

**Ilmington Community Shop**  
**Unaudited Financial Statements**  
**30 September 2020**

# **Ilmington Community Shop**

## **Financial Statements**

**Year ended 30 September 2020**

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# Ilmington Community Shop

## Management Committee Report

### Year ended 30 September 2020

The members present their report and the unaudited financial statements of the society for the year ended 30 September 2020.

#### Principal activities

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

#### Members

The members who served the society during the year were as follows:

Lee Bridges	
Fiona Dakin	
Mike Tremellen	(Appointed 30 March 2020)
Sarah Tremellen	(Appointed 30 March 2020)
Tim Allen	(Resigned 30 March 2020)
Mark Dobson	(Resigned 30 March 2020)
Nicky Schlatter	(Resigned 30 March 2020)

This report was approved by the management committee on 19 January 2021 and signed on behalf of the board by:

Mike Tremellen  
Chair

Fiona Dakin  
Treasurer

Lee Bridges  
Company Secretary

Registered office:  
The Old Church  
Grump Street  
Ilmington  
Shipston-on-Stour  
Warwickshire  
CV36 4LE

# Ilmington Community Shop

## Independent Accountant's Report to Ilmington Community Shop

### Year ended 30 September 2020

We report on the financial statements of the society for the year ended 30 September 2020 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

# Ilmington Community Shop

## Income Statement

Year ended 30 September 2020

	Note	2020 £	2019 £
<b>Turnover</b>		<b>358,044</b>	269,508
Cost of sales		<u>257,750</u>	<u>178,867</u>
<b>Gross profit</b>		<b>100,294</b>	90,641
Administrative expenses		<b>99,665</b>	115,455
Other operating income		<b>21,762</b>	4,580
<b>Operating profit/(loss)</b>		<b>22,391</b>	(20,234)
<b>Profit/(loss) before taxation</b>	<b>4</b>	<u><b>22,391</b></u>	<u>(20,234)</u>
Tax on profit/(loss)		<b>4,638</b>	—
<b>Profit/(loss) for the financial year</b>		<u><b>17,753</b></u>	<u>(20,234)</u>

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 2020

	Note	2020 £	£	2019 £
<b>Fixed assets</b>				
Tangible assets	5		276,866	291,705
<b>Current assets</b>				
Stocks		14,283		13,333
Debtors	6	4,682		4,620
Cash at bank and in hand		58,602		20,098
		<u>77,567</u>		38,051
<b>Creditors: amounts falling due within one year</b>	7	<u>35,563</u>		26,478
<b>Net current assets</b>			<u>42,004</u>	11,573
<b>Total assets less current liabilities</b>			<b>318,870</b>	303,278
<b>Creditors: amounts falling due after more than one year</b>	8		<u>13,285</u>	15,446
<b>Net assets</b>			<u><b>305,585</b></u>	<u>287,832</u>
<b>Capital and reserves</b>				
Called up share capital			214,940	214,940
Other reserves			135,000	135,000
Profit and loss account			<u>(44,355)</u>	<u>(62,108)</u>
<b>Members funds</b>			<u><b>305,585</b></u>	<u>287,832</u>

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 2020**

These financial statements were approved by the management committee and authorised for issue on 19 January 2021, and are signed on their behalf by:

Mike Tremellen  
Chair

Fiona Dakin  
Treasurer

Lee Bridges  
Company Secretary

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 2020**

#### **1. General information**

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is The Old Church, Grump Street, Ilmington, Shipston-on-Stour, Warwickshire, CV36 4LE.

#### **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.

##### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### **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.

# Ilmington Community Shop

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

### Year ended 30 September 2020

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

##### 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
Fixtures and fittings	-	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.

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.

##### Government grants

Capital grants are deferred where the grant relates to a capital asset that is being depreciated. Where a capital grant is received against for a non-depreciating asset the grant income is set against the cost of the initial addition.

Revenue grants are recognised when the conditions for receipt have been met.

