

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED**

**Period ended 31 July 2020**

**ANNUAL REPORT AND FINANCIAL STATEMENTS - Unaudited**

**Reg No. 32364 R**

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED  
ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

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**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED  
ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**SOCIETY INFORMATION**

**Registered Office:**

Old Post Office  
Altrincham Road  
Styal  
SK9 4JE

**Independent accountant**

Shenkman Accountancy Services LLP  
Battersea House  
Battersea Road  
Heaton Mersey  
Stockport  
Sk4 3EA

# **STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED**

## **ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

### **THE REPORT OF THE MANAGEMENT COMMITTEE**

The management committee has pleasure in presenting its report and the unaudited financial statements of the society for the period ended 31 July 2020.

#### **Principal Activities and operational Review**

The principal activity of the society during the year was that of a community shop, café and gallery.

#### **Chairman's Statement**

This has been a year of two quite different halves, both of which has allowed Earlams to demonstrate its value and commitment to supporting the community. In the first part of the year, Earlams was able to continue as the social centre within our community, providing its usual high-quality provision within and for the village and even expanding its offer with a range of courses being provided for residents and customers. However, in the second part of the year Earlams had to completely alter its function to respond to the challenges of the pandemic in fulfilling a very different function. Throughout the year we have been very successful in applying for grants to support our work in both parts of this dichotomy.

As already mentioned, through the gallery, we had established a diverse range of courses, covering personal skill development through art courses in needle felting, acrylic painting, ceramics and weaving as well as wellbeing courses focusing on the identification and use of herbs, iridology and weekly CPR training. We also established the Knit & Natter club and a gardening club. We also hosted a very enlightening talk on the first World War as part of our commemoration at Remembrance Day. As usual we were also central in celebrating the Christmas period in the village.

However, the development of the pandemic meant that Earlams had to drastically change its focus and its offer. Whilst being acutely aware of the need to protect our volunteers from contacting the virus we continued to stay open albeit at a significantly reduced level. Alongside charitable donations from three businesspeople in the village we were able to apply for grants to provide support to those vulnerable residents shielding in the village. Whilst this provided some food on a regular basis throughout the period it also ensured, important contact with these residents several times a week. During this period there was a considerable increase of residents of the village using the shop for their essential supplies, underlining the importance of ourselves as a key community venture. During this time the number of volunteers available was significantly reduced as many were sensibly reducing their contact with others. However, a small number of volunteers worked extremely hard and conscientiously to ensure that we were a key support within the village.

Every year we must acknowledge our deep felt and sincere thanks to all of those that volunteer for Earlams. Without them Earlams could not exist let alone provide an award winning and developing service, highly valued by the community. However special thanks must be expressed to those volunteers who worked so hard and so often during the lockdown to ensure that Earlams functioned at the highest level. Our volunteers contributions has ensured that Earlams continues to achieve its key purpose

Whilst the year has been very different to the one we expected, or envisaged, it clearly shows in absolute clarity the importance of Earlams as a meaningful, responsive and now a vital part of our village life.

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED  
ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**THE REPORT OF THE MANAGEMENT COMMITTEE (continued)**

**Directors' Report**

The directors present their report and unaudited financial statements for the period ended 31 July 2020.

**Results and dividends**

The turnover for the period was £106773. After paying for the cost of goods and overheads and making provision for the future replacement of equipment, the accounts show net trading profit of £4733.

The investment in the shares was promoted as an opportunity to contribute financially to the community with the expectation of a social dividend rather than a financial reward. For this reason, no dividends are payable on the shares.

**Share Capital**

Share capital totals £24900 . The issued share capital of the Society is 1245 fully paid ordinary shares of £20.00 each held by 124 shareholders.

**Grants**

The society sought grants from local and national bodies towards the cost of equipping the store, café and arts and craft gallery.

A full list of grant contributors is available on request.

**Future developments**

The primary objective is to maintain viable business capable of generating the necessary reserves and cash flow from which all overheads, stock and capital requirements can be enabled.

The directors are minded to expand the business by widening the range of products offered and to increase the café and dining area.

**Directors**

The directors of the Society during the period, all of whom are shareholders, were;

J Novak Chair

J Dixon Secretary

E Jones Treasurer

V Pagent

R Walker

H White

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED  
ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**THE REPORT OF THE MANAGEMENT COMMITTEE (continued)**

**Directors' Report (continued)**

**Employees**

The society has one full time member of staff; all other staff who work for Earlams are volunteers.

**Annual General Meeting**

The Annual General Meeting will be held on 3<sup>rd</sup> February 2021  
The notice of the Meeting is being sent separately to all shareholders.

