

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015
FOR
THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Page
Company Information	1
Report of the Directors	2
Chartered Certified Accountants' Report	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	8
Trading and Profit and Loss Account	12

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2015**

DIRECTORS:

Joshua Schwieso
Richard Lee
Vernon Hughes
Bridget McWilliam
Catherine Macadam
Simon Haswell
Patricia Edwards
Sian Sedgwick-Wilde
Mandy Deeks
Melanie Hall
Sally Foxhall

REGISTERED OFFICE:

Little Splatts
Splatt Lane
Spaxton
Somerset
TA5 1DB

REGISTERED NUMBER:

IP31164 (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 2015**

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

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 31 January 2015. Staffed throughout by a loyal team of local volunteers, the Community Stores additionally appointed its first employee, a Shop Manager in October 2015.

The attached accounts show the financial position of the society at 31 December 2015.

FUTURE DEVELOPMENTS

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.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

Joshua Schwieso
Richard Lee
Vernon Hughes
Bridget McWilliam
Catherine Macadam
Simon Haswell
Patricia Edwards
Sian Sedgwick-Wilde
Mandy Deeks

Other changes in directors holding office are as follows:

Peter Harvey - resigned 15 April 2015
Melanie Hall - appointed 15 April 2015
Sally Foxhall - appointed 15 April 2015

Carol Smith ceased to be a director after 31 December 2015 but prior to the date of this report.

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

ON BEHALF OF THE BOARD:

.....
Vernon Hughes - Director

Date: April 2016

**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 2015 set out on pages 2 to 8.

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

Date: ... April 2016

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £	2014 £
TURNOVER		152,244	-
Cost of sales		119,325	-
GROSS PROFIT		32,919	-
Administrative expenses		24,513	8,398
		8,406	(8,398)
Other operating income	2	18,853	214
OPERATING PROFIT/(LOSS)	3	27,259	(8,184)
Interest receivable and similar income		137	1,203
		27,396	(6,981)
Interest payable and similar charges		940	1,235
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		26,456	(8,216)
Tax on profit/(loss) on ordinary activities	4	-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		26,456	(8,216)

The notes form part of these financial statements

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED (REGISTERED NUMBER: IP31164)**

**BALANCE SHEET
31 DECEMBER 2015**

	Notes	2015		2014	
		£	£	£	£
FIXED ASSETS					
Tangible assets	5		110,010		109,273
CURRENT ASSETS					
Stocks		10,634		-	
Debtors	6	641		2,059	
Cash at bank and in hand		27,012		31,586	
		<u>38,287</u>		<u>33,645</u>	
CREDITORS					
Amounts falling due within one year	7	13,671		10,209	
NET CURRENT ASSETS			<u>24,616</u>		<u>23,436</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			134,626		132,709
CREDITORS					
Amounts falling due after more than one year	8		(1,161)		(7,750)
ACCRUALS AND DEFERRED INCOME	10		(84,050)		(102,730)
NET ASSETS			<u>49,415</u>		<u>22,229</u>
CAPITAL AND RESERVES					
Called up share capital	11		30,495		29,765
Profit and loss account	12		18,920		(7,536)
SHAREHOLDERS' FUNDS			<u>49,415</u>		<u>22,229</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2015.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2015 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: IP31164)**

**BALANCE SHEET - continued
31 DECEMBER 2015**

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on April 2016 and were signed on its behalf by:

.....
Joshua Schwieso - Director

.....
Richard Lee - Director

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

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.

Deferred tax

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

Hire purchase and leasing commitments

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

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.

2. OTHER OPERATING INCOME

	2015	2014
	£	£
Donations	10,514	-
Grants	8,339	214
	<hr/>	<hr/>
	18,853	214
	<hr/> <hr/>	<hr/> <hr/>

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

3. OPERATING PROFIT/(LOSS)

The operating profit (2014 - operating loss) is stated after charging:

	2015	2014
	£	£
Depreciation - owned assets	18,680	214
	<u> </u>	<u> </u>
Directors' remuneration and other benefits etc	-	-
	<u> </u>	<u> </u>

4. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2015 nor for the year ended 31 December 2014.

5. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2015	100,458	3,606	5,423	109,487
Additions	2,434	13,607	3,376	19,417
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2015	102,892	17,213	8,799	128,904
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION				
At 1 January 2015	-	116	98	214
Charge for year	14,477	2,958	1,245	18,680
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2015	14,477	3,074	1,343	18,894
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE				
At 31 December 2015	88,415	14,139	7,456	110,010
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2014	100,458	3,490	5,325	109,273
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
VAT	203	924
Prepayments and accrued income	438	1,135
	<u> </u>	<u> </u>
	641	2,059
	<u> </u>	<u> </u>

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Bank loans and overdrafts	6,595	6,589
Trade creditors	5,998	-
Social security and other taxes	78	-
Accrued expenses	1,000	3,620
	<u>13,671</u>	<u>10,209</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015	2014
	£	£
Bank loans - 1-2 years	<u>1,161</u>	<u>7,750</u>

9. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2015	2014
	£	£
Expiring: In more than five years	<u>100</u>	<u>100</u>

10. ACCRUALS AND DEFERRED INCOME

	2015	2014
	£	£
Deferred grants	49,564	57,730
Deferred donations	34,486	45,000
	<u>84,050</u>	<u>102,730</u>

All grants and donations received relate to capital projects.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015	2014
			£	£
6,099	Ordinary	£5	<u>30,495</u>	<u>29,765</u>

146 Ordinary shares of £5 each were allotted and fully paid for cash at par during the year.

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

12. RESERVES

	Profit and loss account £
At 1 January 2015	(7,536)
Profit for the year	26,456
	<hr/>
At 31 December 2015	18,920
	<hr/> <hr/>

13. 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.

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015		2014	
	£	£	£	£
Sales		152,244		-
Cost of sales				
Purchases	129,959		-	
Closing stock	(10,634)		-	
		<u>119,325</u>	<u>-</u>	<u>-</u>
GROSS PROFIT		32,919		-
Other income				
Donations	10,514		-	
Grants	8,339		214	
Deposit account interest	137		1,203	
		<u>18,990</u>	<u>1,203</u>	<u>1,417</u>
		51,909		1,417
Expenditure				
Hire of plant and machinery	129		-	
Rent	100		-	
Rates and water	33		-	
Light and heat	2,203		-	
Wages	2,420		-	
Telephone	461		127	
Post and stationery	74		243	
Advertising	87		145	
Travelling	-		70	
Licences and insurance	442		70	
Household and cleaning	25		-	
Meeting costs	189		22	
Regulatory fees	120		55	
Sundry expenses	442		31	
Accountancy	1,000		400	
Legal and professional fees	(2,680)		6,640	
Subscriptions	21		1	
		<u>5,066</u>	<u>7,804</u>	
		46,843		(6,387)
Finance costs				
Bank charges	767		380	
Bank loan interest	940		1,235	
		<u>1,707</u>	<u>1,615</u>	
Carried forward		45,136		(8,002)

This page does not form part of the statutory financial statements

**THE SPAXTON COMMUNITY SHOP SOCIETY
LIMITED**

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015		2014	
	£	£	£	£
Brought forward		45,136		(8,002)
Depreciation				
Short leasehold	14,477		-	
Plant and machinery	2,958		116	
Fixtures and fittings	1,245		98	
	<u> </u>	18,680	<u> </u>	214
NET PROFIT/(LOSS)		<u>26,456</u>		<u>(8,216)</u>