

Normandy Community Shop & Cafe Ltd
Unaudited Financial Statements
29 February 2024

Normandy Community Shop & Cafe Ltd

Financial Statements

Year ended 29 February 2024

Contents	Page
Management committee report	1
Independent accountant's report to the society	2
Income statement	3
Statement of financial position	4
Notes to the financial statements	6
The following pages do not form part of the financial statements	
Detailed income statement	11
Notes to the detailed income statement	12

Normandy Community Shop & Cafe Ltd

Management Committee Report

Year ended 29 February 2024

The officers present their report and the unaudited financial statements of the society for the year ended 29 February 2024.

Officers

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

Jan Drake
Briony Howarth
Paul Howarth
Bob Hutton
Gary Phillips
Jill Spain
Karen Dunn
Mike Dean
Nigel Bottell

This report was approved by the management committee on and signed on behalf of the board by:

Bob Hutton
Chair

Mike Dean
Treasurer

Gary Phillips
Secretary

Registered office:
Glaziers Lane
Normandy
Guildford
Surrey
GU3 2DT

Normandy Community Shop & Cafe Ltd

Independent Accountant's Report to Normandy Community Shop & Cafe Ltd

Year ended 29 February 2024

We report on the financial statements of the society for the year ended 29 February 2024 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 LIMITED
Chartered Certified Accountants

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

Normandy Community Shop & Cafe Ltd

Income Statement

Year ended 29 February 2024

	Note	2024 £	2023 £
Turnover		163,228	5,485
Cost of sales		<u>96,373</u>	<u>2,293</u>
Gross profit		66,855	3,192
Administrative expenses		109,468	3,553
Other operating income		<u>76,924</u>	<u>504,277</u>
Operating profit		34,311	503,916
Interest payable and similar expenses		<u>401</u>	<u>–</u>
Profit before taxation	5	33,910	503,916
Tax on profit		<u>–</u>	<u>–</u>
Profit for the financial year		<u><u>33,910</u></u>	<u><u>503,916</u></u>

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.

Normandy Community Shop & Cafe Ltd

Statement of Financial Position

29 February 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	6	645,808	517,723
Current assets			
Debtors	7	2,785	21,726
Cash at bank and in hand		<u>33,384</u>	<u>65,543</u>
		36,169	87,269
Creditors: amounts falling due within one year	8	<u>46,943</u>	<u>7,921</u>
Net current (liabilities)/assets		<u>(10,774)</u>	<u>79,348</u>
Total assets less current liabilities		<u>635,034</u>	<u>597,071</u>
Net assets		<u>635,034</u>	<u>597,071</u>
Capital and reserves			
Called up share capital		99,331	95,278
Profit and loss account		<u>535,703</u>	<u>501,793</u>
Members funds		<u>635,034</u>	<u>597,071</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 9 form part of these financial statements.

Normandy Community Shop & Cafe Ltd

Statement of Financial Position *(continued)*

29 February 2024

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

Bob Hutton
Chair

Mike Dean
Treasurer

Gary Phillips
Secretary

Registration number: 8331

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

Normandy Community Shop & Cafe Ltd

Notes to the Financial Statements

Year ended 29 February 2024

1. General information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is Glaziers Lane, Normandy, Guildford, Surrey, GU3 2DT.

2. 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.

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:

Freehold property	-	5% straight line
Fixtures and fittings	-	20% reducing balance
Equipment	-	25% reducing balance

Normandy Community Shop & Cafe Ltd

Notes to the Financial Statements *(continued)*

Year ended 29 February 2024

2. Accounting policies *(continued)*

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.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the 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.

Normandy Community Shop & Cafe Ltd

Notes to the Financial Statements *(continued)*

Year ended 29 February 2024

2. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

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.

3. Employee numbers

The average number of persons employed by the society during the year amounted to 3 (2023: Nil).

4. Grant income

During the year the Society received grant income of £69,056 from Surrey County Council. £6,705 has been deferred to cover future expenditure.

The purpose of the grant is the construction of a Community Shop and Café.

5. Profit before taxation

Profit before taxation is stated after charging:

	2024	2023
	£	£
Depreciation of tangible assets	19,339	—

Normandy Community Shop & Cafe Ltd

Notes to the Financial Statements *(continued)*

Year ended 29 February 2024

6. Tangible assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 March 2023	493,381	24,342	–	517,723
Additions	112,945	33,826	653	147,424
At 29 February 2024	<u>606,326</u>	<u>58,168</u>	<u>653</u>	<u>665,147</u>
Depreciation				
At 1 March 2023	–	–	–	–
Charge for the year	11,549	7,756	34	19,339
At 29 February 2024	<u>11,549</u>	<u>7,756</u>	<u>34</u>	<u>19,339</u>
Carrying amount				
At 29 February 2024	<u>594,777</u>	<u>50,412</u>	<u>619</u>	<u>645,808</u>
At 28 February 2023	<u>493,381</u>	<u>24,342</u>	<u>–</u>	<u>517,723</u>

7. Debtors

	2024	2023
	£	£
Trade debtors	2,170	357
Other debtors	615	21,369
	<u>2,785</u>	<u>21,726</u>

8. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	32,063	–
Social security and other taxes	8,721	–
Other creditors - desc in a/cs	116	–
Other creditors	6,043	7,921
	<u>46,943</u>	<u>7,921</u>

9. Government grant income

The Society received £69,056 of grants from local authorities in the year under review. Of this £6,705 has been treated as deferred income and the balance has been recognised as capital grants in the year.

Normandy Community Shop & Cafe Ltd

Management Information

Year ended 29 February 2024

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

Normandy Community Shop & Cafe Ltd

Detailed Income Statement

Year ended 29 February 2024

	2024	2023
	£	£
Turnover		
Sales	163,228	5,485
Cost of sales		
Purchases	96,373	2,293
Gross profit	<u>66,855</u>	<u>3,192</u>
Overheads		
Administrative expenses	109,468	3,553
Loss on society trading	<u>(42,613)</u>	<u>(361)</u>
Donations	1,162	757
Capital grants received	<u>75,762</u>	<u>503,520</u>
	76,924	504,277
Operating profit	<u>34,311</u>	<u>503,916</u>
Interest payable and similar expenses	(401)	–
Profit before taxation	<u><u>33,910</u></u>	<u><u>503,916</u></u>

Normandy Community Shop & Cafe Ltd

Notes to the Detailed Income Statement

Year ended 29 February 2024

	2024	2023
	£	£
Administrative expenses		
Administrative staff salaries	195	–
Wages and salaries	55,168	–
Staff pension contributions - defined contribution	747	–
Premises costs	2,702	711
Light and heat	12,796	218
Insurance	2,090	570
Repairs and maintenance (allowable)	1,168	–
Equipment purchased	2,865	–
Cleaning costs	2,730	–
Motor expenses	–	128
Subscription	903	252
Telephone	581	10
Software and IT	1,122	90
Printing postage and stationery	367	105
Staff training	436	–
Sundry expenses	542	–
Advertising	533	409
Legal and professional fees (allowable)	285	–
Accountancy fees	935	860
Depreciation of tangible assets	19,339	–
Bank charges	3,964	200
	<u>109,468</u>	<u>3,553</u>
Interest payable and similar expenses		
Interest on hire purchase and finance lease contracts	<u>401</u>	<u>–</u>