

**REPORT OF THE DIRECTORS AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020  
FOR  
THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**

**THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Page</b>
<b>Company Information</b>	1
<b>Report of the Directors</b>	2
<b>Chartered Certified Accountants' Report</b>	4
<b>Income Statement</b>	5
<b>Statement of Other Comprehensive Income</b>	6
<b>Balance Sheet</b>	7
<b>Statement of Changes in Equity</b>	9
<b>Notes to the Financial Statements</b>	10
<b>Trading and Profit and Loss Account</b>	14

**THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**DIRECTORS:**

Sarah Upfield  
Simon Haswell  
Alison Goldie  
Patricia Edwards  
Sally Foxhall  
Sonia Hulejczuk  
Lee Spreadbury  
Anthony Burgess-Parker  
Karen Perkins  
Martin Brown

**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 2020**

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

### **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 2020.

### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

Sarah Upfield (Chair)  
Simon Haswell (Treasurer)  
Alison Goldie (Secretary)  
Patricia Edwards  
Sally Foxhall  
Sonia Hulejczuk  
Lee Spreadbury  
Anthony Burgess-Parker

The following directors were appointed during the period:

Karen Perkins was appointed on 7 October 2020.  
Martin Brown was appointed on 7 October 2020.

The following directors resigned during the period:

Joshua Schwieso (outgoing Chair) resigned on 7 October 2020.  
Catherine Macadam resigned on 7 October 2020.  
Szilvi Hardwick resigned on 7 October 2020.

**THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 that reads "Alison Goldie". The signature is written in a cursive, slightly slanted style.

Alison Goldie - Director

June 2021

**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 2020 set out on pages 2 to 13.

**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

30 June 2021

**THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>TURNOVER</b>		192,162	166,504
Cost of sales		<u>154,782</u>	<u>134,036</u>
<b>GROSS PROFIT</b>		37,380	32,468
Administrative expenses		<u>41,311</u>	<u>45,476</u>
		(3,931)	(13,008)
Other operating income		<u>18,552</u>	<u>22,336</u>
<b>OPERATING PROFIT</b>	4	14,621	9,328
Interest receivable and similar income		<u>162</u>	<u>147</u>
		14,783	9,475
Interest payable and similar expenses		<u>-</u>	<u>-</u>
<b>PROFIT BEFORE TAXATION</b>		14,783	9,475
Tax on profit	5	<u>2,740</u>	<u>1,142</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>12,043</u>	<u>8,333</u>

The notes form part of these financial statements

**THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**

**STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>PROFIT FOR THE YEAR AFTER TAX</b>		12,043	8,333
Gain on revaluation of land and buildings	5	<u>66,708</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>78,751</u></u>	<u><u>8,333</u></u>

The notes form part of these financial statements



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

**BALANCE SHEET  
31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Tangible assets	6		92,736		35,083
<b>CURRENT ASSETS</b>					
Stocks		7,600		9,000	
Debtors	7	3,962		3,022	
Cash at bank and in hand		<u>83,676</u>		<u>59,406</u>	
		95,238		71,428	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>20,760</u>		<u>17,234</u>	
<b>NET CURRENT ASSETS</b>			<u>74,478</u>		<u>54,194</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			167,214		89,277
<b>PROVISIONS FOR LIABILITIES</b>	9		<u>-</u>		<u>(819)</u>
<b>NET ASSETS</b>			<u>167,214</u>		<u>88,458</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		30,425		30,420
Revaluation reserve			66,708		-
Retained earnings			<u>70,081</u>		<u>58,038</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>167,214</u>		<u>88,458</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 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 notes form part of these financial statements

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

**BALANCE SHEET - continued  
31 DECEMBER 2020**

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 Management Committee on June 2021 and were signed on its behalf by:



