

The Bevendean Community Pub Limited
Unaudited Financial Statements
30 April 2021

DRAFT ACCOUNTS

The Bevendean Community Pub Limited

Financial Statements

Year ended 30 April 2021

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The Bevendean Community Pub Limited

Management Committee Report

Year ended 30 April 2021

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

Members

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

Mr W Carter
Mr C Llewellyn
Mr B Thust
Mrs J Hawke
Mrs H Jones
Mr N Hilton
Mrs L MacMillan (Resigned 30 April 2021)

This report was approved by the management committee on 30 October 2021 and signed on behalf of the board by:

Mr W Carter
Chair

Mr B Thust
Treasurer

Mr C Llewellyn
Secretary

Registered office:
50 Hillside
Brighton
BN2 4TF

The Bevendean Community Pub Limited

Independent Accountant's Report to The Bevendean Community Pub Limited

Year ended 30 April 2021

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

30 October 2021

The Bevendean Community Pub Limited

Income Statement

Year ended 30 April 2021

| | Note | 2021 £ | 2020 £ |
|--|----------|---------------------|----------------------|
| Turnover | | 53,959 | 241,990 |
| Cost of sales | | <u>37,060</u> | <u>102,207</u> |
| Gross profit | | 16,899 | 139,783 |
| Administrative expenses | | 268,461 | 201,686 |
| Other operating income | | <u>261,406</u> | <u>77,749</u> |
| Operating profit | | 9,844 | 15,846 |
| Other interest receivable and similar income | | <u>11</u> | <u>18</u> |
| Profit before taxation | 4 | 9,855 | 15,864 |
| Tax on profit | | <u>-</u> | <u>-</u> |
| Profit for the financial year | | <u>9,855</u> | <u>15,864</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.

The Bevendean Community Pub Limited

Statement of Financial Position

30 April 2021

| | Note | 2021 £ | £ | 2020 £ |
|--|------|---------------|---------------|---------------|
| Fixed assets | | | | |
| Tangible assets | 5 | | 3,232 | 123,590 |
| Current assets | | | | |
| Stocks | | 4,000 | | 3,697 |
| Debtors | 6 | 2,374 | | 3,634 |
| Cash at bank and in hand | | 71,661 | | 34,615 |
| | | <u>78,035</u> | | 41,946 |
| Creditors: amounts falling due within one year | 7 | <u>30,657</u> | | 30,837 |
| Net current assets | | | <u>47,378</u> | 11,109 |
| Total assets less current liabilities | | | <u>50,610</u> | 134,699 |
| Creditors: amounts falling due after more than one year | 8 | | <u>8,434</u> | 102,608 |
| Net assets | | | <u>42,176</u> | <u>32,091</u> |
| Capital and reserves | | | | |
| Called up share capital | | | 57,216 | 56,986 |
| Profit and loss account | | | (15,040) | (24,895) |
| Members funds | | | <u>42,176</u> | <u>32,091</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 6 to 9 form part of these financial statements.

The Bevendean Community Pub Limited

Statement of Financial Position *(continued)*

30 April 2021

These financial statements were approved by the management committee and authorised for issue on 30 October 2021, and are signed on their behalf by:

Mr W Carter
Chair

Mr B Thust
Treasurer

Mr C Llewellyn
Secretary

Registration number: 31605R

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

The Bevendean Community Pub Limited

Notes to the Financial Statements

Year ended 30 April 2021

1. General information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is 50 Hillside, Brighton, BN2 4TF.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

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.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

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:

| | | |
|-----------------------|---|-----------------------------------|
| Leashold property | - | Depreciated fully in current year |
| Fixtures and fittings | - | 20% straight line |
| Motor vehicles | - | 20% straight line |
| Equipment | - | 20% straight line |

The Bevendean Community Pub Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the society will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the society recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

The Bevendean Community Pub Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

2. Accounting policies *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the . Finance costs and gains or losses relating to financial liabilities are included in the . Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

3. Employee numbers

The average number of persons employed by the society during the year amounted to 10 (2020: 8).

