

**AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2021**



Approval

# AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED

## COMPANY INFORMATION

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<b>Committe members</b>	Mr D J Muffitt Mr T B Gill Mr M Blakeman
<b>Company number</b>	RS007489
<b>Registered office</b>	The Reading Room Avon Dasset Southam Warks CV47 2AL
<b>Accountants</b>	Whitley Stimpson Limited Penrose House 67 Hightown Road Banbury Oxfordshire OX16 9BE

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# AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED

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Approval

## **AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED**

### **ACCOUNTANTS' REPORT TO THE MEMBERS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED FOR THE YEAR ENDED 28 FEBRUARY 2021**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Avon Dasset Community Benefit Society Limited for the year ended 28 February 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Members of Avon Dasset Community Benefit Society Limited, as a body, in accordance with the terms of our engagement letter dated 4 November 2020. Our work has been undertaken solely to prepare for your approval the financial statements of Avon Dasset Community Benefit Society Limited and state those matters that we have agreed to state to the Members of Avon Dasset Community Benefit Society Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Avon Dasset Community Benefit Society Limited and its Members as a body, for our work or for this report.

It is your duty to ensure that Avon Dasset Community Benefit Society Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Avon Dasset Community Benefit Society Limited. You consider that Avon Dasset Community Benefit Society Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Avon Dasset Community Benefit Society Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

We draw your attention to note 1.2 of the financial statements which discloses the company's ability to continue as a going concern, given the risks and uncertainties of Covid-19.

Date:.....

#### **Whitley Stimpson Limited**

Chartered Accountants  
Penrose House  
67 Hightown Road  
Banbury  
Oxfordshire  
OX16 9BE

**AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

	Notes	2021 £	2020 £
<b>Turnover</b>	<b>2</b>	44,144	4,208
Cost of sales		(20,970)	-
<b>Gross profit</b>		23,174	4,208
Administrative expenses		(39,568)	(18,669)
Other operating income		16,796	16,536
<b>Operating profit</b>		402	2,075
Interest receivable and similar income		1	168
Interest payable and similar expenses		(2,790)	(2,790)
<b>Loss before taxation</b>		(2,387)	(547)
Tax on loss		(636)	111
<b>Loss for the financial year</b>		(3,023)	(436)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED****BALANCE SHEET  
AS AT 28 FEBRUARY 2021**

	Notes	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	4		13,322		19,294
Investment properties	5		360,767		360,767
			<u>374,089</u>		<u>380,061</u>
<b>Current assets</b>					
Debtors	6	683		2,064	
Cash at bank and in hand		16,651		14,602	
		<u>17,334</u>		<u>16,666</u>	
<b>Creditors: amounts falling due within one year</b>	7	(39,521)		(38,289)	
<b>Net current liabilities</b>			<u>(22,187)</u>		<u>(21,623)</u>
<b>Total assets less current liabilities</b>			351,902		358,438
<b>Creditors: amounts falling due after more than one year</b>	8		(46,963)		(49,900)
<b>Provisions for liabilities</b>	9		(460)		(436)
<b>Net assets</b>			<u>304,479</u>		<u>308,102</u>
<b>Capital and reserves</b>					
Called up share capital	10		308,400		309,000
Profit and loss reserves			(3,921)		(898)
<b>Total equity</b>			<u>304,479</u>		<u>308,102</u>

For the financial year ended 28 February 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

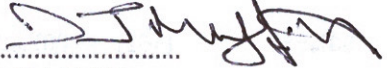
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.


