

Gussage Community Benefit Society Limited
Unaudited Financial Statements
30 April 2019

Gussage Community Benefit Society Limited

Financial Statements

Year ended 30 April 2019

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Gussage Community Benefit Society Limited

Management Committee Report

Year ended 30 April 2019

The members present their report and the unaudited financial statements of the society for the year ended 30 April 2019.

Management committee

The members who served on the management committee during the year were as follows:

Mr D Crossley
Mrs S Marlow
Mrs M Madell
Mrs J Allen
Mr J Ward
Mr R Coombes
Mrs A House
Mr P Plumstead
Mr M Trott (Appointed 6 August 2018)
Mr L Madell (Retired 6 August 2018)
Mrs B Humphris (Retired 6 August 2018)

This report was approved by the management committee on 7th July 2019 and signed on behalf of the board by:



Mr D Crossley
Chairman



Mrs M Madell
Treasurer



Mrs S Marlow
Secretary

Registered office:
Suite 3
Bignell Park Barns
Chesterton
Oxfordshire
OX26 1TD

Gussage Community Benefit Society Limited

Independent Accountant's Report to Gussage Community Benefit Society Limited

Year ended 30 April 2019

We report on the financial statements of the society for the year ended 30 April 2019 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 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

9 July 2019

Gussage Community Benefit Society Limited

Income Statement

Year ended 30 April 2019

	Note	2019 £	2018 £
Turnover		35,589	32,989
Gross profit		35,589	32,989
Administrative expenses		6,514	10,004
Other operating income		1,588	881
Operating profit		30,663	23,866
Other interest receivable and similar income		164	68
Interest payable and similar expenses		10,974	10,804
Profit before taxation	3	19,853	13,130
Tax on profit		4,060	865
Profit for the financial year		15,793	12,265

The society has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 6 to 9 form part of these financial statements.

Gussage Community Benefit Society Limited

Statement of Financial Position

30 April 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	443,170	444,683
Current assets			
Debtors	5	2,429	2,764
Cash at bank and in hand	6	42,127	31,537
		<u>44,556</u>	<u>34,301</u>
Creditors: amounts falling due within one year	7	<u>22,136</u>	<u>19,573</u>
Net current assets		<u>22,420</u>	<u>14,728</u>
Total assets less current liabilities		465,590	459,411
Creditors: amounts falling due after more than one year	8	<u>238,886</u>	<u>247,500</u>
Net assets		<u>226,704</u>	<u>211,911</u>
Capital and reserves			
Called up share capital		177,550	178,550
Profit and loss account		49,154	33,361
Members funds		<u>226,704</u>	<u>211,911</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 members 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 9 form part of these financial statements.

Gussage Community Benefit Society Limited

Statement of Financial Position *(continued)*

30 April 2019

These financial statements were approved by the management committee and authorised for issue on
...1st July 2019, and are signed on their behalf by:



Mr D Crossley
Chairman



Mrs M Madell
Treasurer



Mrs S Marlow
Secretary

Registration number: RS007116

The notes on pages 6 to 9 form part of these financial statements.

Gussage Community Benefit Society Limited

Notes to the Financial Statements

Year ended 30 April 2019

1. General information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is Suite 3, Bignell Park Barns, Chesterton, Oxfordshire, OX26 1TD.

2. Accounting policies

Basis of preparation

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

Revenue recognition

Turnover represents monies received (excluding value added tax) from the rental of the Pub and other activities.

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.

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.

Gussage Community Benefit Society Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

2. Accounting policies *(continued)*

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:

Equipment - 15% straight line

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

The Society has not opted to depreciate Freehold property during the year as they believe minimum depreciation has been suffered.

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.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the income statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Gussage Community Benefit Society Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

3. Profit before taxation

Profit before taxation is stated after charging:

	2019	2018
	£	£
Depreciation of tangible assets	<u>1,513</u>	<u>1,513</u>

4. Tangible assets

	Land and buildings £	Equipment £	Total £
Cost			
At 1 May 2018 and 30 April 2019	<u>436,105</u>	<u>10,091</u>	<u>446,196</u>
Depreciation			
At 1 May 2018	–	1,513	1,513
Charge for the year	–	1,513	1,513
At 30 April 2019	<u>–</u>	<u>3,026</u>	<u>3,026</u>
Carrying amount			
At 30 April 2019	<u>436,105</u>	<u>7,065</u>	<u>443,170</u>
At 30 April 2018	<u>436,105</u>	<u>8,578</u>	<u>444,683</u>

5. Debtors

	2019	2018
	£	£
Other debtors	<u>2,429</u>	<u>2,764</u>

6. Cash at bank and in hand

	2019	2018
	£	£
Cash at bank	12,085	10,220
Loan interest reserve account	11,093	8,930
Share redemption reserve account	17,227	12,339
Interest free loan repayment reserve	1,610	–
Cash in hand	112	48
Total	<u>42,127</u>	<u>31,537</u>

The society holds both a loan interest reserve and a share redemption reserve to try and mitigate any future risks. Alongside these the society has introduced an Interest Free Loan Repayment Reserve account which will be used to make lump sum reductions annually to reduce the balance of the outstanding loan.

Included in the £12,085 held as at the year end, £4,000 is designated to contribute towards the improvement of the pub facilities, namely the provision of easy access toilets.

Gussage Community Benefit Society Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

7. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	8,031	8,031
Trade creditors	2,459	5,052
Corporation tax	4,060	865
Social security and other taxes	2,061	—
Other creditors	5,525	5,625
	<u>22,136</u>	<u>19,573</u>

8. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	218,886	227,500
Other Loan	20,000	20,000
	<u>238,886</u>	<u>247,500</u>

The Bank Loan is Secured against the property for a term of 20 years, the interest on the loan is set at 4.75%

'Other Loan' represents the balance of a loan from a private individual of £20,000. The redemption date of the loan is March 2026, there is no set schedule of repayments and the loan is not interest bearing.

9. Related party transactions

No transactions with related parties were undertaken such as required to be disclosed under FRS 102.

Gussage Community Benefit Society Limited

Management Information

Year ended 30 April 2019

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

Gussage Community Benefit Society Limited

Detailed Income Statement

Year ended 30 April 2019

	2019 £	2018 £
Turnover	35,589	32,989
Gross profit	35,589	32,989
Overheads		
Administrative expenses	6,514	10,004
Profit on society trading	29,075	22,985
Donations	1,471	–
Fund raising	17	5
Revenue grants	100	876
	1,588	881
Operating profit	30,663	23,866
Other interest receivable and similar income	164	68
Interest payable and similar expenses	(10,974)	(10,804)
Profit before taxation	19,853	13,130

Gussage Community Benefit Society Limited

Notes to the Detailed Income Statement

Year ended 30 April 2019

	2019 £	2018 £
Administrative expenses		
Insurance	2,849	3,256
Repairs and maintenance	100	1,305
Telephone	—	105
Printing postage and stationery	52	—
Charitable donations	—	436
Advertising	—	150
Entertaining	31	30
Legal and professional fees	1,198	2,305
Accountancy fees	595	877
Depreciation of tangible assets	1,513	1,513
Bank charges	176	27
	<u>6,514</u>	<u>10,004</u>
Other interest receivable and similar income		
Interest on cash and cash equivalents	<u>164</u>	<u>68</u>
Interest payable and similar expenses		
Interest on bank loans and overdrafts	<u>10,974</u>	<u>10,804</u>