

Stoke-sub-Hamdon Community Shop Limited

Unaudited Financial Statements

28 February 2023

CHALMERS & CO (SW) LIMITED

Chartered accountants
Trading as Chalmers & Co.
6 The Linen Yard
South Street
Crewkerne
Somerset
TA18 8AB

Stoke-sub-Hamdon Community Shop Limited

Financial Statements

Year ended 28 February 2023

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Stoke-sub-Hamdon Community Shop Limited

Management Committee Report

Year ended 28 February 2023

The officers present their report and the unaudited financial statements of the society for the year ended 28 February 2023.

Principal activities

The principal activity of the company during the year was the running of the community shop in Stoke-sub-Hamdon called The Stoke-sub-Hamdon Community Shop.

Officers

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

L A Foley	
K H Rake	
S Davey	
E V L Herrod	
R Stibbon	
S L Menzies	(Appointed 11 November 2022)
S Wright	(Appointed 11 November 2022)

This report was approved by the management committee on 25 April 2024 and signed on behalf of the board by:

KH Rake
Secretary

Registered office:
7 Walscombe Close
Stoke-sub-Hamdon
Somerset
TA14 6QJ

Stoke-sub-Hamdon Community Shop Limited

Independent Accountant's Report to the Committee of Stoke-Sub-Hamdon Community Shop Limited

Year ended 28 February 2023

In order to assist the directors to fulfil their duties under the Co-operative and Community Benefit Societies Act 2014, the accountants have prepared for the committee's approval the financial statements set out on pages 4 to 11 from the society's accounting records and information and explanations supplied by the client.

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 at www.icaew.com/en/membership/regulations-standards-and-guidance.

We report on the accounts for the year ended 28 February 2023 set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the society in accordance with the terms of our engagement letter dated 8 June 2023. Our review has been undertaken so that we may state to the society's officers those matters we have agreed with them in our engagement letter 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 and the society's directors as a body for our work, for this report or the conclusions we have formed.

Management Committee's Responsibility for the accounts

The management committee are responsible for the preparation of the accounts and have acknowledged their duty to ensure that the society has kept proper accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the society. They consider that the society is entitled to opt out of an audit and that an independent accountants report is needed.

Reporting Accountants' Responsibility

It is our responsibility to carry out procedures designed to enable us to report our opinion under s.85 Co-operative and Community Benefit Societies Act 2014.

Our review was conducted in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) *Engagements to review historical financial statements* and ICAEW Technical Release TECH 09/13AAF *Assurance review engagements on historical financial statements*. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

Scope of our review

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

Stoke-sub-Hamdon Community Shop Limited

Independent Accountant's Report to the Committee of Stoke-Sub-Hamdon Community Shop Limited

Year ended 28 February 2023

Conclusion

Based on our review, nothing has come to our attention that causes us not to believe that, in our opinion:

- (a) Except for the uncertainties relating to
 - i. Takings, which arises from a limitation of scope in being able to verify the banking control figure and the lack of a petty cash reconciliation;
 - ii. A number of older creditors that the committee believe should have been paid but have no record of the payment within the accounting records;the accounts are in agreement with the accounting records kept by the society under s75 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 accounts have been drawn up in a manner consistent with the accounting requirements of the Co-operative and Community Benefit Societies Act 2014 and United Kingdom FRS 102 section 1A for Smaller Entities; and
- (c) the society satisfied the conditions for exemption from an audit of the accounts for the year specified in s84(1) of the Act and did not, at any time within that year, fall within any of the categories of societies not entitled to the exemption specified in s84(3)&(4).

CHALMERS & CO (SW) LIMITED

Chartered accountants

Trading as Chalmers & Co.

