

**Candover Valley Community Store Limited**  
**Unaudited Financial Statements**  
**30 June 2021**

# **Candover Valley Community Store Limited**

## **Financial Statements**

**Year ended 30 June 2021**

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# Candover Valley Community Store Limited

## Management Committee Report

### Year ended 30 June 2021

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The members present their report and the unaudited financial statements of the society for the year ended 30 June 2021.

#### Principal activities

The principal activity of the society is to run a village community store and post office.

#### Business Review

This set of accounts covers the period 1 July 2020 to 30 June 2021, the second year of trading of the Candover Valley Community Store. The store continues to trade well above the targets set out in the CVCS business plan. As these accounts show, there was a significant increase in turnover (+21%) and profit (+6%) from the previous financial year.

From July 2020, the surge in trading created by the coronavirus crisis and the first lock-down, slackened off gradually but remained at highly satisfactory levels in the quieter months of August to October with sales rising in November and December in the run-up to an unusual Christmas, when no large gatherings were permitted. At the start of 2021, a third nationwide lock-down was introduced. Customers again demonstrated that they preferred to shop more locally with the result that trading remained strong from January to March, peaking in the week just before Easter. From April - June 2021, as Covid restrictions were eased throughout the UK, the trading pattern settled down again, but still produced consistently good returns.

#### Staffing

CVCS now has one full-time and four part-time members of paid staff. Garry Green, store manager is full time; Emma Simpson, our assistant manager and our senior assistants, Sean Ennis, Louise Harris and Rebecca Jackson are all part-time. Louise joined CVCS in May 2021. From July 2020, youth workers aged 16 - 19 years work paid shifts in store to cover shifts at weekends. This allows CVCS to provide valuable work experience for young people in an area where part-time jobs are scarce. It also helps fill the weekend shifts which are not so popular with CVCS's loyal and hard working volunteers.

#### A new wholesaler

As result of the lessons learnt in the first lock-down, a new wholesaler (Costcutter) was selected to ensure greater consistency and security of supply. There have been many advantages:

- More regular deliveries of goods to keep the shop well stocked and ensure the store manager doesn't have to spend hours searching far and wide for items
- More access to Fairtrade products, especially wines, sugar and bananas
- More access to British fruit, vegetables, salads and meat under the Co-op label.
- The ability to buy some products at better prices and pass the savings on to our customers
- Better access to recycling of cardboard and plastic and more use of returnable trays.

# Candover Valley Community Store Limited

## Management Committee Report *(continued)*

Year ended 30 June 2021

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### **Improving store operations**

During the course of the year and as a result of customer demand and higher than expected trading levels, several new equipment purchases were made to increase the efficiency of store operations. These included a second cash till and two new card readers; a larger and more efficient open-deck chiller; new ventilation fans behind the refrigeration units; new metal shelving units, carefully integrated amongst the rustic wooden shelving to increase available display space but preserve the overall 'look' of the store; new fruit and vegetable racks on which to display the produce outside at the front of the store.

Having applied for and achieved the necessary planning permission, the bin store was extended so all unsightly crates and bins are now hidden away neatly. With an urgent need for more storage space, CVCS is most grateful to the trustees of the village hall for signing a licence agreement formalising use of the old doctor's surgery as the CVCS overflow stock-room.

### **The post office**

The post office has continued to be well used, particularly during the periods of lock-down when sending cards and parcels became an important way of keeping in touch with family and friends. Thousands of letters, parcels, cash withdrawals, cheque deposits and stamp sales have passed across the post office counter. CVCS now has five members of paid staff who run the post office, and an additional three unpaid volunteers who are also post office assistants.

### **Coffee area**

The coffee area within the store has remained closed all year. Tables were reintroduced to the deck outside in May and the four picnic tables (two of which were purchased this year by CVCS) in the field between the village hall and the store have been well used.

### **Social responsibility**

As a community store, we are committed to serving our local community. Last year, shareholders at the AGM were reminded that by choosing to shop at CVCS, they were not only supporting the viability of this valuable community asset but building up reserves to support future community projects.

Under the rules of Candover Valley Community Store Ltd any profits made will, once sufficient reserves are established, be reinvested into the community enabling CVCS to fund and support other village projects. In the previous financial year to June 2020, given the exceptional results, CVCS had built up sufficient reserves to allow the establishment of a community projects fund which was launched at the AGM in November 2020.