Approval


**AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED**

**BALANCE SHEET (CONTINUED)  
AS AT 28 FEBRUARY 2021**

The financial statements were approved by the committee members and authorised for issue on 2 Aug 2021  
and are signed on its behalf by:

  
.....  
Mr D J Muffitt  
Chairman

  
.....  
Mr T B Gill  
Treasurer

  
.....  
Mr M Blakeman  
Deputy Chairman

Company Registration No. RS007489

Approval

## AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2021

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	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 March 2019</b>		307,550	(462)	307,088
<b>Year ended 28 February 2020:</b>				
Loss and total comprehensive income for the year		-	(436)	(436)
Issue of share capital	10	5,050	-	5,050
Reduction of shares	10	(3,600)	-	(3,600)
<b>Balance at 28 February 2020</b>		309,000	(898)	308,102
<b>Year ended 28 February 2021:</b>				
Loss and total comprehensive income for the year		-	(3,023)	(3,023)
Issue of share capital	10	300	-	300
Reduction of shares	10	(900)	-	(900)
<b>Balance at 28 February 2021</b>		308,400	(3,921)	304,479

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

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**1 Accounting policies**

**Company information**

Avon Dasset Community Benefit Society Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Reading Room, Avon Dasset, Southam, Warks, CV47 2AL.

**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.

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 Going concern**

A key risk to the future continued going concern of the company are the risks and uncertainties as to the impact of Covid-19 outbreak in the UK. As at the date of approving these accounts the committee members have assessed the impact of Covid-19 and are satisfied that these accounts continue to be prepared on a going concern basis.

**1.3 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rental income is received and apportioned over the term of the relevant lease.

**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:

Plant and equipment	20% straight line
IT equipment	33% 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 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

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**1 Accounting policies (Continued)****1.6 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible 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).

**1.7 Cash and cash equivalents**

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 balance sheet 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.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Classification of financial liabilities**

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 company after deducting all of its liabilities.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

**1.10 Taxation**

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 28 FEBRUARY 2021****1 Accounting policies****(Continued)****Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.11 Leases**

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

**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.

**1.13 Charity grant recognition**

The grant is recognised over seven years being the same time scale as the loan from Key Fund investments Limited and the grant is realised to profit and loss account on a straight line basis.

**2 Turnover and other revenue**

	<b>2021</b>	<b>2020</b>
	£	£
<b>Other significant revenue</b>		
Interest income	1	168
Charity grant	5,714	5,712
Grants received	1,586	-
Rental income	6,459	-
	<u>          </u>	<u>          </u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 28 FEBRUARY 2021****3 Employees**

The average monthly number of persons employed by the community benefit society during the year was:

<b>2021</b>	<b>2020</b>
<b>Number</b>	<b>Number</b>
5	-
<u>5</u>	<u>-</u>

**4 Tangible fixed assets**

	<b>Plant and equipment</b>	<b>IT equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 29 February 2020	35,549	-	35,549
Additions	1,005	371	1,376
	<u>36,554</u>	<u>371</u>	<u>36,925</u>
At 28 February 2021	36,554	371	36,925
<b>Depreciation and impairment</b>			
At 29 February 2020	16,255	-	16,255
Depreciation charged in the year	7,256	92	7,348
	<u>23,511</u>	<u>92</u>	<u>23,603</u>
At 28 February 2021	23,511	92	23,603
<b>Carrying amount</b>			
At 28 February 2021	13,043	279	13,322
	<u>13,043</u>	<u>279</u>	<u>13,322</u>
At 28 February 2020	19,294	-	19,294
	<u>19,294</u>	<u>-</u>	<u>19,294</u>

**5 Investment property**

	<b>2021</b>
	<b>£</b>
<b>Fair value</b>	
At 29 February 2020 and 28 February 2021	360,767
	<u>360,767</u>

Investment property comprises The Yew Tree public house in Avon Dasset. The fair value of the investment property has been arrived at on the basis of a valuation carried out by the management committee. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

**AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

<b>6 Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	-	604
Other debtors	500	-
Prepayments and accrued income	183	848
	<u>683</u>	<u>1,452</u>
	<u><u>683</u></u>	<u><u>1,452</u></u>
<b>Amounts falling due after more than one year:</b>		
Deferred tax asset	-	612
	<u>-</u>	<u>612</u>
	<u><u>-</u></u>	<u><u>612</u></u>
<b>Total debtors</b>	<u><u>683</u></u>	<u><u>2,064</u></u>
	<u><u>683</u></u>	<u><u>2,064</u></u>
<b>7 Creditors: amounts falling due within one year</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other borrowings	8,889	8,889
Trade creditors	5,310	7,605
Taxation and social security	-	549
Deferred grant	5,714	5,714
Other creditors	16,752	12,539
Accruals and deferred income	2,856	2,993
	<u>39,521</u>	<u>38,289</u>
	<u><u>39,521</u></u>	<u><u>38,289</u></u>

The other borrowings relates to a loan from Key Fund Investments Limited. The deferred capital grant relates to a grant from The Plunkett Foundation. Both of these were received for the sole purpose of purchasing the freehold property known as The Yew Tree, Avon Dassett.

