

**Ilmington Community Shop**  
**Unaudited Financial Statements**  
**30 September 2018**

# **Ilmington Community Shop**

## **Financial Statements**

**Year ended 30 September 2018**

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# **Ilmington Community Shop**

## **Management Committee Report**

### **Year ended 30 September 2018**

The members present their report and the unaudited financial statements of the society for the year ended 30 September 2018.

#### **Principal activities**

The principal activity of the society during the year was the provision of a community shop and cafe.

#### **Management Committee**

The members who served on the management committee during the year were as follows:

Tim Allen - Company Secretary and Chair

Nicky Schlatter - Vice Chair

Mark Dobson - Treasurer

Lee Bridges

Angela Dobson

Sheila Lowe

This report was approved by the management committee on 28 November 2018 and signed on behalf of the board by:

Tim Allen  
Company Secretary and Chair

Mark Dobson  
Treasurer

Nicky Schlatter  
Vice Chair

Registered office:  
Dower House  
Back Street  
Ilmington  
Shipston on Stour  
Warwickshire  
CV36 4LJ

# **Ilmington Community Shop**

## **Independent Accountant's Report to Ilmington Community Shop**

### **Year ended 30 September 2018**

We report on the financial statements of the society for the year ended 30 September 2018 which comprise the income statement, statement of financial position and the related notes.

Our work has been undertaken so that we might state to the society those matters we are required to state to it in an accountant'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 society for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the management committee and independent accountant**

The management committee is responsible for the preparation of the financial statements and they consider that an audit is not required for this year and that an independent accountant's report is needed.

It is our responsibility to carry out procedures designed to enable us to report our opinion.

#### **Basis for opinion**

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants. Our procedures included a review of the accounting records kept by the society and a comparison of the financial statements presented with those records. It also included consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required for an audit, and consequently we do not express an audit opinion on the view given by the financial statements.

#### **Opinion**

In our opinion:

- a) the financial statements are in agreement with the accounting records kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014.
- b) having regard only to, and on the basis of, the information contained in those accounting records, the financial statements comply with the requirements of the Co-operative and Community Benefit Societies Act 2014.
- c) for the preceding year of account, the financial criteria for the exercise of the power conferred by section 84 were met in relation to the year.

DAVID CADWALLADER & CO LIMITED  
Chartered Certified Accountants

Suite 3 Bignell Park Barns  
Chesterton  
Nr Bicester  
Oxon  
OX26 1TD

5 December 2018

# Ilmington Community Shop

## Income Statement

Year ended 30 September 2018

	Note	2018 £	2017 £
<b>Turnover</b>		<b>263,042</b>	248,755
Cost of sales		<b>183,858</b>	180,785
<b>Gross profit</b>		<b>79,184</b>	67,970
Distribution costs		<b>191</b>	1,032
Administrative expenses		<b>104,743</b>	88,666
Other operating income		<b>7,860</b>	1,760
<b>Operating loss</b>		<b>(17,890)</b>	(19,968)
<b>Loss before taxation</b>	<b>4</b>	<b>(17,890)</b>	(19,968)
Tax on loss		<b>—</b>	—
<b>Loss for the financial year</b>		<b>(17,890)</b>	(19,968)

The society has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 6 to 9 form part of these financial statements.

# Ilmington Community Shop

## Statement of Financial Position

30 September 2018

	Note	2018 £	£	2017 £
<b>Fixed assets</b>				
Tangible assets	5		<b>312,190</b>	333,736
<b>Current assets</b>				
Stocks		<b>12,334</b>		14,411
Debtors	6	<b>3,613</b>		6,384
Cash at bank and in hand		<b>15,025</b>		10,645
		<b>30,972</b>		31,440
<b>Creditors: amounts falling due within one year</b>	7	<b>24,691</b>		27,156
<b>Net current assets</b>			<b>6,281</b>	4,284
<b>Total assets less current liabilities</b>			<b>318,471</b>	338,020
<b>Creditors: amounts falling due after more than one year</b>	8		<b>10,905</b>	12,664
<b>Net assets</b>			<b>307,566</b>	325,356
<b>Capital and reserves</b>				
Called up share capital			<b>214,440</b>	214,340
Other reserves			<b>135,000</b>	135,000
Profit and loss account			<b>(41,874)</b>	(23,984)
<b>Members funds</b>			<b>307,566</b>	325,356

The society is satisfied that it is entitled to exemption from the requirement to obtain an audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

The members have not required the society to obtain an audit of its financial statements for the year in question in accordance with the Act.

