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**Report of the Committee and  
Financial Statements for the Period 30 August 2016 to 31 December 2017  
for  
Houghton & Wyton Community Shop Ltd**

**Houghton & Wyton Community Shop Ltd**

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for the Period 30 August 2016 to 31 December 2017**

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**Houghton & Wyton Community Shop Ltd**

**Company Information  
for the Period 30 August 2016 to 31 December 2017**

**MANAGEMENT COMMITTEE:** Helen Boothman – Chairwoman  
Amanda Orchard – Vice Chairwoman  
Paul Boothman – Treasurer  
Lois Dale – Secretary  
Margaret Campbell  
Aylie Ewing  
Anthony Garside  
Johnathan McGee  
Carol Munro  
Sue Rodwell-Smith  
Chris Spearing  
Nigel White

**REGISTERED NUMBER:** 7390

**REGISTERED OFFICE:** Buckley House  
Thicket Road  
Houghton  
Cambridgeshire  
PE28 2BQ

**AUDITORS:** George Hay Partnership LLP  
Chartered Accountants  
and Statutory Auditor  
St George's House  
George Street  
Huntingdon  
Cambridgeshire  
PE29 3GH

## **Houghton & Wyton Community Shop Ltd**

### **Report of the Committee for the Period 30 August 2016 to 31 December 2017**

The committee presents report with the financial statements of the company for the period 30 August 2016 to 31 December 2017.

#### **INCORPORATION**

The company was incorporated on 30 August 2016 on the Mutual's Public Register (No.7390) which is bound by the Co-operative and Community Benefit Societies Act 2014. The company commenced trading on 6 April 2017.

#### **FINANCIAL REVIEW**

Ye Olde Village Shoppe was successfully transferred to community ownership on 6 April 2017.

In the preceding year, the focus had been on communication and consultation with the community, business planning, setting up the organisational and legal structures, securing funds and eventually the successful acquisition of the shop. However, the emphasis switched overnight to managing a new business and establishing new systems and processes for the day to day running of the shop.

Our fiscal year was set in line with the calendar year, hence our first trading year effectively covered a trading period of just 9 months. Anticipating we would face a steep learning curve and prepared to face any hurdles in this our first year, particularly from the operational side and our ability to slowly turn around a declining sales trend, we planned to make a net loss of (£6,152) to end December.

The first few months proved particularly challenging. A new manager and some new staff were recruited, volunteers came on board and got to grip with new roles, new policies and procedures. Systems of control were written and started to be put in place, and we became a new customer to many different suppliers. Unfortunately the new manager struggled with procedures and the operational control we required and quickly left us, with members of the management committee stepping up to take over direct operational control for a period.

Since then we have successfully recruited another new manager in Ian Chapman, we have established good control of costs, monitoring of performance and forecasting and continued to follow the Business Plan including making the investments which we had planned in terms of necessary repairs to the fabric of the building and refurbishment of the flat.

We are pleased to say that swift action has brought us back largely to the Business Plan and managed our actual loss to within a small variance of that planned pre-depreciation of the building and amortisation of goodwill.

Sales performance in January and February this year are encouraging with a sales growth and gross margins largely on target and the business moving into net profit.

Our plans for 2018 continue to deliver real growth, to move the business into net profitability and to continue the ambitious investment programme for improvements to the shop. With continued support from the community, together with the planned improvements, monitoring and controls, we are confident that the shop will be retained as the vital village hub delivering goods and services, but will also deliver surplus profits into the new charity to fund community projects.

## Houghton & Wyton Community Shop Ltd

### STATEMENT OF COMMITTEE RESPONSIBILITIES

The committee is responsible for preparing the Report of the Committee and the financial statements in accordance with applicable law and regulations.

Company law requires the committee to prepare financial statements for each financial year. Under that law the committee has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the committee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- establishing and maintaining 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;

The committee is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable to ensure that the financial statements comply with the Companies Act 2006 and Co-operative and Community Benefit Societies Act 2014. The committee is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS


So far as the committee is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each committee member has taken all the steps that ought to have taken as a committee member in order to make aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### AUDITORS

The auditors, George Hay Partnership LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting, assuming exemption is not obtained under section 84 of Co-operative and Community Benefit Societies Act 2014.