6 The Linen Yard

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Crewkerne

Somerset

TA18 8AB

26 April 2024

Stoke-sub-Hamdon Community Shop Limited

Statement of Comprehensive Income

Year ended 28 February 2023

	Note	2023 £	2022 £
Turnover		208,809	199,232
Cost of sales		160,815	151,958
Gross profit		<u>47,994</u>	<u>47,274</u>
Administrative expenses		50,839	33,907
Other operating income		<u>2,630</u>	<u>2,421</u>
Operating profit/(loss)		(215)	15,788
Other interest receivable and similar income		9	–
Interest payable and similar expenses		<u>–</u>	<u>4</u>
Profit/(loss) before taxation	6	(206)	15,784
Tax on profit/(loss)		<u>–</u>	<u>–</u>
Profit/(loss) for the financial year and total comprehensive income		<u>(206)</u>	<u>15,784</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 8 to 11 form part of these financial statements.

Stoke-sub-Hamdon Community Shop Limited

Statement of Financial Position

28 February 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	7	5,524	6,965
Current assets			
Stocks		12,372	12,182
Debtors	8	887	3,280
Cash at bank and in hand		64,084	55,129
		<u>77,343</u>	<u>70,591</u>
Creditors: amounts falling due within one year	9	<u>7,682</u>	<u>2,180</u>
Net current assets		<u>69,661</u>	<u>68,411</u>
Total assets less current liabilities		<u>75,185</u>	<u>75,376</u>
Net assets		<u>75,185</u>	<u>75,376</u>
Capital and reserves			
Called up share capital		1,140	1,125
Profit and loss account		<u>74,045</u>	<u>74,251</u>
Members funds		<u>75,185</u>	<u>75,376</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 shareholders have not required the society to obtain an audit of its financial statements for the year in question in accordance with the Act.

The officers 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 8 to 11 form part of these financial statements.

Stoke-sub-Hamdon Community Shop Limited

Statement of Financial Position *(continued)*

28 February 2023

These financial statements were approved by the management committee and authorised for issue on 25 April 2024, and are signed on their behalf by:

L A Foley
Member

KH Rake
Secretary

Registration number: RS008287

The notes on pages 8 to 11 form part of these financial statements.

Stoke-sub-Hamdon Community Shop Limited

Statement of Changes in Equity

Year ended 28 February 2023

	Called up share capital £	Profit and loss account £	Total £
At 1 March 2021	1,115	58,467	59,582
Profit for the year		15,784	15,784
Total comprehensive income for the year	–	15,784	15,784
Issue of shares	10	–	10
Total investments by and distributions to owners	10	–	10
At 28 February 2022	1,125	74,251	75,376
Profit/(loss) for the year		(206)	(206)
Total comprehensive income for the year	–	(206)	(206)
Issue of shares	15	–	15
Total investments by and distributions to owners	15	–	15
At 28 February 2023	<u>1,140</u>	<u>74,045</u>	<u>75,185</u>

The notes on pages 8 to 11 form part of these financial statements.

Stoke-sub-Hamdon Community Shop Limited

Notes to the Financial Statements

Year ended 28 February 2023

1. General information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is 7 Walscombe Close, Stoke-sub-Hamdon, Somerset, TA14 6QJ. The principle place of business is Stoke Community Shop, 6B High Street, Stoke-sub-Hamdon, Somerset, TA14 6PP.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Judgements and key sources of uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied, net of discounts and Value Added Tax. Recharges for rent and electric are measured on the accruals basis. Interest is recognised when it is received.

Taxation

Stoke-sub-Hamdon Community Shop is a 'not for profit' organisation', its profits cannot be distributed as set out in rule 33.5 and 34 of the society rules. Any surplus must be used by the society to further its aims. In accordance with BIM24475, the members believe that the society is able to apply the 'Peterhead Principle' in deducting the notional costs of volunteers from any 'profit' that the society may generate. On this basis, no Corporation Tax is currently due.

Tangible assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulative impairment losses. Depreciation is provided on all tangible 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:

Stoke-sub-Hamdon Community Shop Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

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:

Fixtures and fittings	-	25% reducing balance
Computer equipment	-	33% 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.

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

4. Employee numbers

The average number of persons employed by the society during the year amounted to 2 (2022: 1).

