

Company registration number 30643R (England and Wales)

THE BROADHEMPSTON COMMUNITY SHOP LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE BROADHEMPSTON COMMUNITY SHOP LTD

COMPANY INFORMATION

Management committee	B Hinckley (Chairperson) I Wilkinson (Treasurer) P Hickman P Derbyshire A Pooley S Harrison
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

CONTENTS

	Page
Committee of management report	1 - 2
Accountants' report	3
Income statement	4
Statement of financial position	6 - 7
Statement of changes in equity	5
Notes to the financial statements	8 - 12

THE BROADHEMPSTON COMMUNITY SHOP LTD

COMMITTEE OF MANAGEMENT REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The committee of management present their report and the unaudited financial statements of the company for the year ended 31 March 2022.

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

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 2022

On behalf of the board

B Hinckley (Chairperson)

22 July 2022

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 2022 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 July 2022

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 2022

	Notes	2022 £	2021 £
Turnover		253,995	245,353
Cost of sales		(183,418)	(173,955)
		<hr/>	<hr/>
Gross profit		70,577	71,398
Administrative expenses		(75,213)	(71,449)
Other operating income		5,386	19,757
		<hr/>	<hr/>
Operating profit		750	19,706
Interest payable and similar expenses		(269)	100
		<hr/>	<hr/>
Profit before taxation		481	19,806
Tax on profit	4	3,296	(4,595)
		<hr/>	<hr/>
Profit for the financial year		<u>3,777</u>	<u>15,211</u>

The income statement has been prepared on the basis that all operations are continuing operations.

THE BROADHEMPSTON COMMUNITY SHOP LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2020		1,710	3,836	5,546
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>1,770</u>	<u>19,047</u>	<u>20,817</u>
Year ended 31 March 2022:				
Profit and total comprehensive income for the year		-	3,777	3,777
Issue of share capital		20	-	20
Balance at 31 March 2022		<u><u>1,790</u></u>	<u><u>22,824</u></u>	<u><u>24,614</u></u>

THE BROADHEMPSTON COMMUNITY SHOP LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	6		23,626		32,935
Current assets					
Stocks		15,967		13,409	
Debtors	7	1,520		1,161	
Cash at bank and in hand		29,547		26,733	
		<u>47,034</u>		<u>41,303</u>	
Creditors: amounts falling due within one year	8	<u>(16,740)</u>		<u>(19,468)</u>	
Net current assets			30,294		21,835
Total assets less current liabilities			<u>53,920</u>		<u>54,770</u>
Creditors: amounts falling due after more than one year	9		(28,111)		(32,132)
Provisions for liabilities			<u>(1,195)</u>		<u>(1,821)</u>
Net assets			<u>24,614</u>		<u>20,817</u>
Capital and reserves					
Called up share capital			1,790		1,770
Profit and loss reserves			22,824		19,047
Total equity			<u>24,614</u>		<u>20,817</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 2022

The financial statements were approved by the board of directors and authorised for issue on 22 July 2022 and are signed on its behalf by:

B Hinckley (Chairperson)
Committee member

I Wilkinson (Treasurer)
Committee member

P Hickman
Committee member & Secretary

S Harrison
Committee member

Company Registration No. 30643R

THE BROADHEMPSTON COMMUNITY SHOP LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 2022

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 2022

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:

	2022 Number	2021 Number
Total	2	2

4 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	-	2,670
Adjustments in respect of prior periods	(2,670)	-
Total current tax	(2,670)	2,670

THE BROADHEMPSTON COMMUNITY SHOP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4	Taxation	(Continued)		
		2022	2021	
		£	£	
	Deferred tax			
	Origination and reversal of timing differences	(626)	1,925	
		<u> </u>	<u> </u>	
	Total tax (credit)/charge	<u>(3,296)</u>	<u>4,595</u>	
		<u> </u>	<u> </u>	
5	Intangible fixed assets		Goodwill	
			£	
	Cost			
	At 1 April 2021 and 31 March 2022		2,000	
			<u> </u>	
	Amortisation and impairment			
	At 1 April 2021 and 31 March 2022		2,000	
			<u> </u>	
	Carrying amount			
	At 31 March 2022		-	
			<u> </u>	
	At 31 March 2021		-	
			<u> </u>	
			<u> </u>	
6	Tangible fixed assets			
		Land and buildings	Plant and machinery etc	Total
		£	£	£
	Cost			
	At 1 April 2021	60,949	51,890	112,839
	Additions	327	7,111	7,438
	Disposals	-	(42)	(42)
		<u> </u>	<u> </u>	<u> </u>
	At 31 March 2022	61,276	58,959	120,235
		<u> </u>	<u> </u>	<u> </u>
	Depreciation and impairment			
	At 1 April 2021	42,736	37,168	79,904
	Depreciation charged in the year	7,720	9,007	16,727
	Eliminated in respect of disposals	-	(22)	(22)
		<u> </u>	<u> </u>	<u> </u>
	At 31 March 2022	50,456	46,153	96,609
		<u> </u>	<u> </u>	<u> </u>
	Carrying amount			
	At 31 March 2022	10,820	12,806	23,626
		<u> </u>	<u> </u>	<u> </u>
	At 31 March 2021	18,213	14,722	32,935
		<u> </u>	<u> </u>	<u> </u>