Sarah Upfield - Director



Simon Haswell - Director

**THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2019</b>	30,470	49,705	80,175
<b>Changes in equity</b>			
Issue of share capital	50	-	50
Redemption of share capital	(100)	-	(100)
Total comprehensive income	-	8,333	8,333
<b>Balance at 31 December 2019</b>	30,420	58,038	88,458
<b>Changes in equity</b>			
Issue of share capital	5	-	5
Total comprehensive income	-	78,751	78,751
<b>Balance at 31 December 2020</b>	<u>30,425</u>	<u>136,789</u>	<u>167,214</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 2020**

**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 as modified by the revaluation of certain assets.

**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**

Land and buildings include a short leasehold community shop building. Land and buildings are carried at their revalued amounts, being fair value at the date of valuation less subsequent depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Any revaluation increase in the carrying amount of land and buildings is recognised in other comprehensive income and included in a revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is credited to profit and loss to the extent of the decrease previously expended.

Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve in equity; decreases exceeding the balance in revaluation reserve relating to an asset are recognised in profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset recognised in profit or loss and depreciation based on the asset's original cost is transferred from revaluation reserve to retained earnings.

Land and buildings were revalued for the first time during the current financial year, whilst they were carried at cost less accumulated depreciation and impairment in previous periods. The use of a policy of revaluation provides more relevant and reliable information about the value of the property owned by the company. The effects of the change in accounting policy on the financial statements are illustrated in note 5.

Tangible assets are included at cost less depreciation and impairment. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

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

**Inventories**

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.

**THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**2. ACCOUNTING POLICIES - continued**

**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.

**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 (2019 - 1).

**4. OPERATING PROFIT**

The operating profit is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	<u>9,572</u>	<u>18,450</u>

**THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**5. TAXATION**

**Analysis of the tax charge**

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

	2020 £	2019 £
Current tax:		
UK corporation tax	3,559	1,800
Deferred tax	<u>(819)</u>	<u>(658)</u>
Tax on profit	<u>2,740</u>	<u>1,142</u>

**6. TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST OR VALUATION</b>				
At 1 January 2020	104,696	17,918	13,241	135,855
Additions	-	-	516	516
Revaluations	<u>(14,696)</u>	<u>-</u>	<u>-</u>	<u>(14,696)</u>
At 31 December 2020	<u>90,000</u>	<u>17,918</u>	<u>13,757</u>	<u>121,675</u>
<b>DEPRECIATION</b>				
At 1 January 2020	73,926	17,796	9,050	100,772
Charge for the year	7,478	122	1,971	9,571
Surplus on revaluation	<u>(81,404)</u>	<u>-</u>	<u>-</u>	<u>(81,404)</u>
At 31 December 2020	<u>-</u>	<u>17,918</u>	<u>11,021</u>	<u>28,939</u>
<b>NET BOOK VALUE</b>				
At 31 December 2020	<u>90,000</u>	<u>-</u>	<u>2,736</u>	<u>92,736</u>
At 31 December 2019	<u>30,770</u>	<u>122</u>	<u>4,191</u>	<u>35,083</u>

The short leasehold land and buildings were revalued for the first time on 30 June 2020 by the Management Committee, with fair value determined by appraisal from market-based evidence of recent transactions for similar properties in the same area.

The historic cost of the short leasehold buildings included above at valuation of £90,000 was £104,696 (2019: £104,696) and the aggregate depreciation thereon would have been £81,404 (2019: £73,926).

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Other debtors	2,381	1,144
Prepayments and accrued income	<u>1,581</u>	<u>1,878</u>
	<u>3,962</u>	<u>3,022</u>

**THE SPAXTON COMMUNITY SHOP SOCIETY  
LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
VAT	661	440
Trade creditors	9,628	8,484
Taxes and social security	4,090	2,084
Other creditors	381	117
Accrued expenses	1,000	1,000
Deferred income	<u>5,000</u>	<u>5,109</u>
	<u>20,760</u>	<u>17,234</u>

**9. PROVISIONS FOR LIABILITIES**

	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	<u>-</u>	<u>819</u>
		Deferred tax
		£
Balance at 1 January 2020		819
Credit to Income Statement during year		<u>(819)</u>
Balance at 31 December 2020		<u>-</u>

**10. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
6,085	Ordinary	£5	<u>30,425</u>	<u>30,420</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.