

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
FOR
THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Page
Company Information	1
Report of the Directors	2
Chartered Certified Accountants' Report	4
Income Statement	5
Balance Sheet	6
Statement of Changes in Equity	8
Notes to the Financial Statements	9
Trading and Profit and Loss Account	13

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019**

DIRECTORS:

Joshua Schwieso
Catherine Macadam
Simon Haswell
Patricia Edwards
Sally Foxhall
Sonia Hulejczuk
Szilvi Hardwick
Alison Goldie
Lee Spreadbury
Anthony Burgess-Parker
Sarah Upfield

REGISTERED OFFICE:

Spaxton Community Stores
High Street
Spaxton
Somerset
TA5 1BS

REGISTERED NUMBER:

IP031164 (England and Wales)

ACCOUNTANTS:

Complete Professional Guidance Limited
Chartered Certified Accountants
42 Weirfield Green
Taunton
Somerset
TA1 1AZ

THE SPAXTON COMMUNITY SHOP SOCIETY LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of establishing and trading as a village shop for the benefit of the community.

REVIEW OF BUSINESS

The Spaxton Community Shop Society Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014, first registered on 20 January 2011. The registered society is governed by Rules of The Spaxton Community Shop Society Limited.

The Society is committed to trading for the benefit of the community, and not for anyone's private benefit and to retaining profits and applying them to achieve its purpose. Any surpluses held by the society shall, at the discretion of the management committee, be applied to a general reserve for the continuation and development of the society and/or for social or charitable purposes compatible with the objects of the society.

After completion of the building structure in the third quarter of 2014, two months of further investment followed finalising the purchase and installation of fixtures and fittings and the initial stocking of the shop. The building project was completed within budget in January 2015.

The society obtained a seven year lease from Spaxton Village Hall on 22 January 2015 and the shop opened to the general public for trading with a Grand Opening on 7 February 2015. Staffed throughout by a loyal team of local volunteers, the Community Stores additionally appointed its first employee, a Shop Manager in October 2015.

Following a successful application process, during the first quarter of 2016, a Post Office Local counter was opened inside the shop, marking the completion of the Management Committee's original plans for the Spaxton Community Stores.

The attached accounts show the financial position of the society at 31 December 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

Joshua Schwieso
Catherine Macadam
Simon Haswell
Patricia Edwards
Sally Foxhall
Sonia Hulejczuk
Szilvi Hardwick
Alison Goldie
Lee Spreadbury
Sarah Upfield

Other changes in directors holding office are as follows:

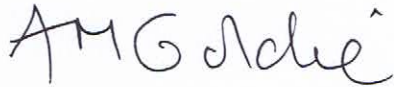
Anthony Burgess-Parker - appointed 23 May 2019

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2019**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'AM Goldie', with a small accent mark over the 'i'.

Alison Goldie - Director

21 May 2020

**CHARTERED CERTIFIED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

Independent Accountants' Report under Section 85 of the Co-operative and Community Benefit Societies Act 2014

We report to the members on the unaudited accounts for the year ended 31 December 2019 set out on pages 2 to 12.

RESPECTIVE RESPONSIBILITIES OF OFFICERS AND REPORTING ACCOUNTANTS

The society's officers are responsible for the preparation of the accounts, and they consider that the society is entitled to opt out of an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

This report is made to the society's members, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the accounts that we have been engaged to compile, report to the society's members that we have done so, and state those matters that we have agreed to state to them in this 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 and the society's members, as a body, for our work or for this report.

BASIS OF OPINION

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

OPINION

In our opinion:

- (a) The accounts, including the revenue account and balance sheet, 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 revenue account and balance sheet comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- (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.

*Complete Professional
Guidance Ltd*

Complete Professional Guidance Limited
Chartered Certified Accountants
42 Weirfield Green
Taunton
Somerset
TA1 1AZ

25 May 2020

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
TURNOVER		166,504	162,810
Cost of sales		<u>134,036</u>	<u>131,865</u>
GROSS PROFIT		32,468	30,945
Administrative expenses		<u>45,476</u>	<u>48,006</u>
		(13,008)	(17,061)
Other operating income		<u>22,336</u>	<u>25,842</u>
OPERATING PROFIT	4	9,328	8,781
Interest receivable and similar income		<u>147</u>	<u>63</u>
		9,475	8,844
Interest payable and similar expenses		<u>-</u>	<u>-</u>
PROFIT BEFORE TAXATION		9,475	8,844
Tax on profit	5	<u>1,142</u>	<u>466</u>
PROFIT FOR THE FINANCIAL YEAR		<u>8,333</u>	<u>8,378</u>

The notes form part of these financial statements

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED (REGISTERED NUMBER: IP031164)**

