

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

COMPANY INFORMATION

Directors	Mr D Howe Mrs I Walsh Mr B Hookins Mrs R A Saunders Mr A V Saunders Mrs C Preece Mr D Williams Mrs L Bishop Mrs S Morgan Mr P M Willcock	(Appointed 11 October 2018)
Company number	30661 R	
Registered office	7A Fore Street Ide Exeter Devon EX2 9RQ	
Accountants	Darnells Chartered Accountants Quay House Quay Road Newton Abbot Devon TQ12 2BU	

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

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THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

COMMITTEE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The Committee present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the association continued to be that of running a village shop and Post Office.

The association is registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014. The liability of its members is limited under that Act.

Management Committee

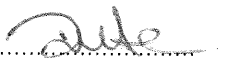
The Management Committee members who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D Howe
Mrs I Walsh
Mr B Hookins
Mrs R A Saunders
Mr A V Saunders
Mrs C Preece
Mr D Williams
Mrs L Bishop
Mrs S Morgan
Mr P M Willcock

(Appointed 11 October 2018)

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr D Howe
Chairman

Date: 29 April 2019.

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF THE IDE COMMUNITY SHOP ASSOCIATION LIMITED FOR THE YEAR ENDED 31 DECEMBER 2018

In order to assist you to fulfil your duties under the Co-operative and Community Benefit Societies Act 2014, we have prepared for your approval the financial statements of The Ide Community Shop Association Limited for the year ended 31 December 2018 which comprise the Profit And Loss Account, 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 Management Committee of The Ide Community Shop Association Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of The Ide Community Shop Association Limited and state those matters that we have agreed to state to the Management Committee of The Ide Community Shop Association 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 The Ide Community Shop Association Limited and its Management Committee as a body, for our work or for this report.

It is your duty to ensure that The Ide Community Shop Association 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 profit of The Ide Community Shop Association Limited. You consider that The Ide Community Shop Association 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 The Ide Community Shop Association 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.

Darnell
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Darnells Chartered Accountants

Date: *15 April 2019*

Quay House
Quay Road
Newton Abbot
Devon
TQ12 2BU

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 as restated £
Turnover		114,910	119,421
Cost of sales		(89,302)	(92,970)
Gross profit		<u>25,608</u>	<u>26,451</u>
Administrative expenses		(25,986)	(25,675)
Other operating income		3,686	3,987
Operating profit		<u>3,308</u>	<u>4,763</u>
Interest receivable and similar income		1	2
Profit before taxation		<u>3,309</u>	<u>4,765</u>
Tax on profit		(1,043)	(1,711)
Profit for the financial year		<u><u>2,266</u></u>	<u><u>3,054</u></u>

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018		2017 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	3		142,342		146,069
Current assets					
Stocks		9,153		9,156	
Debtors	4	115		367	
Cash at bank and in hand		17,317		11,320	
			<u>26,585</u>		<u>20,843</u>
Creditors: amounts falling due within one year	5	(8,091)		(6,846)	
Net current assets			<u>18,494</u>		<u>13,997</u>
Total assets less current liabilities			<u>160,836</u>		<u>160,066</u>
Creditors: amounts falling due after more than one year	6		(66,576)		(68,122)
Net assets			<u><u>94,260</u></u>		<u><u>91,944</u></u>
Capital and reserves					
Called up share capital	7		36,030		35,980
Profit and loss reserves			58,230		55,964
Total equity			<u><u>94,260</u></u>		<u><u>91,944</u></u>


The Management Committee acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Societies Act 2014 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.