The aim of the fund is to enhance community spirit, bring local people together, help support local organisations and build strong relationships across the community. We are most grateful to Jocelyn Rogerson for helping set up the principles and procedures of the fund.

In the financial year to the end of June 2021, CVCS has been pleased to start using the community fund to support two projects from local organisations (the 1st Candover Valley Scout Group and the Candover Valley Pre-School). It is hoped that as the fund develops, other community organisations will apply for support and their projects will also benefit.

### **Going forward**

The profits outlined in this report of £48,922 show an increase of +6% on those of the previous financial year and are to be celebrated. In our second year of trading, CVCS has continued to build up substantial reserves and to set aside a sum for a community projects fund. Such favourable trading circumstances may not recur in the next few years as life returns to some form of normality following the pandemic. But despite the uncertain times and the challenges that undoubtedly lie ahead, the CVCS management committee is setting cautiously optimistic targets for the future, in the knowledge that many more customers in the locality are now aware of the location and offering of the store and

# Candover Valley Community Store Limited

## Management Committee Report *(continued)*

Year ended 30 June 2021

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recognise the vital contribution that the store makes to the whole community.

### Thanks

The CVCS management committee would like to extend their heartfelt thanks to Garry Green (store manager); Emma Simpson (assistant manager); Sean Ennis, Louise Harris and Rebecca Jackson (senior assistants) and all the CVCS volunteers and youth workers for their incredibly hard work keeping the store and post office open and so well stocked during the continuing coronavirus crisis and the second full year of trading.

### Members


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

J Ballard  
C Dawnay  
A Ellett  
L Muncey  
J Laws  
C Smith  
J Rogerson

*5<sup>th</sup> November 2021*

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

  
J Laws  
Chair

  
C Smith  
Treasurer

  
L Muncey  
Secretary

Registered office:  
Candover Valley Store  
Alresford Road  
Preston Candover  
Hampshire  
RG25 2EE

# Candover Valley Community Store Limited

## Independent Accountant's Report to Candover Valley Community Store Limited

Year ended 30 June 2021

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We report on the financial statements of the society for the year ended 30 June 2021 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

# Candover Valley Community Store Limited

## Income Statement

Year ended 30 June 2021

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	Note	2021 £	2020 £
<b>Turnover</b>		406,975	336,727
Cost of sales		304,279	244,006
<b>Gross profit</b>		102,696	92,721
Administrative expenses		89,369	68,058
Other operating income		35,560	21,289
<b>Operating profit</b>		48,887	45,952
Other interest receivable and similar income		35	32
<b>Profit before taxation</b>	4	48,922	45,984
Tax on profit		—	—
<b>Profit for the financial year</b>		<u>48,922</u>	<u>45,984</u>

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

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The notes on pages 8 to 11 form part of these financial statements.

# Candover Valley Community Store Limited

## Statement of Financial Position

30 June 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	5	166,923	170,308
<b>Current assets</b>			
Stocks		20,227	14,583
Debtors	6	10,967	9,625
Cash at bank and in hand		102,006	69,294
		<u>133,200</u>	<u>93,502</u>
<b>Creditors: amounts falling due within one year</b>	7	108,384	121,993
<b>Net current assets/(liabilities)</b>		<u>24,816</u>	<u>(28,491)</u>
<b>Total assets less current liabilities</b>		<u>191,739</u>	<u>141,817</u>
<b>Net assets</b>		<u>191,739</u>	<u>141,817</u>
<b>Capital and reserves</b>			
Called up share capital		51,880	50,880
Profit and loss account		139,859	90,937
<b>Members funds</b>		<u>191,739</u>	<u>141,817</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 8 to 11 form part of these financial statements.



# Candover Valley Community Store Limited

## Statement of Financial Position *(continued)*

30 June 2021

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

*5 November 2021*

J Laws  
Chair



C Smith  
Treasurer



L Muncey  
Secretary



Registration number: 32413R

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The notes on pages 8 to 11 form part of these financial statements.

# Candover Valley Community Store Limited

## Notes to the Financial Statements

Year ended 30 June 2021

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### 1. General information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is Candover Valley Store, Alresford Road, Preston Candover, Hampshire, RG25 2EE.

