

Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 March 2015
for
Crafthole Community Shop CIC

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for the Year Ended 31 March 2015

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Crafthole Community Shop CIC

Company Information
for the Year Ended 31 March 2015

DIRECTORS:

Mrs D Mathias
R Mathias
B Pullinger
P Loynes
Mrs S Loynes
M Snowling
Mrs R Dunn
Mrs D Hughes

SECRETARY:

Ms C Fletcher

REGISTERED OFFICE:

Crafthole
Torpoint
Cornwall
PL11 3BQ

REGISTERED NUMBER:

07833286 (England and Wales)

ACCOUNTANTS:

CL Finance Associates LLP
3 Dodford Lane
Christian Malford
Wiltshire
SN15 4DE

Crafthole Community Shop CIC

Chairman's Report
for the Year Ended 31 March 2015

Thanks to all that contribute to the shop as a volunteer, customer or director.

The shop is a great asset to the community and to the local villages. It tries to be a valued and key part to village life. Without the work of the volunteers and directors the shop would not be able to continue and would be a big loss.

We are continually trying to recruit new volunteers to become part of the Community Shop.

Our contract for the rent of the premises has been renegotiated until March 2020.

There have been some changes in the shop, Ellen Adams is manager and Rosalie Dunn is Finance Manager. Darryl Hughes was elected Chairperson and Mike Snowling elected Vice Chairperson.

Darryl Hughes
20 May 2015

Crafthole Community Shop CIC

Operating and Financial Review
for the Year Ended 31 March 2015

There have been some changes to responsibilities during the year with a new Shop Manager taking over in November 2014 and a change in the director responsible for Finance in October 2014.

There have been no new purchases of equipment in the year. Maintenance of the existing fridges and freezers continues with the existing suppliers.

Since the year end, a new lease had been negotiated on the existing premises. The new lease is operative from 1 April 2015, has a term of five years and rent of £450 per month. This is an increase of £50 per month.

Stock management has improved during the year reducing the amount of stock wastage. In addition, a vast amount of the perishable goods are purchased on sale or return.

There has been an increased focus on reviewing the goods stocked by the shop and advertising which has resulted in sales increasing to £72,000.

However, the shop continues to operate just below the VAT threshold and the directors are considering whether it would be appropriate to deregister for VAT.

Rosalie Dunn
20 May 2015

Crafthole Community Shop CIC

Report of the Directors
for the Year Ended 31 March 2015

The directors present their report with the financial statements of the company for the year ended 31 March 2015.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2014 to the date of this report.

Mrs D Mathias
R Mathias
B Pullinger
P Loynes
Mrs S Loynes
M Snowling
Mrs R Dunn

Other changes in directors holding office are as follows:

B Barron - resigned 23 May 2014
Mrs D Hughes - appointed 28 May 2014

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Ms C Fletcher - Secretary

20 May 2015

Crafthole Community Shop CIC

Report of the Accountants to the Directors of
Crafthole Community Shop CIC

In accordance with the engagement letter dated 24 April 2012, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise Profit and Loss Account, Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Company and the Company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 March 2015 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. 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 financial statements.

CL Finance Associates LLP
3 Dodford Lane
Christian Malford
Wiltshire
SN15 4DE

20 May 2015

Crafthole Community Shop CIC

Income and Expenditure Account
for the Year Ended 31 March 2015

| | Notes | 31/3/15 £ | 31/3/14 £ |
|-------------------------------------------------------------------------------------|-------|--------------------|---------------------|
| TURNOVER | | 72,215 | 70,894 |
| Cost of sales | | <u>58,064</u> | <u>56,968</u> |
| GROSS SURPLUS | | 14,151 | 13,926 |
| Administrative expenses | | <u>14,189</u> | <u>14,661</u> |
| OPERATING DEFICIT and DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 2 | (38) | (735) |
| Tax on deficit on ordinary activities | 3 | <u>-</u> | <u>-</u> |
| DEFICIT FOR THE FINANCIAL YEAR | | <u><u>(38)</u></u> | <u><u>(735)</u></u> |

The notes form part of these financial statements

Balance Sheet
31 March 2015

| | Notes | 31/3/15 £ | £ | 31/3/14 £ | £ |
|----------------------------------------------|-------|---------------|---------------|---------------|---------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 4 | | 331 | | 414 |
| CURRENT ASSETS | | | | | |
| Stocks | | 3,213 | | 3,316 | |
| Debtors | 5 | 317 | | 287 | |
| Prepayments and accrued income | | 878 | | 558 | |
| Cash at bank and in hand | | 8,504 | | 7,921 | |
| | | <u>12,912</u> | | <u>12,082</u> | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 6 | 2,008 | | 1,223 | |
| NET CURRENT ASSETS | | | <u>10,904</u> | | <u>10,859</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>11,235</u> | | <u>11,273</u> |
| RESERVES | | | | | |
| Other reserves | 8 | | 14,376 | | 14,376 |
| Income and expenditure account | 8 | | (3,141) | | (3,103) |
| | | | <u>11,235</u> | | <u>11,273</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2015.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2015 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 20 May 2015 and were signed on its behalf by:

Mrs R Dunn - Director

M Snowling - Director

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 50% on cost and in accordance with the property