The financial statements were approved by the Management Committee and authorised for issue on 25 April 2019 and are signed on its behalf by:


 Mr D Howe
 Chairman


 Mr B Hookins
 Management Committee member


 P.M. Willcock
 Mr P Willcock
 SECRETARY/TREASURER

Registration No. 30661 R

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2017		-	52,910	52,910
Effect of change in accounting policy	7	43,460	-	43,460
Balance at 1 January 2017		43,460	52,910	96,370
Year ended 31 December 2017:				
Profit and total comprehensive income for the year		-	3,054	3,054
Redemption of shares	7	(7,480)	-	(7,480)
Balance at 31 December 2017		35,980	55,964	91,944
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	2,266	2,266
Issue of share capital	7	50	-	50
Balance at 31 December 2018		36,030	58,230	94,260

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Association information

The Ide Community Shop Association Limited is a Co-operative and Community Benefit Society limited by shares incorporated in England and Wales. The registered office is 7A Fore Street, Ide, Exeter, Devon, EX2 9RQ.

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 Co-operative and Community Benefit Societies Act 2014. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the association. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 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. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when they are sold to the buyer.

1.3 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:

Freehold land and buildings	2% per annum on a straight-line basis
Fixtures and fittings	20% per annum on a straight-line basis

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.

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials, calculated on a first in first out basis.

1.5 Financial instruments

Financial instruments are recognised in the company's balance sheet when the association 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.

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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 association after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans 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.

1.6 Taxation

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.

1.7 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.8 Grants received

Government and other grants received 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.

Grants relating to an asset are released to the Profit and Loss Account systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income, rather than being deducted from the carrying value of the asset.

2 Employees

The average monthly number of persons employed by the company during the year was 2 (2017 - 2).

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2018 and 31 December 2018	147,768	27,214	174,982
Depreciation and impairment			
At 1 January 2018	7,594	21,319	28,913
Depreciation charged in the year	1,632	2,095	3,727
At 31 December 2018	9,226	23,414	32,640
Carrying amount			
At 31 December 2018	138,542	3,800	142,342
At 31 December 2017	140,174	5,895	146,069

Grant receipts of £77,262 relating to the freehold land and buildings which were previously deducted from the cost of the tangible fixed asset, have now been recognised as deferred income and are being released to the Profit and Loss Account systematically over the asset's expected useful life in accordance with the stated accounting policy and the requirements of FRS 102 (see note 5 to the financial statements).

In addition depreciation of £7,594 at 31 December 2017 has been recognised on the buildings element within freehold property.

The comparatives have been restated accordingly.

4 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Other debtors	115	367

5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	3,953	2,891
Corporation tax	1,043	1,711
Other taxation and social security	123	140
Government grants	1,546	1,546
Other creditors	436	-
Accruals and deferred income	990	558
	8,091	6,846

THE IDE COMMUNITY SHOP ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

6 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Other creditors	66,576	68,122

Other long term creditors comprise deferred grant credits relating to the freehold land and buildings (£1,546 is included within creditors falling due within one year). As stated in note 3 to the financial statements, grant receipts of £77,262 relating to the freehold land and buildings which were previously deducted from the cost of the tangible fixed asset, have now been recognised as deferred income and are being released to the Profit and Loss Account systematically over the asset's expected useful life in accordance with the stated accounting policy and the requirements of FRS 102.

Deferred grant credits of £7,594 at 31 December 2017 have been released to the Profit and Loss Account and the comparatives restated accordingly.

7 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
Equity share capital brought forward	35,980	43,460
Issue of shares	50	-
Redemption of withdrawable shares	-	(7,480)
Equity share capital carried forward	36,030	35,980

Members' capital contributions (including both the minimum required shareholding and the withdrawable shares) of £35,980 at 31 December 2017 previously recognised as loans, have been reclassified as equity share capital since the association has the discretionary power to suspend withdrawal. The comparatives have been restated accordingly.

Equity share capital comprises the minimum required shareholding of 255 shares (2017 - 250 shares) of £10 each, together with the withdrawable share capital of £33,480 (2017 - £33,480).

8 Related party transactions

By the association's very nature, as an entity whose members and management are shareholders who use the shop, it is inevitable that transactions with these related parties will occur. All such transactions are conducted at arm's length in the normal course of business.