THE BROADHEMPSTON COMMUNITY SHOP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Debtors	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	184	36
Other debtors	1,336	1,125
	<u>1,520</u>	<u>1,161</u>
	<u><u>1,520</u></u>	<u><u>1,161</u></u>
8 Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	8,049	8,235
Corporation tax	-	2,670
Other taxation and social security	318	336
Other creditors	8,373	8,227
	<u>16,740</u>	<u>19,468</u>
	<u><u>16,740</u></u>	<u><u>19,468</u></u>
9 Creditors: amounts falling due after more than one year	2022	2021
	£	£
Other creditors	28,111	32,132
	<u>28,111</u>	<u>32,132</u>
	<u><u>28,111</u></u>	<u><u>32,132</u></u>
Creditors which fall due after five years are as follows:	2022	2021
	£	£
Payable by instalments	3,374	5,624
	<u>3,374</u>	<u>5,624</u>
	<u><u>3,374</u></u>	<u><u>5,624</u></u>
10 Government grants	2022	2021
	£	£
Arising from government grants	16,119	18,469
	<u>16,119</u>	<u>18,469</u>
	<u><u>16,119</u></u>	<u><u>18,469</u></u>
Deferred income is included in the financial statements as follows:		
Current liabilities	4,038	4,617
Non-current liabilities	12,081	13,852
	<u>16,119</u>	<u>18,469</u>
	<u><u>16,119</u></u>	<u><u>18,469</u></u>

The following pages do not form part of the statutory accounts

THE BROADHEMPSTON COMMUNITY SHOP LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021
	£	£	£	£
Turnover				
Sales of goods		253,995		245,353
Cost of sales				
Opening stock of finished goods	13,409		10,000	
	<hr/>		<hr/>	
<i>Purchases and other direct costs</i>				
Finished goods purchases	185,885		177,364	
Direct costs	91		-	
	<hr/>		<hr/>	
Total purchases and other direct costs	185,976		177,364	
Closing stock of finished goods	15,967		13,409	
	<hr/>		<hr/>	
Total cost of sales		(183,418)		(173,955)
Gross profit	27.79%	70,577	29.10%	71,398
Other operating income				
Government grants receivable and released	4,850		6,300	
Coronavirus exceptional support	-		10,000	
Sundry income	536		3,457	
	<hr/>		<hr/>	
		5,386		19,757
Administrative expenses				
Wages and salaries	30,686		29,956	
Staff training	57		618	
Staff pension costs defined contribution	-		245	
Rent re operating leases	8,000		8,000	
Rates	109		238	
Cleaning	2,872		3,177	
Power, light and heat	5,874		6,554	
Property repairs and maintenance	1,472		1,926	
Insurance	995		833	
Computer running costs	662		862	
Professional subscriptions	498		559	
Accountancy	1,200		1,100	
Charitable donations	50		-	
Bank charges	3,847		3,406	
Printing and stationery	365		1,320	
Advertising	320		205	
Telecommunications	836		725	
Sundry expenses	648		640	
Depreciation	16,727		11,085	
Profit or loss on sale of tangible assets	(5)		-	
	<hr/>		<hr/>	
		(75,213)		(71,449)

THE BROADHEMPSTON COMMUNITY SHOP LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

	£	2022 £	£	2021 £
Operating profit		<u>750</u>		<u>19,706</u>
Interest payable and similar expenses				
Non bank interest on loans		(269)		100
Profit before taxation	0.19%	<u>481</u>	8.07%	<u>19,806</u>
