

Company Registration No. 30643R (England and Wales)

THE BROADHEMPSTON COMMUNITY SHOP LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE BROADHEMPSTON COMMUNITY SHOP LTD

COMPANY INFORMATION

| | | |
|-----------------------------|--|----------------------------|
| Management committee | B Hinckley (Chairperson) I Wilkinson (Treasurer) P Hickman P Derbyshire A Pooley S Harrison S Garton | (Appointed 28 August 2020) |
| Secretary | P Hickman | |
| Company number | 30643R | |
| Registered office | The Village Shop Broadhempston Totnes Devon TQ9 6BQ | |
| Accountants | Rupp & Fraser Chartered Accountants and Statutory Auditor 7 St Paul's Road Newton Abbot Devon TQ12 2HP | |
| Business address | The Village Shop Broadhempston Totnes Devon TQ9 6BQ | |
| Bankers | The Co-operative Bank PO Box 250, Delf House Skelmersdale WN8 6WT | |

THE BROADHEMPSTON COMMUNITY SHOP LTD

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THE BROADHEMPSTON COMMUNITY SHOP LTD

COMMITTEE OF MANAGEMENT REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The committee of management present their report and the unaudited financial statements of the company for the year ended 31 March 2021.

Principal activities

The principal activity of the company continued to be that of a community shop and post office.

Members of the management committee

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

B Hinckley (Chairperson)
I Wilkinson (Treasurer)
P Hickman
P Derbyshire
R Bunting
A Pooley
S Harrison
S Garton

Audit

Under its rules, subject to the association not being compelled by legislation to have its financial statements audited, the members vote annually to determine whether or not to require an audit to be performed. In the opinion of the management committee the association is not required to appoint auditors under s83 of the Co-operative and Community Benefit Societies Act 2014 because it did not meet the financial requirements for audit as set out by s84 of that act, and at the 2017 Annual General Meeting, the members decided that an audit was not required.

Members of the management committee responsibilities statement

The members of the management committee are responsible for preparing the members of the management committee report and the financial statements in accordance with applicable law and regulations.

Company law requires the members of the management committee to prepare financial statements for each financial year. Under that law the members of the management committee have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the members of the management committee must not approve the 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 these financial statements, the members of the management committee required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements: and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The members of the management committee 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.

These financial statements have been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

THE BROADHEMPSTON COMMUNITY SHOP LTD

COMMITTEE OF MANAGEMENT REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

On behalf of the board

B Hinckley (Chairperson)
21 June 2021

THE BROADHEMPSTON COMMUNITY SHOP LTD

ACCOUNTANTS REPORT TO THE MEMBERS

We report on the financial statements of Broadhempston Community Shop Limited for the year ended 31 March 2021 which comprise the Income Statement, Statement of Financial Position and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of officers and the reporting accountants

The Management Committee are responsible for the preparation of the financial statements in accordance with applicable law and for keeping proper accounting records that are sufficient to show the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of Opinion

Our work was conducted in accordance with the Statements of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records maintained by the association, and making limited enquiries of the officers of the association as we considered necessary for the purposes of this report. These procedures provide the only assurance expressed in our opinion.

Unqualified opinion

In our opinion:

- a) the Income Statement and the Statement of Financial Position 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 to, and on the basis of, the information contained on those accounting records, the revenue account and balance sheet have been drawn up in a manner consistent with the accounting requirements of the Co-operative and Community Benefit Societies Act 2014;
- c) the society satisfied the financial criteria for the exercise of the power conferred within section 85 of the Co-operative and Community Benefit Societies Act 2014 and did not, at any time within the year, fall within any of the categories not entitled to the exemption specified in section 84 of the same Act.