By order of the Board

J Novak  
Chair.....

Committee Member.....

Committee Member.....

Approved by the Management Committee on

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED  
ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**REGISTERED AUDITOR'S AUDIT EXEMPTION REPORT TO THE MEMBERS OF STYAL VILLAGE  
COMMUNITY STORE AND CAFÉ LIMITED**

We report on the financial statements of the society for the period ended 31 July 2020 on pages 6 to 11.

This report is made solely to the members as a body. Our reporting work has been undertaken so that we might state to the members those matters we are required to state to them in an independent 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 and the members as a body, for our work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF MANAGEMENT COMMITTEE AND THE REPORTING ACCOUNTANTS**

The Management Committee is responsible for the preparation of the accounts and they consider 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 OF 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 accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Management Committee concerning 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 accounts.

**OPINION**

In our opinion:

- a) The accounts are in agreement with those accounting records kept by the society under section 75 of the Co-operative and Community Benefit Societies 2014.
- b) Having regard only to, and on the basis of, the information contained in those accounting records, the accounts have been drawn up in a manner consistent with the accounting requirements of the applicable legislation, and
- c) The society satisfied the conditions for exemption from an audit of the accounts for the year specified in section 84 of the Co-operative and Community Benefit Societies Act 2014 and did not at any time within that year fall within any of the categories of societies not entitled to the exemptions specified in section 84(3) of the Co-operative and Community Benefit Societies Act 2014.

Shenkman Accountancy Services LLP  
Battersea House  
Battersea Road  
Heaton Mersey  
Stockport  
SK4 3EA

Date...January 2021.....

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED  
ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**SURPLUS AND DEFICIT ACCOUNT**

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
<b>INCOME</b>		106,773	139,171
Cost of sales		<u>(54,430)</u>	<u>(73,645)</u>
<b>GROSS SURPLUS</b>		<b>52,343</b>	<b>65,526</b>
Administrative expenses		(58,878)	(63,033)
Other operating income	2	11,268	<u>-</u>
<b>OPERATING SURPLUS/DEFECIT</b>	<b>3</b>	<b>4,733</b>	<b>2,493</b>
Interest receivable			
<b>SURPLUS/DEFECIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>4733</u>	<u>2493</u>
Corporation Tax		0	73
Corporation Tax Prior year adjustment			
<b>SURPLUS/DEFECIT FOR THE YEAR</b>		<u><b>4733</b></u>	<u><b>2566</b></u>



**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED**  
**ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**BALANCE SHEET**

	Notes	2020 £	2020 £	2019 £
<b>FIXED ASSETS</b>				
Tangible assets	4		52,116	55,684
<b>CURRENT ASSETS</b>				
Stocks		6783		6,783
Debtors	5	1540		765
Cash at bank and in hand		<u>43345</u>		<u>35459</u>
<b>CREDITORS: amounts falling due within one year</b>	6	51668 <u>(6475)</u>		43007 <u>(6115)</u>
<b>NET CURRENT ASSETS</b>			45193	<u>36892</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			97309	92576
<b>CREDITORS: amounts falling due after more than one year</b>			-	-
			<u>97,309</u>	<u>92,576</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital			24,900	24900
Surplus and deficit account			<u>72,409</u>	<u>67676</u>
<b>SURPLUS IN MEMBERS' FUND</b>			<u>97,309</u>	<u>92,576</u>

The officers of the Management Committee acknowledge their responsibilities for:

- i) Ensuring that the society keeps proper accounting records which comply with sections 75 of the Co-operative and Community Benefit Societies Act 2014 (the Act),
- ii) 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
- iii) 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 its surplus for the financial year in accordance with the requirements of sections 79 and 80 and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the society.

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED**  
**ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**BALANCE SHEET (continued)**

These accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the Management Committee and authorised for issue on ...3<sup>rd</sup> February and are signed on their behalf by:

..... Committee Member

..... Committee Member

..... Committee Member

Society Registration Number: 23264R

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED**  
**ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of financial instruments and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Cash flow statement**

The Management Committee has taken advantage of the exception in Financial Reporting Standard for Smaller Entities (effective April 2008) from including a cash flow statement in the financial statements on the grounds that the society is small.

**Turnover**

Donations

Income from donations is included in incoming resources when

- a) The society becomes entitled to the donation and any conditions for receipt are met
- b) The members are reasonably certain they will receive it
- c) The members are reasonably certain that the value can be reliably measured.

**Fundraising Income**

Fundraising income represents monies received in respect of fundraising activities.

**Grants**

Grants received against capital expenditure are treated as deferred income and amortised over the life of the assets to which they relate.

