

Grafham Community Shop Limited
Unaudited Financial Statements
31 March 2023

Grafham Community Shop Limited

Financial Statements

Year ended 31 March 2023

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Grafham Community Shop Limited

Management Committee Report

Year ended 31 March 2023

The officers present their report and the unaudited financial statements of the society for the year ended 31 March 2023.

Officers

The officers who served the society during the year were as follows:

Mrs M Life	
Mr R Harold	
Mrs S Steiger	
Ms C Robinson	(Appointed 1 February 2023)
Mrs D Bleasdale	(Appointed 1 October 2022)
Mr P Goldsworthy	(Appointed 1 November 2022)
Miss C Caunt	(Appointed 1 October 2022)
Mrs J Barnes	(Resigned 31 March 2023)
Mrs K Kirkland	(Resigned 17 October 2022)
Mr M Joyner	(Resigned 31 March 2023)
Mr N Steiger	(Resigned 31 March 2023)

This report was approved by the management committee on 7/9/23 and signed on behalf of the board by:

Mrs D Bleasdale
Treasurer



Mr R Harold
Deputy chair



Patrick Goldsworthy
Secretary



Registered office:
Grafham Village Shop
Off Van Diemens Way
Grafham
Huntingdon
Cambridgeshire
PE28 0GB

Grafham Community Shop Limited

Independent Accountant's Report to Grafham Community Shop Limited

Year ended 31 March 2023

We report on the financial statements of the society for the year ended 31 March 2023 which comprise the statement of income and retained earnings, statement of financial position and the related notes.

Our work has been undertaken so that we might state to the society those matters we are required to state to it in an accountant's 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the management committee and independent accountant

The management committee is responsible for the preparation of the financial statements and they consider that an audit is not required for this year and that an independent accountant's report is needed.

It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis for opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants. Our procedures included a review of the accounting records kept by the society and a comparison of the financial statements presented with those records. It also included consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required for an audit, and consequently we do not express an audit opinion on the view given by the financial statements.

Opinion

In our opinion:

- a) the financial statements 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 only to, and on the basis of, the information contained in those accounting records, the financial statements comply with the requirements of the Co-operative and Community Benefit Societies Act 2014.
- 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.

David Cadwallader & Co Ltd

DAVID CADWALLADER & CO LIMITED
Chartered Certified Accountants

Suite 3 Bignell Park Barns
Chesterton
Nr Bicester
Oxon
OX26 1TD

12 September 2023

Grafham Community Shop Limited
Statement of Income and Retained Earnings
Year ended 31 March 2023

	Note	2023 £	2022 £
Turnover		72,727	79,945
Cost of sales		69,993	81,073
Gross profit/(loss)		<u>2,734</u>	<u>(1,128)</u>
Administrative expenses		8,989	5,450
Other operating income		2,619	2,121
Operating loss		<u>(3,636)</u>	<u>(4,457)</u>
Loss before taxation	5	<u>(3,636)</u>	<u>(4,457)</u>
Tax on loss		–	(762)
Loss for the financial year and total comprehensive income		<u>(3,636)</u>	<u>(3,695)</u>
Retained earnings at the start of the year		17,003	20,698
Retained earnings at the end of the year		<u>13,367</u>	<u>17,003</u>

The notes on pages 6 to 10 form part of these financial statements.

Grafham Community Shop Limited

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	6	5,141	7,665
Current assets			
Stocks		2,400	2,500
Debtors	7	–	434
Cash at bank and in hand		12,528	14,795
		<u>14,928</u>	<u>17,729</u>
Creditors: amounts falling due within one year	8	4,652	6,341
Net current assets		<u>10,276</u>	<u>11,388</u>
Total assets less current liabilities		<u>15,417</u>	<u>19,053</u>
Net assets		<u>15,417</u>	<u>19,053</u>
Capital and reserves			
Called up share capital		2,050	2,050
Profit and loss account		13,367	17,003
Members funds		<u>15,417</u>	<u>19,053</u>