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

### ON BEHALF OF THE COMMITTEE:

  
.....

Date: 15<sup>th</sup> April 2018

P. Bootman

  
.....

Date: 15<sup>th</sup> April 2018

A. Garside

## **Report of the Independent Auditors to the Members of Houghton & Wyton Community Shop Ltd**

### **Opinion**

We have audited the financial statements of Houghton & Wyton Community Shop Ltd (the 'company') for the period ended 31 December 2017 on pages six to ten. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Co-operative and Community Benefit Societies Act 2014.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the committee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the committee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The committee is responsible for the other information. The other information comprises the information in the Report of the Committee, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Committee for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Committee has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
Houghton & Wyton Community Shop Ltd**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Committee.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of committee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

**Responsibilities of the committee**

As explained more fully in the Statement of Committee's Responsibilities set out on page two, the committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the committee determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the committee is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

*Toni Hunter*

Toni Hunter FCCA ACA DChA (Senior Statutory Auditor)  
for and on behalf of George Hay Partnership LLP  
Chartered Accountants  
and Statutory Auditor  
St George's House  
George Street  
Huntingdon  
Cambridgeshire  
PE29 3GH

Date: ..... 19.07.18 .....

Houghton & Wyton Community Shop Ltd

**Income Statement**  
**for the Period 30 August 2016 to 31 December 2017**

	Notes	£
<b>TURNOVER</b>		339,157
Cost of sales		<u>277,682</u>
<b>GROSS PROFIT</b>		61,475
Administrative expenses		<u>82,484</u>
		(21,009)
Other operating income		<u>17,983</u>
<b>OPERATING LOSS</b>	4	(3,026)
Interest payable and similar expenses		<u>7,202</u>
<b>LOSS BEFORE TAXATION</b>		(10,228)
Tax on loss		<u>-</u>
<b>LOSS FOR THE FINANCIAL PERIOD</b>		<u>(10,228)</u>

The notes form part of these financial statements



Houghton & Wyton Community Shop Ltd

**Balance Sheet**  
**31 December 2017**

	Notes	£	£
<b>FIXED ASSETS</b>			
Intangible assets	5		64,750
Tangible assets	6		<u>648,272</u>
			713,022
<b>CURRENT ASSETS</b>			
Stocks		27,549	
Debtors	7	6,850	
Cash at bank and in hand		<u>37,343</u>	
		71,742	
<b>CREDITORS</b>			
Amounts falling due within one year	8	<u>64,280</u>	
<b>NET CURRENT ASSETS</b>			<u>7,462</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			720,484
<b>CREDITORS</b>			
Amounts falling due after more than one year	9		<u>389,312</u>
<b>NET ASSETS</b>			<u>331,172</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10		341,400
Retained earnings			<u>(10,228)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>331,172</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and Co-operative and Community Benefit Societies Act 2014 part 7.

The financial statements were approved by the committee on 15<sup>th</sup> April 2018 and were signed by:

  
.....  
P. Boothman

  
.....  
A. Garside

The notes form part of these financial statements

## Houghton & Wyton Community Shop Ltd

### Notes to the Financial Statements for the Period 30 August 2016 to 31 December 2017

#### 1. STATUTORY INFORMATION

Houghton & Wyton Community Shop Ltd is a private company, limited by shares, registered in England and Wales and is regulated by the FCA and Co-operative and Community Benefit Societies Act 2014. The company's registered office address can be found on the Company Information page.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

##### **Other Income**

Rent relates to the letting of the flat above the shop and is measured at the fair value of the consideration receivable.

Grant income is measured by releasing the total grant received over the period in which conditions can be imposed by the grant provider, the maximum being a 10-year period which translates to a rate of £30,000 per annum.

##### **Intangible Assets**

Goodwill, being the amount paid in connection with the acquisition of a business in 2017, is being amortised evenly over its estimated useful life of ten years.

