

REGISTRATION NUMBER: 30475R

East Budleigh Community Shop
Financial Statements
Year ended 30 September 2023

Contents	Page
Management committee report	1
Independent accountant's report to the society	2
Income statement	3
Statement of financial position	4
Notes to the financial statements	6
The following pages do not form part of the financial statements	
Detailed income statement	11
Notes to the detailed income statement	12

East Budleigh Community Shop
Unaudited Financial Statements
30 September 2023

East Budleigh Community Shop Management Committee Report

Year ended 30 September 2023

The members present their report and the unaudited financial statements of the society for the year ended 30 September 2023.

Principal activities

The principal activity of the society during the year was the operation of a village shop.

Members

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

John Tresidder
Paul Smith
Charles Abram
David Conner
Andrew Canning
Lesley Wensley

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

Paul Smith
Chair

David Conner
Treasurer

John Tresidder
Secretary

Registered office:
Raleigh House
Middletown Lane
East Budleigh
Devon
EX9 7EQ

East Budleigh Community Shop Independent Accountant's Report to East Budleigh Community Shop

Year ended 30 September 2023

We report on the financial statements of the society for the year ended 30 September 2023 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
Chesterston
Nr Bicester
Oxon
OX26 1TD

East Budleigh Community Shop

Income Statement

Year ended 30 September 2023

	2023	2022
	£	£
Turnover		
Cost of sales	277,732	256,708
Gross profit	233,736	210,988
Administrative expenses	43,996	45,720
Operating (loss)/profit	48,793	41,245
	<u>(4,797)</u>	<u>4,475</u>
Other interest receivable and similar income	172	45
(Loss)/profit before taxation	4	4,520
Tax on (loss)/profit	(408)	551
(Loss)/profit for the financial year	(4,217)	3,969

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

East Budleigh Community Shop

Statement of Financial Position

30 September 2023

	2023	2022
	£	£
Fixed assets		
Tangible assets	5	45,112
Current assets		
Stocks	16,631	14,175
Debtors	1,960	688
Cash at bank and in hand	28,597	38,615
	<u>47,188</u>	<u>53,478</u>
Creditors: amounts falling due within one year	7	6,915
Net current assets	40,273	45,677
Total assets less current liabilities	87,164	90,789
Creditors: amounts falling due after more than one year	8	3,300
Provisions		
Taxation including deferred tax	2,619	2,027
Net assets	81,245	85,462
Capital and reserves		
Called up share capital	1,815	1,815
Profit and loss account	79,430	83,647
Members funds	81,245	85,462

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.

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

East Budleigh Community Shop
Statement of Financial Position (continued)

30 September 2023

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

Paul Smith
Chair

John Tresidder
Secretary

Registration number: 30475R

David Conner
Treasurer

East Budleigh Community Shop
Notes to the Financial Statements

Year ended 30 September 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 Raleigh House, Middletown Lane, East Budleigh, Devon, EX9 7EQ.

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.

East Budleigh Community Shop
Notes to the Financial Statements *(continued)*
Year ended 30 September 2023

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 & buildings	-	2% straight line
Plant & machinery	-	12% straight line
Equipment	-	12% 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.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

East Budleigh Community Shop
Notes to the Financial Statements *(continued)*
Year ended 30 September 2023

2. Accounting policies *(continued)*

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.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the . Finance costs and gains or losses relating to financial liabilities are included in the . Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

3. Employee numbers

The average number of persons employed by the society during the year amounted to 3 (2022: 3).

4. Profit before taxation

Profit before taxation is stated after charging:

	2023	2022
	£	£
	<u>4,205</u>	<u>4,389</u>

5. Tangible assets

Depreciation of tangible assets

	Land and buildings	Plant and machinery	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 October 2022	44,029	40,980	5,790	<u>90,799</u>
Additions	-	5,160	824	<u>5,984</u>
At 30 September 2023	<u>44,029</u>	<u>46,140</u>	<u>6,614</u>	<u>96,783</u>
Depreciation				
At 1 October 2022	10,865	29,927	4,895	<u>45,687</u>
Charge for the year	1,101	2,874	230	<u>4,205</u>
At 30 September 2023	<u>11,966</u>	<u>32,801</u>	<u>5,125</u>	<u>49,892</u>
Carrying amount				
At 30 September 2023	<u>32,063</u>	<u>13,339</u>	<u>1,489</u>	<u>46,891</u>
At 30 September 2022	<u>33,164</u>	<u>11,053</u>	<u>895</u>	<u>45,112</u>

East Budleigh Community Shop
Notes to the Financial Statements *(continued)*

East Budleigh Community Shop
Management Information

Year ended 30 September 2023

Year ended 30 September 2023

6. Debtors							
	2023	2022					
	£	£					
Other debtors	1,960	688					
	<u>1,960</u>	<u>688</u>					
7. Creditors: amounts falling due within one year							
	2023	2022					
	£	£					
Corporation tax	-	1,000					
Social security and other taxes	272	831					
Other creditors	6,643	5,970					
	<u>6,915</u>	<u>7,801</u>					
8. Creditors: amounts falling due after more than one year							
	2023	2022					
	£	£					
Bondholder loans	3,300	3,300					
	<u>3,300</u>	<u>3,300</u>					

9. Related party transactions

The members of the management committee purchase items from the shop. All transactions are at openmarket value.

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

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

East Budleigh Community Shop

Detailed Income Statement

Year ended 30 September 2023

	2023 £	2022 £
Turnover	277,732	256,708
Cost of sales		
Opening stock	14,175	12,960
Purchases	227,916	207,059
Loyalty card redemption	8,276	5,144
	<u>250,367</u>	<u>225,163</u>
Closing stock	16,631	14,175
	<u>233,736</u>	<u>210,988</u>
Gross profit	43,996	45,720
Overheads		
Administrative expenses	48,793	41,245
	<u>(4,797)</u>	<u>4,475</u>
(Loss)/profit on society trading	(4,797)	4,475
Operating (loss)/profit	172	45
Other interest receivable and similar income		
	<u>(4,625)</u>	<u>4,520</u>

- 11 -

East Budleigh Community Shop

Notes to the Detailed Income Statement

Year ended 30 September 2023

	2023 £	2022 £
Administrative expenses	24,629	21,603
Wages and salaries	6,860	4,029
Light and heat	776	662
Insurance	826	775
Repairs and maintenance (allowable)	966	749
Waste disposal	175	555
Cleaning costs	352	331
Telephone	1,389	1,219
Computer & software	420	420
Subscriptions and licence fees	1,128	35
Sundry expenses	432	54
Charitable donations (allowable)	617	1,110
Office supplies	-	230
Advertising	2,147	1,901
Accountancy fees	4,205	4,389
Depreciation on buildings and equipment	3,871	3,183
Card charges	<u>48,793</u>	<u>41,245</u>
Other interest receivable and similar income	172	45
Interest on bank deposits		

- 12 -