The society is satisfied that it is entitled to exemption from the requirement to obtain an audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

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

The officers acknowledge their responsibilities for:

- ensuring that the society keeps proper accounting records which comply with section 75 of the Co-operative and Community Benefit Societies Act 2014 (the Act);
- establishing and maintaining a satisfactory system of its books of accounts, its cash holdings and all its receipts and remittances in order to comply with section 75 of the Act; and
- preparing financial statements which give a true and fair view of the state of affairs of the society as at the end of the financial year and of its income and expenditure for the year in accordance with the requirements of section 80, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the society.

These financial statements have been prepared in accordance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The statement of financial position
continues on the following page.

The notes on pages 6 to 10 form part of these financial statements.

Grafham Community Shop Limited

Statement of Financial Position *(continued)*

31 March 2023

These financial statements were approved by the management committee and authorised for issue on 7/9/23...., and are signed on their behalf by:

Mrs D Bleasdale
Treasurer



Mr R Harold
Deputy chair



Patrick Goldsworthy
Secretary



Registration number: 32019R

The notes on pages 6 to 10 form part of these financial statements.

Grafham Community Shop Limited

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is Grafham Village Shop, Off Van Diemens Way, Grafham, Huntingdon, Cambridgeshire, PE28 0GB.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Grafham Community Shop Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery - 10% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the society are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the society will comply with the conditions attaching to them and the grants will be received.

Grafham Community Shop Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Government grants *(continued)*

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the society recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the society becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Grafham Community Shop Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the society during the year amounted to 4 (2022: 4).

5. Profit before taxation

Profit before taxation is stated after charging:

	2023	2022
	£	£
Depreciation of tangible assets	2,524	853

6. Tangible assets

	Plant and machinery £
Cost	
At 1 April 2022 and 31 March 2023	22,469
Depreciation	
At 1 April 2022	14,804
Charge for the year	2,524
At 31 March 2023	17,328
Carrying amount	
At 31 March 2023	5,141
At 31 March 2022	7,665

Grafham Community Shop Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

7. Debtors

	2023	2022
	£	£
Trade debtors	—	434

8. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	—	1,259
Social security and other taxes	379	134
Other creditors	4,273	4,948
	<u>4,652</u>	<u>6,341</u>

Grafham Community Shop Limited

Management Information

Year ended 31 March 2023

The following pages do not form part of the financial statements.

Grafham Community Shop Limited

Detailed Income Statement

Year ended 31 March 2023

	2023	2022
	£	£
Turnover		
Sales	72,727	79,945
Cost of sales		
Opening stock - raw materials	2,500	2,615
Purchases	48,312	54,840
Wages and salaries	21,114	26,118
Pension costs - defined contribution	467	-
	<u>72,393</u>	<u>83,573</u>
Closing stock - resale	2,400	2,500
	<u>69,993</u>	<u>81,073</u>
Gross profit/(loss)	<u>2,734</u>	<u>(1,128)</u>
Overheads		
Administrative expenses	8,989	5,450
Loss on society trading	<u>(6,255)</u>	<u>(6,578)</u>
Capital grant income released	1,500	-
Donations received	1,119	2,121
	<u>2,619</u>	<u>2,121</u>
Operating loss	<u>(3,636)</u>	<u>(4,457)</u>
Loss before taxation	<u>(3,636)</u>	<u>(4,457)</u>

Grafham Community Shop Limited

Notes to the Detailed Income Statement

Year ended 31 March 2023

	2023	2022
	£	£
Administrative expenses		
Rent rates and water	77	39
Light and heat	911	1,244
Insurance	649	462
Telephone	1,472	1,526
Equipment repairs and renewals	284	327
Sundry expenses	847	999
Legal and professional fees (allowable)	1,400	–
Accountancy fees	825	–
Depreciation of tangible assets	2,524	853
	<u>8,989</u>	<u>5,450</u>