5. Other operating income

	2023	2022
	£	£
Rent receivable – Post office counter	1,460	1,490
Recharge of electricity	770	850
Donation	400	71
Membership fees	-	10
	<u>2,630</u>	<u>2,421</u>

6. Profit before taxation

Profit before taxation is stated after charging:

	2023	2022
	£	£
Depreciation of tangible assets	<u>1,891</u>	<u>2,321</u>

Stoke-sub-Hamdon Community Shop Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

7. Tangible assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 March 2022	10,539	–	10,539
Additions	–	450	450
At 28 February 2023	<u>10,539</u>	<u>450</u>	<u>10,989</u>
Depreciation			
At 1 March 2022	3,574	–	3,574
Charge for the year	1,741	150	1,891
At 28 February 2023	<u>5,315</u>	<u>150</u>	<u>5,465</u>
Carrying amount			
At 28 February 2023	<u>5,224</u>	<u>300</u>	<u>5,524</u>
At 28 February 2022	<u>6,965</u>	<u>–</u>	<u>6,965</u>

8. Debtors

	2023 £	2022 £
Trade debtors	70	515
Other debtors	817	2,765
	<u>887</u>	<u>3,280</u>

9. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	4,364	–
Social security and other taxes	271	22
Other creditors	3,047	2,158
	<u>7,682</u>	<u>2,180</u>

10. Commitments under operating leases

At 28 February 2023 the society had aggregate annual commitments under non-cancellable operating leases as set out below.

	2023 £	2022 £
Operating leases which expire:		
Not later than one year	5,100	5,100
Later than 1 year and not later than 5 years	15,300	20,400
Later than 5 years	–	–
	<u>20,400</u>	<u>25,500</u>

Stoke-sub-Hamdon Community Shop Limited

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

11. Share Capital

	2023	2022
Allotted, called up and fully paid;	£	£
Ordinary share capital	<u>1,140</u>	<u>1,125</u>

Ordinary share capital

Ordinary shares have a nominal value of £1 each.

Each member must hold five shares.

Number of members at 28 February 2023 - 228 (2022- 225)

12. Related Party Transactions

There were no related party transactions requiring disclosure.

Members remuneration and expenses

No honorarium or expenses were paid to members during the year.

Stoke-sub-Hamdon Community Shop Limited

Management Information

Year ended 28 February 2023

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

Stoke-sub-Hamdon Community Shop Limited

Detailed Income Statement

Year ended 28 February 2023

	2023	2022
	£	£
Turnover		
Sales	208,809	199,232
Cost of sales		
Opening stock	12,182	11,465
Purchases	151,503	152,675
Gas and Electric key top ups	9,502	–
	<u>173,187</u>	<u>164,140</u>
Closing stock	<u>12,372</u>	<u>12,182</u>
	160,815	151,958
Gross profit	<u>47,994</u>	<u>47,274</u>
Overheads		
Administrative expenses	50,839	33,907
Profit/(loss) on society trading	<u>(2,845)</u>	<u>13,367</u>
Other income	2,630	2,421
Operating profit/(loss)	<u>(215)</u>	<u>15,788</u>
Other interest receivable and similar income	9	–
Interest payable and similar expenses	–	(4)
Profit/(loss) before taxation	<u>(206)</u>	<u>15,784</u>

Stoke-sub-Hamdon Community Shop Limited

Notes to the Detailed Income Statement

Year ended 28 February 2023

	2023	2022
	£	£
Administrative expenses		
Wages and salaries	22,669	11,483
Staff pension contributions - other	364	156
Rent and water rates	5,196	5,166
Rates and water	–	141
Light and heat	3,661	3,253
Insurance	758	669
Repairs and maintenance (allowable)	983	789
Cleaning costs	6	86
Travel and subsistence	65	889
Telephone	259	624
Printing postage and stationery	225	383
Staff training	25	–
Sundry expenses	1,364	1,851
Advertising	645	263
Licences & subscriptions	–	310
Legal and professional fees (allowable)	550	750
Bookkeeping	5,518	–
Accountancy fees	3,665	2,520
Depreciation of tangible assets	1,891	2,321
Bank charges	2,995	2,253
	<u>50,839</u>	<u>33,907</u>
Other interest receivable and similar income		
Interest on cash and cash equivalents	<u>9</u>	<u>–</u>
Interest payable and similar expenses		
Interest payable	<u>–</u>	<u>4</u>