<b>8 Creditors: amounts falling due after more than one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Debenture loans	5,000	-
Other borrowings	28,148	30,370
Deferred grant	13,815	19,530
	<u>46,963</u>	<u>49,900</u>
	<u><u>46,963</u></u>	<u><u>49,900</u></u>

The other borrowings relates to a loan from Key Fund Investments Limited. The deferred capital grant relates to a grant from The Plunkett Foundation. Both of these were received for the sole purpose of purchasing the freehold property known as The Yew Tree, Avon Dassett.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 28 FEBRUARY 2021****9 Provisions for liabilities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Deferred tax liabilities	460	436
	<u>460</u>	<u>436</u>

**10 Share capital**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
6,168 (2020: 6,180) of £50 each	308,400	309,000
	<u>308,400</u>	<u>309,000</u>

During the period, 6 shares of £50 were issued for cash at par and 18 shares of £50 each were returned.

**11 Related party transactions**

The following amounts were outstanding at the reporting end date:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Amounts due to related parties</b>		
Key management personnel	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

The amount owed to key management personnel shown above, relates to unsecured loans carrying interest at rate of 1% over base rate and are repayable on demand.

**AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED****DETAILED TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

	£	2021 £	£	2020 £
<b>Turnover</b>				
Wet and food sale royalties		4,644		4,208
Wet and food sales - temporary opening		39,076		-
Sponsorship income		424		-
		<u>44,144</u>		<u>4,208</u>
<b>Cost of sales</b>				
Goods purchased for re - sale	20,970		-	
		<u>(20,970)</u>		<u>-</u>
<b>Gross profit</b>		23,174		4,208
<b>Other operating income</b>				
Rent receivable	6,459		10,824	
Tenant debts recovered	2,917		-	
Government grants	1,586		-	
Plunket charity grant	5,714		5,712	
Customer gratuities	120		-	
		<u>16,796</u>		<u>16,536</u>
<b>Administrative expenses</b>		(39,568)		(18,669)
<b>Operating profit</b>		402		2,075
<b>Interest receivable and similar income</b>				
Bank interest	-		3	
Other interest	1		165	
		<u>1</u>		<u>168</u>
<b>Interest payable and similar expenses</b>				
Non bank interest on loans	150		2,790	
Loan interest	2,640		-	
		<u>(2,790)</u>		<u>(2,790)</u>
<b>Loss before taxation</b>		<u>(2,387)</u>		<u>(547)</u>

**AVON DASSETT COMMUNITY BENEFIT SOCIETY LIMITED****SCHEDULE OF ADMINISTRATIVE EXPENSES  
FOR THE YEAR ENDED 28 FEBRUARY 2021**

	2021	2020
	£	£
<b>Administrative expenses</b>		
Wages and salaries	11,128	-
Social security costs	121	-
Subcontract labour	553	-
Staff training	125	-
Rates	387	-
Cleaning	585	-
Waste disposal	507	-
Power, light and heat	1,093	-
Property repairs and maintenance	11,153	6,967
Premises insurance	318	1,000
Computer running costs	-	180
Travelling expenses	-	56
Professional subscriptions	200	403
Legal and professional fees	1,685	299
Accountancy fees	1,818	2,050
Other donations	-	300
Bank charges	129	79
Credit card charges	636	-
Bad and doubtful debts	665	-
Telecommunications	854	145
Entertaining	-	80
License fee	263	-
Depreciation on tangible fixed assets	7,348	7,110
	<u>39,568</u>	<u>18,669</u>