Rupp & Fraser

22 June 2021

Chartered Accountants

Chartered Accountants and Statutory
Auditor
7 St Paul's Road
Newton Abbot
Devon
TQ12 2HP

THE BROADHEMPSTON COMMUNITY SHOP LTD

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

| | Notes | 2021 £ | 2020 £ |
|---|-------|----------------------|-----------------------|
| Turnover | | 245,353 | 238,206 |
| Cost of sales | | (173,955) | (181,300) |
| Gross profit | | <u>71,398</u> | <u>56,906</u> |
| Administrative expenses | | (71,449) | (67,195) |
| Other operating income | | 19,757 | 5,688 |
| Operating profit/(loss) | | <u>19,706</u> | <u>(4,601)</u> |
| Interest payable and similar expenses | | 100 | (847) |
| Profit/(loss) before taxation | | <u>19,806</u> | <u>(5,448)</u> |
| Tax on profit/(loss) | 4 | (4,595) | 357 |
| Profit/(loss) for the financial year | | <u><u>15,211</u></u> | <u><u>(5,091)</u></u> |

THE BROADHEMPSTON COMMUNITY SHOP LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

| | Notes | Share capital £ | Profit and loss reserves £ | Total £ |
|--|-------|---------------------|----------------------------------|----------------------|
| Balance at 1 April 2019 | | 1,680 | 8,927 | 10,607 |
| Year ended 31 March 2020: | | | | |
| Loss and total comprehensive income for the year | | - | (5,091) | (5,091) |
| Issue of share capital | | 30 | - | 30 |
| Balance at 31 March 2020 | | <u>1,710</u> | <u>3,836</u> | <u>5,546</u> |
| Year ended 31 March 2021: | | | | |
| Profit and total comprehensive income for the year | | - | 15,211 | 15,211 |
| Issue of share capital | | 60 | - | 60 |
| Balance at 31 March 2021 | | <u><u>1,770</u></u> | <u><u>19,047</u></u> | <u><u>20,817</u></u> |

THE BROADHEMPSTON COMMUNITY SHOP LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|-----------------|----------------|-----------------|---------------|
| Fixed assets | | | | | |
| Tangible assets | 6 | | 32,935 | | 37,232 |
| Current assets | | | | | |
| Stocks | | 13,409 | | 10,000 | |
| Debtors | 7 | 1,161 | | 1,944 | |
| Cash at bank and in hand | | 26,733 | | 16,178 | |
| | | <u>41,303</u> | | <u>28,122</u> | |
| Creditors: amounts falling due within one year | 8 | <u>(19,468)</u> | | <u>(30,168)</u> | |
| Net current assets/(liabilities) | | | 21,835 | | (2,046) |
| Total assets less current liabilities | | | <u>54,770</u> | | <u>35,186</u> |
| Creditors: amounts falling due after more than one year | 9 | | (32,132) | | (29,744) |
| Provisions for liabilities | | | <u>(1,821)</u> | | <u>104</u> |
| Net assets | | | <u>20,817</u> | | <u>5,546</u> |
| Capital and reserves | | | | | |
| Called up share capital | | | 1,770 | | 1,710 |
| Profit and loss reserves | | | 19,047 | | 3,836 |
| Total equity | | | <u>20,817</u> | | <u>5,546</u> |

The members of the Management Committee are satisfied that the company is entitled to exemption from the requirement to obtain an audit as conferred by section 83 of The Co-operative and Community Benefit Societies Act 2014.

The members of the Management Committee hereby confirm:

- (1) that the members have not required the company to obtain an audit in accordance with its rules.
- (2) that they acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Societies Act 2014 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

THE BROADHEMPSTON COMMUNITY SHOP LTD

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved by the board of directors and authorised for issue on 21 June 2021 and are signed on its behalf by:

B Hinckley (Chairperson)
Committee member

I Wilkinson (Treasurer)
Committee member

A Pooley
Committee member

Company Registration No. 30643R

THE BROADHEMPSTON COMMUNITY SHOP LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

The Broadhempston Community Shop Ltd is a private company limited by shares incorporated in England and Wales. The registered office is The Village Shop, Broadhempston, Totnes, Devon, TQ9 6BQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|------------------------------|-------------------|
| Leasehold land and buildings | 20% straight line |
| Fixtures and fittings | 25% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