Intangible assets such as goodwill are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

##### **Tangible fixed assets**

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

Land and Buildings	- 1% on cost
Plant and machinery etc	- 25% on reducing balance

##### **Stocks**

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

##### **Taxation**

Taxation for the period which it relates to recognised in the Income Statement and is not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### **Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

#### 3. EMPLOYEES AND COMMITTEE

The average monthly number of full time and part time employees during the 9 month period was 7.

**Houghton & Wyton Community Shop Ltd**

**Notes to the Financial Statements - continued  
for the Period 30 August 2016 to 31 December 2017**

**4. OPERATING LOSS**

The operating loss is stated after charging:

	£
Depreciation - owned assets	4,672
Goodwill amortisation	<u>5,250</u>

**5. INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
Additions	<u>70,000</u>
At 31 December 2017	<u>70,000</u>
<b>AMORTISATION</b>	
Charge for period	<u>5,250</u>
At 31 December 2017	<u>5,250</u>
<b>NET BOOK VALUE</b>	
At 31 December 2017	<u>64,750</u>

**6. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
Additions	<u>614,454</u>	<u>38,490</u>	<u>652,944</u>
At 31 December 2017	<u>614,454</u>	<u>38,490</u>	<u>652,944</u>
<b>DEPRECIATION</b>			
Charge for period	<u>922</u>	<u>3,750</u>	<u>4,672</u>
At 31 December 2017	<u>922</u>	<u>3,750</u>	<u>4,672</u>
<b>NET BOOK VALUE</b>			
At 31 December 2017	<u>613,532</u>	<u>34,740</u>	<u>648,272</u>

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

	£
Other debtors	<u>6,850</u>

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

	£
Trade creditors	23,113
Other creditors	<u>41,167</u>
	<u>64,280</u>

**Houghton & Wyton Community Shop Ltd**

**Notes to the Financial Statements - continued  
for the Period 30 August 2016 to 31 December 2017**

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

Other creditors	£ <u>389,312</u>
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**10. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
34,140	Ordinary	£10	<u>341,400</u>

34,140 Ordinary shares of £10 each were allotted and fully paid for cash at par during the period.

**11. RELATED PARTY TRANSACTIONS**

The member serving on the Management Committee use the village shop operated by the company. All transactions are at full market price.

Committee members do not receive remuneration or expenses in relation to the running of the shop.

**Houghton & Wyton Community Shop Ltd**

**Trading and Profit and Loss Account  
for the Period 30 August 2016 to 31 December 2017**

	£	£
<b>Turnover</b>		
Shop sales	329,695	
Post Office sales	<u>9,462</u>	
		339,157
<b>Cost of sales</b>		
Purchases	305,232	
Closing stock	<u>(27,549)</u>	
		<u>277,682</u>
<b>GROSS PROFIT</b>		61,475
<b>Other income</b>		
Rents received	950	
Grant Income	16,875	
Sundry receipts	<u>158</u>	
		<u>17,983</u>
		79,458
<b>Expenditure</b>		
Rates and water	1,311	
Insurance	1,013	
Light and heat	7,882	
Repairs to shop	4,685	
Repairs to flat	3,166	
Wages	39,464	
Social security	25	
Pensions	349	
Telephone	412	
Post and stationery	2,361	
Sundry expenses	1,246	
Accountancy	6,138	
Letting fees	517	
Legal & Professional	245	
Auditors remuneration	<u>3,000</u>	
		<u>71,784</u>
		7,674
<b>Finance costs</b>		
Bank charges	23	
Merchant transaction fees	755	
Loan interest and arrangement fees	<u>7,202</u>	
		<u>7,980</u>
Carried forward		(306)

This page does not form part of the statutory financial statements

**Houghton & Wyton Community Shop Ltd**

**Trading and Profit and Loss Account  
for the Period 30 August 2016 to 31 December 2017**

	£	£
Brought forward		(306)
<b>Depreciation</b>		
Goodwill amortisation	5,250	
Freehold property	922	
Fixtures and fittings	<u>3,750</u>	
		<u>9,922</u>
<b>NET LOSS</b>		<u>(10,228)</u>

This page does not form part of the statutory financial statements