**BALANCE SHEET
31 DECEMBER 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	6	35,083	53,533
CURRENT ASSETS			
Stocks		9,000	9,598
Debtors	7	3,022	1,546
Cash at bank and in hand		<u>59,406</u>	<u>53,007</u>
		71,428	64,151
CREDITORS			
Amounts falling due within one year	8	<u>17,234</u>	<u>12,473</u>
NET CURRENT ASSETS		<u>54,194</u>	<u>51,678</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		89,277	105,211
PROVISIONS FOR LIABILITIES	9	(819)	(1,477)
ACCRUALS AND DEFERRED INCOME		-	<u>(23,559)</u>
NET ASSETS		<u>88,458</u>	<u>80,175</u>
CAPITAL AND RESERVES			
Called up share capital	10	30,420	30,470
Retained earnings		<u>58,038</u>	<u>49,705</u>
SHAREHOLDERS' FUNDS		<u>88,458</u>	<u>80,175</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

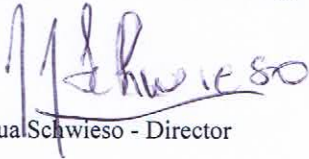
- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED (REGISTERED NUMBER: IP031164)**

**BALANCE SHEET - continued
31 DECEMBER 2019**

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 21 May 2020 and were signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'Joshual Schwieso'.

Joshual Schwieso - Director

A handwritten signature in blue ink, appearing to read 'Simon Haswell'.

Simon Haswell - Director

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2018	30,555	41,327	71,882
Changes in equity			
Redemption of share capital	(85)	-	(85)
Total comprehensive income	<u>-</u>	<u>8,378</u>	<u>8,378</u>
Balance at 31 December 2018	<u>30,470</u>	<u>49,705</u>	<u>80,175</u>
Changes in equity			
Issue of share capital	50	-	50
Redemption of share capital	(100)	-	(100)
Total comprehensive income	<u>-</u>	<u>8,333</u>	<u>8,333</u>
Balance at 31 December 2019	<u><u>30,420</u></u>	<u><u>58,038</u></u>	<u><u>88,458</u></u>

The notes form part of these financial statements

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. STATUTORY INFORMATION

The Spaxton Community Shop Society Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- in accordance with the property
Plant and machinery	- 33% on reducing balance
Fixtures and fittings	- 15% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated on a first in, first out basis.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Grants and donations

Grants and donations are credited to deferred income. Grants and donations towards non-depreciable capital expenditure are netted off of the cost of that asset. Grants towards depreciable capital expenditure are released to the income and expenditure over the expected useful life of the assets. Grants and donations towards revenue expenditure are released to the income and expenditure account as the related expenditure is incurred.

Taxation

The society does not have charitable status and is therefore liable to corporation tax. An estimate of the corporation tax liability due in respect of the taxable surplus for a financial year is included in the statement of financial activities and carried as a creditor until agreed with HM Revenue & Customs and is paid. Once the actual liability is paid any under or over provisioning is charged in or written back through the statement of financial activities.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2018 - 1).

4. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	<u>18,450</u>	<u>21,315</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	1,800	1,680
Deferred tax	<u>(658)</u>	<u>(1,214)</u>
Tax on profit	<u>1,142</u>	<u>466</u>

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2019 and 31 December 2019	<u>104,696</u>	<u>17,918</u>	<u>13,241</u>	<u>135,855</u>
DEPRECIATION				
At 1 January 2019	58,969	16,274	7,079	82,322
Charge for year	<u>14,957</u>	<u>1,522</u>	<u>1,971</u>	<u>18,450</u>
At 31 December 2019	<u>73,926</u>	<u>17,796</u>	<u>9,050</u>	<u>100,772</u>
NET BOOK VALUE				
At 31 December 2019	<u>30,770</u>	<u>122</u>	<u>4,191</u>	<u>35,083</u>
At 31 December 2018	<u>45,727</u>	<u>1,644</u>	<u>6,162</u>	<u>53,533</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other debtors	1,144	1,087
Prepayments and accrued income	<u>1,878</u>	<u>459</u>
	<u>3,022</u>	<u>1,546</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	8,484	8,942
Tax	1,800	1,681
Social security and other taxes	284	571
VAT	440	51
Other creditors	117	228
Accrued expenses	1,000	1,000
Deferred income	<u>5,109</u>	<u>-</u>
	<u>17,234</u>	<u>12,473</u>

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

9. PROVISIONS FOR LIABILITIES

	2019 £	2018 £
Deferred tax		
Accelerated capital allowances	<u>819</u>	<u>1,477</u>
		Deferred tax
Balance at 1 January 2019		£
Credit to Income Statement during year		1,477
		<u>(658)</u>
Balance at 31 December 2019		<u>819</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019 £	2018 £
6,084	Ordinary	£5	<u>30,420</u>	<u>30,470</u>

11. RELATED PARTY DISCLOSURES

By the organisation's very nature, as an Association whose members and Management Committee are shareholders, it is inevitable that transactions with these parties occur. All such transactions are conducted at arm's length and in the normal course of business.

12. NON-ADJUSTING POST BALANCE SHEET EVENT

Following the outbreak of the Covid-19 virus during the early part of 2020 the directors of the company have assessed the impact on the company and its ability to continue trading. The directors have concluded, having assessed the current and future cash requirements of the business, that it is appropriate to prepare the financial statements on a going concern basis. The implications of the outbreak were not in existence at the company's year end and therefore the outbreak is considered to be a non-adjusting post balance sheet event. Had the conditions existed at the year end the directors do not believe they would have resulted in material changes to the financial position as stated within the company's balance sheet.