THE BROADHEMPSTON COMMUNITY SHOP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

THE BROADHEMPSTON COMMUNITY SHOP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2021 Number | 2020 Number |
|-------|----------------|----------------|
| Total | 2 | 2 |

4 Taxation

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Current tax | | |
| UK corporation tax on profits for the current period | 2,670 | - |

THE BROADHEMPSTON COMMUNITY SHOP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

| 4 | Taxation | (Continued) | | |
|---|--|-----------------------|-------------------------------|-------------------|
| | | 2021 | 2020 | |
| | | £ | £ | |
| | Deferred tax | | | |
| | Origination and reversal of timing differences | 1,925 | (357) | |
| | | <u> </u> | <u> </u> | |
| | Total tax charge/(credit) | <u>4,595</u> | <u>(357)</u> | |
| | | <u> </u> | <u> </u> | |
| 5 | Intangible fixed assets | | Goodwill | |
| | | | £ | |
| | Cost | | | |
| | At 1 April 2020 and 31 March 2021 | | 2,000 | |
| | | | <u> </u> | |
| | Amortisation and impairment | | | |
| | At 1 April 2020 and 31 March 2021 | | 2,000 | |
| | | | <u> </u> | |
| | Carrying amount | | | |
| | At 31 March 2021 | | - | |
| | | | <u> </u> | |
| | At 31 March 2020 | | - | |
| | | | <u> </u> | |
| | | | <u> </u> | |
| 6 | Tangible fixed assets | | | |
| | | Land and buildings | Plant and machinery etc | Total |
| | | £ | £ | £ |
| | Cost | | | |
| | At 1 April 2020 | 57,643 | 48,410 | 106,053 |
| | Additions | 3,306 | 3,480 | 6,786 |
| | | <u> </u> | <u> </u> | <u> </u> |
| | At 31 March 2021 | 60,949 | 51,890 | 112,839 |
| | | <u> </u> | <u> </u> | <u> </u> |
| | Depreciation and impairment | | | |
| | At 1 April 2020 | 35,539 | 33,282 | 68,821 |
| | Depreciation charged in the year | 7,197 | 3,886 | 11,083 |
| | | <u> </u> | <u> </u> | <u> </u> |
| | At 31 March 2021 | 42,736 | 37,168 | 79,904 |
| | | <u> </u> | <u> </u> | <u> </u> |
| | Carrying amount | | | |
| | At 31 March 2021 | 18,213 | 14,722 | 32,935 |
| | | <u> </u> | <u> </u> | <u> </u> |
| | At 31 March 2020 | 22,104 | 15,128 | 37,232 |
| | | <u> </u> | <u> </u> | <u> </u> |
| | | <u> </u> | <u> </u> | <u> </u> |

THE BROADHEMPSTON COMMUNITY SHOP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

| | | |
|---|----------------------|----------------------|
| 7 Debtors | 2021 | 2020 |
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 36 | - |
| Other debtors | 1,125 | 1,944 |
| | <u>1,161</u> | <u>1,944</u> |
| | <u><u>1,161</u></u> | <u><u>1,944</u></u> |
| | | |
| 8 Creditors: amounts falling due within one year | 2021 | 2020 |
| | £ | £ |
| Trade creditors | 8,235 | 17,349 |
| Corporation tax | 2,670 | - |
| Other taxation and social security | 336 | 241 |
| Other creditors | 8,227 | 12,578 |
| | <u>19,468</u> | <u>30,168</u> |
| | <u><u>19,468</u></u> | <u><u>30,168</u></u> |
| | | |
| 9 Creditors: amounts falling due after more than one year | 2021 | 2020 |
| | £ | £ |
| Other creditors | 32,132 | 29,744 |
| | <u>32,132</u> | <u>29,744</u> |
| | <u><u>32,132</u></u> | <u><u>29,744</u></u> |
| | | |
| Creditors which fall due after five years are as follows: | 2021 | 2020 |
| | £ | £ |
| Payable by instalments | 5,624 | 8,251 |
| | <u>5,624</u> | <u>8,251</u> |
| | <u><u>5,624</u></u> | <u><u>8,251</u></u> |
| | | |
| 10 Deferred grants | 2021 | 2020 |
| | £ | £ |
| Arising from government grants | 18,469 | 14,251 |
| | <u>18,469</u> | <u>14,251</u> |
| | <u><u>18,469</u></u> | <u><u>14,251</u></u> |
| | | |
| Deferred income is included in the financial statements as follows: | | |
| Current liabilities | 4,617 | 3,562 |
| Non-current liabilities | 13,852 | 10,689 |
| | <u>18,469</u> | <u>14,251</u> |
| | <u><u>18,469</u></u> | <u><u>14,251</u></u> |