Revenue grants are released to surplus and deficit account over the accounting periods for which they have been granted.

**Fixed Assets**

All fixed assets are initially recorded at cost.

**Depreciation**

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 as follows:

Fixtures and fittings	-15% reducing balance
Crockery and utensils	-15% reducing balance
Refurbishment	- nil

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED**  
**ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Stocks**

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

**2. OTHER OPERATING INCOME**

	<b>2020</b>	<b>2019</b>
	£	£
Grants receivable	11268	
Donations		-
Raffle proceeds		-
		<u>-</u>

**3. OPERATING SURPLUS**

Operating surplus is stated after charging:

	<b>2020</b>	<b>2019</b>
	£	£
Officers' remuneration	-	-
Depreciation of owned fixed assets	<u>7862</u>	8492

**4. TANGIBLE FIXED ASSETS**

	<b>Fixtures &amp; Fittings</b>	<b>Buildings</b>	<b>Refurbishment</b>	<b>Total</b>
	£	£	£	£
<b>COST</b>				
At 1st August 2019	56344	7563	17348	81255
Additions	4294			4294
Disposal	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 July 2020	60638	7563	17348	85549
<b>DEPRECIATION</b>				
At 1st August 2019	25571		-	25571
Charge for the year	7862		-	7862
Disposal	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 July 2020	<u>33433</u>	<u>          </u>	<u>-</u>	<u>33433</u>
<b>NET BOOK VALUE</b>				
At 31 July 2020	27205	7563	17348	52116
At 31 July 2019	30773	7563	17348	55684

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED**  
**ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**5. DEBTORS**

	<b>2020</b>	<b>2019</b>
		£
Other debtors		-
Prepayments and accrued income	<u>601</u>	<u>0</u>
	<u>601</u>	<u>0</u>

**6. CREDITORS: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	£	£
Trade creditors	3310	2008
PAYE and social security	3165	774
VAT	-	3048
Accruals	-	285
Corporation Tax	<u>0</u>	<u>0</u>
	<u>6475</u>	<u>6115</u>

**7. RELATED PARTY TRANSACTIONS**

The members serving on the Management Committee use the village shop and café operated by the society. All transactions are at full market price.

No further transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (effective April 2008).

**8. SHARE CAPITAL**

	<b>2020</b>	<b>2019</b>
	£	£
At 1st August 2019	24900	24900
	<u>-</u>	<u>-</u>
Amounts presented in equity	<u>24900</u>	<u>24900</u>

**9. RESERVES**

	<b>Surplus &amp; deficit</b>	
	<b>Account</b>	
	<b>2020</b>	<b>2019</b>
	£	£
Balance brought forward	67676	65110
Surplus/Deficit for the year	<u>4733</u>	<u>2566</u>
Balance carried forward	<u>72409</u>	<u>67676</u>

**STYAL VILLAGE COMMUNITY STORE AND CAFÉ LIMITED**  
**ACCOUNTS FOR THE PERIOD ENDED 31 JULY 2020**

**DETAILED INCOME AND EXPENDITURE ACCOUNT**

	2020		2019	
	£	£	£	£
<b>INCOME</b>				
Shop sales	34189		35283	
Café sales	61534		86524	
Gallery sales	11050	106773	17364	139171
<b>COST OF SALES</b>				
Direct Wages	0		0	
Purchases	52843		69513	
Gallery - payments to exhibitors	<u>8370</u>		<u>10915</u>	
	61213		80428	
Closing stock - shop	(6783)	54430	(6783)	736454
<b>GROSS SURPLUS</b>		52343		65526
<b>OVERHEADS</b>				
Bank charges	3177		3173	
Consumables	1320		301	
Council tax and water	0		0	
Cleaning	4883		6274	
Consulting				
Depreciation	7862		8492	
Write off crockery & utensils				
Heat and light	4897		4808	
Insurance	575		158	
Printing and stationery	242		477	
Professional charges	3980		4975	
Rent	4500		4875	
Repairs	5069		4397	
Salaries	14164		16708	
Sundry expenses	3212		2536	
Subscriptions and service contracts	4493		4388	
Staff training	0		45	
Telephone	504		463	
Travel	<u>0</u>		<u>963</u>	
		<u>58878</u>		<u>63033</u>
<b>TRADING SURPLUS/LOSS</b>		-6535		2493
<b>OTHER INCOME</b>				
Donations			-	
Grants receivable		11268	-	
Raffle proceeds			-	
Interest			<u>0</u>	<u>0</u>
<b>NET SURPLUS/LOSS FOR THE PERIOD</b>		<u>4733</u>		<u>2493</u>

This page does not form part of the statutory financial statements