##### 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.

# Ilmington Community Shop

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

### Year ended 30 September 2020

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

##### 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 4 (2019: 5).

#### 4. Profit before taxation

Profit before taxation is stated after charging:

	<b>2020</b>	2019
	£	£
Depreciation of tangible assets	<b><u>16,123</u></b>	<u>25,526</u>

#### 5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Equipment £	<b>Total £</b>
<b>Cost</b>					
At 1 October 2019	329,908	27,037	24,332	6,787	<b>388,064</b>
Additions	–	–	–	1,284	<b>1,284</b>
<b>At 30 September 2020</b>	<u>329,908</u>	<u>27,037</u>	<u>24,332</u>	<u>8,071</u>	<b><u>389,348</u></b>
<b>Depreciation</b>					
At 1 October 2019	44,549	25,014	20,009	6,787	<b>96,359</b>
Charge for the year	12,092	674	3,039	318	<b>16,123</b>
<b>At 30 September 2020</b>	<u>56,641</u>	<u>25,688</u>	<u>23,048</u>	<u>7,105</u>	<b><u>112,482</u></b>
<b>Carrying amount</b>					
<b>At 30 September 2020</b>	<u>273,267</u>	<u>1,349</u>	<u>1,284</u>	<u>966</u>	<b><u>276,866</u></b>
At 30 September 2019	<u>285,359</u>	<u>2,023</u>	<u>4,323</u>	<u>–</u>	<b><u>291,705</u></b>

#### 6. Debtors

	<b>2020</b>	2019
	£	£
Trade debtors	<b>1,980</b>	3,095
Other debtors	<b><u>2,702</u></b>	<u>1,525</u>
	<b><u>4,682</u></b>	<u>4,620</u>

# Ilmington Community Shop

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

Year ended 30 September 2020

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

	2020	2019
	£	£
Trade creditors	17,404	12,459
Corporation tax	4,638	–
Social security and other taxes	384	3,292
Benefactor loans	5,000	5,000
Other creditors	8,137	5,727
	<u>35,563</u>	<u>26,478</u>

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

	2020	2019
	£	£
Other creditors	<u>13,285</u>	<u>15,446</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.

**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 FRS 102.

# **Ilmington Community Shop**

## **Management Information**

**Year ended 30 September 2020**

**The following pages do not form part of the financial statements.**

# Ilmington Community Shop

## Detailed Income Statement

Year ended 30 September 2020

	2020 £	2019 £
<b>Turnover</b>	<b>358,044</b>	269,508
<b>Cost of sales</b>		
Opening stock - raw materials	13,333	12,334
Purchases	258,700	179,866
	<u>272,033</u>	192,200
Closing stock - resale	14,283	13,333
	<u>257,750</u>	178,867
<b>Gross profit</b>	<b>100,294</b>	90,641
<b>Overheads</b>		
Administrative expenses	99,665	115,455
<b>Profit/(loss) on society trading</b>	<b>629</b>	(24,814)
Other income	100	400
Donations	–	2,020
Capital Grants	2,160	2,160
Government grants recognised directly in income	19,502	–
	<u>21,762</u>	4,580
<b>Operating profit/(loss)</b>	<b>22,391</b>	(20,234)
<b>Profit/(loss) before taxation</b>	<b>22,391</b>	(20,234)

**Ilmington Community Shop**  
**Notes to the Detailed Income Statement**  
**Year ended 30 September 2020**

	2020 £	2019 £
<b>Administrative expenses</b>		
Wages and salaries	45,212	56,014
Employers national insurance contributions	1,571	3,493
Staff pension contributions - defined contribution	6,430	6,099
Rates and water	502	364
Light and heat	7,218	6,827
Insurance	2,384	1,415
Repairs and maintenance (allowable)	4,168	1,443
Waste disposal	985	855
Cleaning costs	262	936
Hire costs (Coffee machine)	1,582	1,609
Telephone	144	96
Office expenses	3,198	2,588
Printing postage and stationery	366	209
Staff training	-	135
Sundry expenses	1,353	2,774
Charitable donations (allowable)	100	-
Subscriptions	-	35
Advertising	100	527
Legal and professional fees (allowable)	1,993	723
Accountancy fees	620	665
Depreciation of tangible assets	16,123	25,526
(Gain)/loss on disposal of tangible assets	-	225
Bank charges	5,354	2,897
	<u>99,665</u>	<u>115,455</u>