### 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:

Long leasehold property	-	5% straight line
Equipment	-	20% reducing balance

# Candover Valley Community Store Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

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### 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.

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### **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.*

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.

# Candover Valley Community Store Limited

## Notes to the Financial Statements *(continued)*

### Year ended 30 June 2021

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#### 2. Accounting policies *(continued)*

##### Financial instruments *(continued)*

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.

#### 3. Employee numbers

The average number of persons employed by the society during the year amounted to 3 (2020: 2).

#### 4. Profit before taxation

Profit before taxation is stated after charging:

	2021 £	2020 £
Depreciation of tangible assets	<u>16,700</u>	<u>14,535</u>

#### 5. Tangible assets

	Long leasehold property £	Equipment £	Total £
<b>Cost</b>			
At 1 July 2020	154,776	34,031	188,807
Additions	3,324	9,991	13,315
<b>At 30 June 2021</b>	<u>158,100</u>	<u>44,022</u>	<u>202,122</u>
<b>Depreciation</b>			
At 1 July 2020	10,302	8,197	18,499
Charge for the year	7,895	8,805	16,700
<b>At 30 June 2021</b>	<u>18,197</u>	<u>17,002</u>	<u>35,199</u>
<b>Carrying amount</b>			
<b>At 30 June 2021</b>	<u>139,903</u>	<u>27,020</u>	<u>166,923</u>
At 30 June 2020	<u>144,474</u>	<u>25,834</u>	<u>170,308</u>

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# Candover Valley Community Store Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2021

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**6. Debtors**

	<b>2021</b>	2020
	£	£
Trade debtors	4,219	6,700
Other debtors	6,748	2,925
	<u>10,967</u>	<u>9,625</u>

**7. Creditors: amounts falling due within one year**

	<b>2021</b>	2020
	£	£
Trade creditors	4,324	9,428
Social security and other taxes	2,130	1,582
Other creditors	101,930	110,983
	<u>108,384</u>	<u>121,993</u>

# **Candover Valley Community Store Limited**

## **Management Information**

**Year ended 30 June 2021**

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

# Candover Valley Community Store Limited

## Detailed Income Statement

Year ended 30 June 2021

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	2021 £	2020 £
<b>Turnover</b>		
Sales	406,975	336,727
<b>Cost of sales</b>		
Opening stock - raw materials	14,583	7,159
Purchases	309,596	249,914
Discrepancies in Year	273	1,057
Direct costs	54	459
	<u>324,506</u>	<u>258,589</u>
Closing stock	20,227	14,583
	<u>304,279</u>	<u>244,006</u>
<b>Gross profit</b>	<u>102,696</u>	<u>92,721</u>
<b>Overheads</b>		
Administrative expenses	89,369	68,058
<b>Profit on society trading</b>	<u>13,327</u>	<u>24,663</u>
Donations	112	(60)
Capital grant income	9,008	4,701
Post Office commission	13,300	6,798
Revenue grant income	13,140	9,850
	<u>35,560</u>	<u>21,289</u>
<b>Operating profit</b>	<u>48,887</u>	<u>45,952</u>
Other interest receivable and similar income	35	32
<b>Profit before taxation</b>	<u><u>48,922</u></u>	<u><u>45,984</u></u>

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# Candover Valley Community Store Limited

## Notes to the Detailed Income Statement

Year ended 30 June 2021

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	2021	2020
	£	£
<b>Administrative expenses</b>		
Wages and salaries	52,209	36,596
Staff national insurance contributions	239	–
Rent	995	–
Light and heat	4,461	3,783
Insurance	804	351
Repairs and maintenance (allowable)	317	132
Waste Disposal	1,242	1,261
Cleaning costs	393	298
Telephone	517	553
IT software and consumables	830	1,863
Printing postage and stationery	381	89
Staff training	–	30
Sundry expenses	1,041	1,071
Charitable donations (allowable)	123	6
Community giving	3,616	4,275
Advertising	53	–
Entertaining	–	119
Legal and professional fees (allowable)	2,651	303
Accountancy fees	760	1,095
Depreciation of tangible assets	16,700	14,535
Fine and Penalties	55	–
Bank charges	1,982	1,698
	<u>89,369</u>	<u>68,058</u>
<b>Other interest receivable and similar income</b>		
Interest on cash and cash equivalents	<u>35</u>	<u>32</u>

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