

lowerbroadheathshop

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Lower Broadheath Community Shop Ltd

Report & Financial Statements

For the year ended 30 September 2023



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REPORT OF THE MANAGEMENT COMMITTEE

The Management Committee has pleasure in presenting its report and the financial statements of the Society for the year ended 30 September 2023. The financial statements are unaudited but have been reviewed by independent accountants David Cadwallader & Co Limited. Their report is shown on page 4.

Principal activities

The principal activity of the Society during the year was the provision of a community shop.

Management Committee

The following Members served on the Management Committee during the year:

- Rachel Tedesco Chair and Secretary
- Anthony Bedborough (Resigned 24 November 2022)
- Mark Glossop
- Graham Hill
- Victoria Howells
- Monica Longley
- Trevor Price (Appointed 15 May 2023)
- Stephen Smith Treasurer
- Jude Woolvin (Appointed 15 May 2023)
- Trish Yarwood (Appointed 15 November 2022)

This report was approved by the Management Committee on 22 January 2024 and signed on behalf of the Committee by:

Rachel TedescoStephen SmithVictoria HowellsChair & SecretaryTreasurerCommittee Member

Registered Office:

Little Paddock Crown East Lane Lower Broadheath Worcester WR2 6RH



INDEPENDENT ACCOUNTANT'S REPORT

We report on the financial statements of the Society for the year ended 30 September 2023 which comprise the income statement, 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 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 LIMITED

Chartered Certified Accountants

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

INCOME STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	2023 £	2022 £
Turnover Cost of sales		156,754 (119,038)	131,206 (98,803)
Gross profit		37,716	32,403
Administrative expenses Other operating income		(35,003) 6,521	(40,983) 12,941
Operating profit	5	9,234	4,361
Net interest and similar income		266	14
Profit before taxation		9,500	4,375
Tax on profit		-	-
Profit for the year	10	9,500	4,375

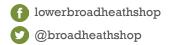
The Society has no recognised items of income and expense other than the results for the year set out above.

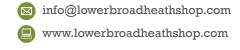
The notes on pages 8 to 12 form an integral part of these financial statements.



STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	Note	2023 £	2022 £
Fixed Assets Tangible assets	6	2,462	3,134
Current assets Stock Debtors Cash and cash equivalents	7	9,502 1,330 60,951 71,783	8,292 805 51,926 61,023
Creditors - amounts falling due within one year	8	(6,426)	(5,848)
Net current assets		65,357	55,175
Total assets less current liabilities		67,819	58,309
Creditors - amounts falling due after more than one year		-	-
Net assets		67,819	58,309
Capital and reserves			
Called up share capital Other reserves	9	40,000	39,990
Profit and loss account	10	27,819	18,319
Members' funds		67,819	58,309





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 Act).

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 members of the Management Committee acknowledge their responsibilities for:

- ensuring that the Society keeps proper accounting records which comply with section 75 of the Act;
- establishing and maintaining a satisfactory system of control 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 of the Act, 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 notes on pages 8 to 12 form an integral part of these financial statements.

The financial statements were approved by the Management Committee and authorised for issue on 22 January 2024, and are signed on their behalf by:

Rachel Tedesco	Stephen Smith	Victoria Howells
Chair & Secretary	Treasurer	Committee Member



NOTES TO THE FINANCIAL STATEMENTS

1. General information

The Society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is Little Paddock, Crown East Lane, Lower Broadheath, Worcester, WR2 6RH

2. Statement of compliance

The financial statements have been prepared on the going concern basis and in compliance with Generally Accepted Accounting Practice in the United Kingdom, including Financial Reporting Standard 102, "The Financial Reporting Standard Applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Co-operative and Community Benefit Societies Act 2014.

3. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently during the financial year.

a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention as modified by the recognition of certain financial assets and liabilities measured at fair value in accordance with the Co-operative and Community Benefit Societies Act 2014 and applicable accounting standards.

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

b) Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Society will continue in operational existence for the foreseeable future.

c) Turnover and revenue recognition

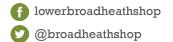
Turnover represents monies received (excluding value added tax) from shop sales and other trading activities.

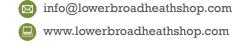
d) Grant income

Revenue grant income is recognised at full value in the profit and loss account upon receipt and the fulfilment of any attached conditions. Capital grants received are initially deferred until the purchase of the related capital item and then released to the profit and loss account over the life of the asset to which they relate.

e) 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.





f) Depreciation

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

Land and Buildings - 20% straight line

Fixtures, Fittings and Equipment - 33.3%-50% straight line

h) Stocks

Stocks are measured at the lower of cost and estimated selling prices. Cost includes all costs of purchase and other costs incurred in bringing the stock to its present location and condition.

i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

4. Employee numbers

The average number of persons employed by the Society during the year was 2 (2022: 2).

5. Operating profit

Operating profit is stated after charging:

	2023 £	2022 £
Depreciation	2,635	8,338



6. Tangible assets			
	Land and	Fixtures, Fittings	Total
	Buildings	and Equipment	
	£	£	£
Cost			
At 1 October 2022	16,049	23,264	39,313
Additions	984	979	1,963
Disposals	-	-	-
At 30 September 2023	17,033	24,243	41,276
Accumulated depreciation			
At 1 October 2022	15,058	21,121	36,179
Charge for the year	1,139	1,496	2,635
Disposals	-	-	-
·			
At 30 September 2023	16,197	22,617	38,814
Net book amount at			
30 September 2023	836	1,626	<u>2,462</u>
Net book amount at			
30 September 2022	991	2,143	3,134

7. Debtors

Prepayments 426 Tax and social security costs receivable 218	395 192 218 805
8. Creditors	
2023 20	2022
Amounts falling due within one year:	£
Trade creditors 33	49
Accruals 5,856 3,	,492
	606
Short term loan 250	250
Deferred income - 1	1,451
6,426 5,	,848
9. Share capital	
2023 20	2022
£	£
At 1 October 2022 39,990 39,9	,990
Issued for cash in the year 10	-
At 30 September 2023 40,000 39,9	,990

There is only one class of share in issue, each of which has a nominal value of £10. Shares are not transferable except on death or bankruptcy and can be withdrawn at the sole discretion of the Management Committee in accordance with the rules of the Society. They do not bear income except at the sole discretion of the Management Committee having regard to the long term interests of the Society.



10. Profit and loss account

	2023	2022
	£	£
At 1 October 2022	18,319	13,944
Profit for the year	9,500	4,375
At 30 September 2023	27,819	18,319

11. Related party transactions

The members of the Management Committee use the village shop operated by the Society. All transactions are on the same terms as available to the general public.

During the year under review two members of the Management Committee had employment contracts as shop managers. They received £18,946 (2022: £16,108) in salary and reimbursement of expenses on terms that are considered to be in line with those offered by other community shops.

During the year under review the Society purchased merchandise from a person connected with a member of the Management Committee to the value of £605. These purchases were on terms more favourable to the Society than alternatives readily available at the time.