Historic Cost</b>	
At 1 April 2017	883
Additions	8,761
At 31 March 2018	<u>9,644</u>
<b>Depreciation</b>	
At 1 April 2017	882
Charge for the year	<u>-</u>
At 31 March 2018	<u>882</u>
<b>Net Book Value</b>	
At 31 March 2018	<u><b>£ 8,762</b></u>
At 31 March 2017	<u><b>£ 1</b></u>

**4 DEBTORS**

	<b>2018 £</b>	<b>2017 £</b>
<b>Due within one year:</b>		
Trade debtors and accrued trading income	<u>77,036</u>	<u>-</u>
	<u><b>£77,036</b></u>	<u><b>£-</b></u>

**DIRECTORS' REPORT AND ACCOUNTS for the year ended 31 March 2018****5 CREDITORS – Amounts falling due within one year**

	2018 £	2017 £
Amount due to parent undertaking (excluding Gift Aid donations)	24,392	3,000
Gift Aid donation to parent undertaking	-	-
Trade Creditors	70,958	-
Accruals	6,746	6,308
Other creditors and provisions for liabilities	1,439	-
	<u>£103,535</u>	<u>£9,308</u>

**6 CALLED UP SHARE CAPITAL**

	2018 £	2017 £
Allotted, called up and fully paid 1,000 ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>

**7 ULTIMATE PARENT UNDERTAKING AND CONTROL**

The company's immediate and ultimate parent undertaking is Plymouth Diocesan Trust, a charitable trust with registered number 213227.

The most senior parent entity producing publicly available financial statements is Plymouth Diocesan Trust. These financial statements are available upon request from the parent undertaking's registered office – St Boniface House, Ashburton, Newton Abbot, TQ13 7JL.