The members acknowledge their responsibilities for:

- ensuring that the society keeps proper accounting records which comply with section 75 of the Co-operative and Community Benefit Societies Act 2014 (the Act);
- establishing and maintaining a satisfactory system of its books of accounts, its cash holdings and all its receipts and remittances in order to comply with section 75 of the Act; and
- preparing financial statements which give a true and fair view of the state of affairs of the society as at the end of the financial year and of its income and expenditure for the year in accordance with the requirements of section 80, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the society.

These financial statements have been prepared in accordance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The statement of financial position  
continues on the following page.

The notes on pages 6 to 9 form part of these financial statements.

# Ilmington Community Shop

## Statement of Financial Position *(continued)*

**30 September 2018**

These financial statements were approved by the management committee and authorised for issue on 28 November 2018, and are signed on their behalf by:

Tim Allen  
Company Secretary and Chair

Mark Dobson  
Treasurer

Nicky Schlatter  
Vice Chair

Registration number: 32295R

**The notes on pages 6 to 9 form part of these financial statements.**

**Ilmington Community Shop**  
**Notes to the Financial Statements**  
**Year ended 30 September 2018**

**1. General information**

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is Dower House, Back Street, Ilmington, Shipston on Stour, Warwickshire, CV36 4LJ.

**2. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Revenue recognition**

Turnover represents monies received (excluding value added tax) from shop sales and other activities.

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and Buildings	-	depreciated at rates of between 2-10% at the committees discretion
Plant and machinery	-	25% straight line
Equipment	-	25% straight line

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.



# Ilmington Community Shop

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2018

### 2. Accounting policies *(continued)*

#### Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the society are assigned to those units.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 3. Employee numbers

The average number of persons employed by the society during the year amounted to 2 (2017: 2).

### 4. Profit before taxation

Loss before taxation is stated after charging:

	2018	2017
	£	£
Depreciation of tangible assets	<u>25,444</u>	<u>25,193</u>

# Ilmington Community Shop

## Notes to the Financial Statements *(continued)*

### Year ended 30 September 2018

#### 5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>					
At 1 October 2017	326,010	24,340	22,277	6,787	<b>379,414</b>
Additions	3,898	–	–	–	<b>3,898</b>
<b>At 30 September 2018</b>	<u>329,908</u>	<u>24,340</u>	<u>22,277</u>	<u>6,787</u>	<u><b>383,312</b></u>
<b>Depreciation</b>					
At 1 October 2017	20,364	13,183	8,646	3,485	<b>45,678</b>
Charge for the year	12,093	6,085	5,569	1,697	<b>25,444</b>
<b>At 30 September 2018</b>	<u>32,457</u>	<u>19,268</u>	<u>14,215</u>	<u>5,182</u>	<u><b>71,122</b></u>
<b>Carrying amount</b>					
<b>At 30 September 2018</b>	<u>297,451</u>	<u>5,072</u>	<u>8,062</u>	<u>1,605</u>	<u><b>312,190</b></u>
At 30 September 2017	<u>305,646</u>	<u>11,157</u>	<u>13,631</u>	<u>3,302</u>	<u>333,736</u>

#### 6. Debtors

	2018 £	2017 £
Trade debtors	<b>2,787</b>	4,350
Other debtors	<b>826</b>	2,034
	<u><b>3,613</b></u>	<u>6,384</u>

#### 7. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	<b>13,675</b>	12,252
Social security and other taxes	<b>2,740</b>	1,990
Benefactor loans	<b>5,000</b>	5,000
Other creditors	<b>3,276</b>	7,914
	<u><b>24,691</b></u>	<u>27,156</u>

#### 8. Creditors: amounts falling due after more than one year

	2018 £	2017 £
Other creditors	<u><b>10,905</b></u>	<u>12,664</u>

Creditors consists of deferred grant income in relation to grants received for depreciating assets.

#### 9. Share capital and other reserves

Contained within other reserves is £135,000, which relates to a grant received from the Social Investment Business (SIB) that was used to help fund the purchase and repair of the freehold property.

# **Ilmington Community Shop**

## **Notes to the Financial Statements** *(continued)*

### **Year ended 30 September 2018**

#### **10. Related party transactions**

The members serving on the Management Committee use the village shop operated by the society. All transactions are at full market price.

No further transactions with related parties were undertaken such as are required to be disclosed under FRS102.