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

2. **OPERATING DEFICIT**

The operating deficit is stated after charging:

| | 31/3/15 | 31/3/14 |
|------------------------------------------------|-------------------|-------------------|
| | £ | £ |
| Depreciation - owned assets | 438 | 1,819 |
| | <u> </u> | <u> </u> |
| Directors' remuneration and other benefits etc | 2,200 | 3,200 |
| | <u> </u> | <u> </u> |

3. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2015 nor for the year ended 31 March 2014.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2015

3. **TAXATION - continued**

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

| | 31/3/15 £ | 31/3/14 £ |
|-----------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Deficit on ordinary activities before tax | (38) | (735) |
| Deficit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%) | (8) | (147) |
| Effects of: | | |
| Expenses not deductible for tax purposes | 6 | 9 |
| Depreciation in excess of capital allowances | 17 | 364 |
| Utilisation of tax losses | (15) | (226) |
| Current tax charge | - | - |

4. **TANGIBLE FIXED ASSETS**

| | Improvements to property £ | Plant and machinery £ | Fixtures and fittings £ | Totals £ |
|-----------------------|-------------------------------------|-----------------------------|----------------------------------|-------------|
| COST | | | | |
| At 1 April 2014 | 3,157 | 784 | 1,033 | 4,974 |
| Additions | - | - | 355 | 355 |
| At 31 March 2015 | 3,157 | 784 | 1,388 | 5,329 |
| DEPRECIATION | | | | |
| At 1 April 2014 | 2,909 | 618 | 1,033 | 4,560 |
| Charge for year | 200 | 166 | 72 | 438 |
| At 31 March 2015 | 3,109 | 784 | 1,105 | 4,998 |
| NET BOOK VALUE | | | | |
| At 31 March 2015 | 48 | - | 283 | 331 |
| At 31 March 2014 | 248 | 166 | - | 414 |

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 31/3/15 £ | 31/3/14 £ |
|---------------|--------------|--------------|
| Trade debtors | 126 | 287 |
| Other debtors | 191 | - |
| | 317 | 287 |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2015

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 31/3/15 | 31/3/14 |
|------------------------------|--------------|--------------|
| | £ | £ |
| Trade creditors | 1,754 | 1,731 |
| Taxation and social security | (96) | (560) |
| Other creditors | 350 | 52 |
| | <u>2,008</u> | <u>1,223</u> |

7. **OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

| | 31/3/15 | 31/3/14 |
|----------------------------|--------------|--------------|
| | £ | £ |
| Expiring: | | |
| Within one year | - | 4,800 |
| Between one and five years | 5,400 | - |
| | <u>5,400</u> | <u>4,800</u> |

8. **RESERVES**

| | Income and expenditure account £ | Other reserves £ | Totals £ |
|----------------------|----------------------------------------------|------------------------|---------------|
| At 1 April 2014 | (3,103) | 14,376 | 11,273 |
| Deficit for the year | (38) | - | (38) |
| | <u>(3,141)</u> | <u>14,376</u> | <u>11,235</u> |
| At 31 March 2015 | <u>(3,141)</u> | <u>14,376</u> | <u>11,235</u> |

The Other Reserve comprises of monies directly contributed by the members to the Company of £1,650 and money and net assets contributed by the unincorporated entity 'Crafthole Community Shop' as part of the transfer of trade and assets on 1 April 2012 of £12,726.

9. **POST BALANCE SHEET EVENTS**

Since the year end a new lease has been signed on the existing premises. The new lease is operative from 1 April 2015 and is for a term of five years ending on 31 March 2020. The rent will be £450 per month with a rent review 24 months after the start date.

10. **LIMITED BY GUARANTEE**

The Company is limited by guarantee without a share capital.

Crafthole Community Shop CIC

Detailed Income and Expenditure Account
for the Year Ended 31 March 2015

| | 31/3/15 | | 31/3/14 | |
|---------------------------------------|---------|--------|---------|--------|
| | £ | £ | £ | £ |
| Sales | | 72,215 | | 70,894 |
| Cost of sales | | | | |
| Purchases | | 58,064 | | 56,968 |
| GROSS SURPLUS | | 14,151 | | 13,926 |
| Expenditure | | | | |
| Rent | 4,800 | | 4,800 | |
| Insurance | 391 | | 391 | |
| Light and heat | 1,273 | | 1,259 | |
| Directors' fees | 2,200 | | 3,200 | |
| Wages | 2,323 | | 1,740 | |
| Telephone | 113 | | - | |
| Post and stationery | 301 | | 154 | |
| Advertising | 374 | | 8 | |
| Travelling | 483 | | 441 | |
| Licences and insurance | 118 | | 90 | |
| Repairs and renewals | 97 | | 28 | |
| Sundry expenses | 10 | | 35 | |
| Accountancy | 844 | | 423 | |
| Depreciation of tangible fixed assets | | | | |
| Improvements to property | 200 | | 1,455 | |
| Plant and machinery | 166 | | 166 | |
| Fixtures and fittings | 72 | | 198 | |
| Entertainment | 30 | | 48 | |
| | | 13,795 | | 14,436 |
| | | 356 | | (510) |
| Finance costs | | | | |
| Bank charges | | 394 | | 225 |
| NET DEFICIT | | (38) | | (735) |