THE BROADHEMPSTON COMMUNITY SHOP LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

| | | 2021 | | 2020 |
|---|----------------|-----------|----------------|-----------|
| | £ | £ | £ | £ |
| Turnover | | | | |
| Sales of goods | | 245,353 | | 238,206 |
| Cost of sales | | | | |
| <i>Opening stocks</i> | | | | |
| Opening stock of finished goods | 10,000 | | 10,050 | |
| | <u>10,000</u> | | <u>10,050</u> | |
| Total opening stocks | 10,000 | | 10,050 | |
| <i>Purchases and other direct costs</i> | | | | |
| Finished goods purchases | 177,364 | | 181,250 | |
| | <u>177,364</u> | | <u>181,250</u> | |
| Total purchases and other direct costs | 177,364 | | 181,250 | |
| <i>Closing stocks</i> | | | | |
| Closing stock of finished goods | 13,409 | | 10,000 | |
| | <u>13,409</u> | | <u>10,000</u> | |
| Total closing stocks | 13,409 | | 10,000 | |
| Total cost of sales | | (173,955) | | (181,300) |
| Gross profit | 29.10% | 71,398 | 23.89% | 56,906 |
| Other operating income | | | | |
| Government grants receivable and released | 6,300 | | 4,751 | |
| Coronavirus exceptional support | 10,000 | | - | |
| Sundry income | 3,457 | | 937 | |
| | <u>19,757</u> | | <u>5,688</u> | |
| | | 19,757 | | 5,688 |

THE BROADHEMPSTON COMMUNITY SHOP LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

| | £ | 2021 £ | £ | 2020 £ |
|--|--------|-----------|--------|-----------|
| Administrative expenses | | | | |
| Wages and salaries | 29,956 | | 28,434 | |
| Staff training | 618 | | - | |
| Staff pension costs defined contribution | 245 | | 887 | |
| Rent re operating leases | 8,000 | | 8,000 | |
| Rates | 238 | | 411 | |
| Cleaning | 3,177 | | 2,896 | |
| Power, light and heat | 6,554 | | 6,292 | |
| Property repairs and maintenance | 1,926 | | 1,429 | |
| Insurance | 833 | | 796 | |
| Computer running costs | 862 | | 941 | |
| Travelling expenses | - | | 266 | |
| Professional subscriptions | 559 | | 154 | |
| Legal and professional fees | - | | 69 | |
| Accountancy | 1,100 | | 1,700 | |
| Bank charges | 3,406 | | 1,890 | |
| Printing and stationery | 1,320 | | 350 | |
| Advertising | 205 | | 418 | |
| Telecommunications | 725 | | 723 | |
| Sundry expenses | 640 | | 592 | |
| Depreciation | 11,085 | | 10,947 | |
| | | (71,449) | | (67,195) |
| Operating profit/(loss) | | 19,706 | | (4,601) |
| Interest payable and similar expenses | | | | |
| Non bank interest on loans | | 100 | | (847) |
| Profit/(loss) before taxation | 8.07% | 19,806 | 2.29% | (5,448) |