4. Profit before taxation

Profit before taxation is stated after charging:

| | 2021 £ | 2020 £ |
|---------------------------------|----------------|---------------|
| Depreciation of tangible assets | <u>111,731</u> | <u>20,161</u> |

5. Tangible assets

| | Land and buildings £ | Fixtures and fittings £ | Motor vehicles £ | Equipment £ | Total £ |
|-------------------------|----------------------------|-------------------------------|------------------------|----------------|-----------------------|
| Cost | | | | | |
| At 1 May 2020 | 171,090 | 27,877 | 25,000 | 6,708 | 230,675 |
| Additions | – | 388 | – | 567 | 955 |
| Disposals | – | – | (25,000) | – | (25,000) |
| At 30 April 2021 | <u>171,090</u> | <u>28,265</u> | <u>–</u> | <u>7,275</u> | <u>206,630</u> |
| Depreciation | | | | | |
| At 1 May 2020 | 64,299 | 23,021 | 14,547 | 5,218 | 107,085 |
| Charge for the year | 106,791 | 2,639 | 871 | 1,430 | 111,731 |
| Disposals | – | – | (15,418) | – | (15,418) |
| At 30 April 2021 | <u>171,090</u> | <u>25,660</u> | <u>–</u> | <u>6,648</u> | <u>203,398</u> |
| Carrying amount | | | | | |
| At 30 April 2021 | <u>–</u> | <u>2,605</u> | <u>–</u> | <u>627</u> | <u>3,232</u> |
| At 30 April 2020 | <u>106,791</u> | <u>4,856</u> | <u>10,453</u> | <u>1,490</u> | <u>123,590</u> |

The Bevendean Community Pub Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

6. Debtors

| | 2021 | 2020 |
|---------------|--------------|--------------|
| | £ | £ |
| Trade debtors | 2,374 | 3,532 |
| Other debtors | – | 102 |
| | <u>2,374</u> | <u>3,634</u> |

7. Creditors: amounts falling due within one year

| | 2021 | 2020 |
|---------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 6,117 | 8,694 |
| Social security and other taxes | 11,191 | 14,286 |
| Other creditors | 13,349 | 7,857 |
| | <u>30,657</u> | <u>30,837</u> |

8. Creditors: amounts falling due after more than one year

| | 2021 | 2020 |
|---------------------------|--------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 7,778 | 7,778 |
| Other creditors | 656 | 94,830 |
| | <u>8,434</u> | <u>102,608</u> |

During the year ended 30 April 2014, £130,000 was received from SIB as a grant towards building works. The income has been deferred and will be released to the profit and loss account to match depreciation charged on the leasehold property.

The balance of £80,872 has been released to the profit and loss account in the current year, following the committee's decision to fully depreciate the leasehold property improvements.

9. Related party transactions

The management committee purchase items from the pub. All transactions are at open market value.

No other transactions with related parties were undertaken such as required to be disclosed under FRS 102.

The Bevendean Community Pub Limited

Management Information

Year ended 30 April 2021

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

The Bevendean Community Pub Limited

Detailed Income Statement

Year ended 30 April 2021

| | 2021 £ | 2020 £ |
|--|------------------|-----------------|
| Turnover | | |
| Sales | 47,125 | 235,639 |
| Room hire | 729 | 6,351 |
| Meals on Wheels | 6,105 | — |
| | <u>53,959</u> | <u>241,990</u> |
| Cost of sales | | |
| Opening stock - raw materials | 3,697 | 6,482 |
| Purchases | 37,363 | 99,422 |
| | <u>41,060</u> | <u>105,904</u> |
| Closing stock - resale | 4,000 | 3,697 |
| | <u>37,060</u> | <u>102,207</u> |
| Gross profit | <u>16,899</u> | <u>139,783</u> |
| Gross profit percentage | 31.31% | 57.76% |
| Overheads | | |
| Administrative expenses | 268,461 | 201,686 |
| Loss on society trading | <u>(251,562)</u> | <u>(61,903)</u> |
| Capital grants received/released | 94,174 | 14,625 |
| Donations | 13,278 | 13,216 |
| Revenue grants received/released | 97,637 | 88,192 |
| Grants funded expenditure | (11,016) | (38,284) |
| Bevy Meals on Wheels grant income | 41,942 | — |
| Less grant funded administration costs: Bevy Meals on Wheels | (41,942) | — |
| Government grants recognised directly in income | 67,333 | — |
| | <u>261,406</u> | <u>77,749</u> |
| Operating profit | <u>9,844</u> | <u>15,846</u> |
| Other interest receivable and similar income | 11 | 18 |
| Profit before taxation | <u>9,855</u> | <u>15,864</u> |

The Bevendean Community Pub Limited

Notes to the Detailed Income Statement

Year ended 30 April 2021

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Administrative expenses | | |
| Wages and salaries | 111,956 | 126,011 |
| Employers national insurance contributions | 1,942 | 3,788 |
| Rent rates and water | 1,035 | 3,740 |
| Light and heat | 7,096 | 8,189 |
| Insurance | 1,521 | 1,498 |
| Repairs and maintenance (allowable) | 22,194 | 5,352 |
| Cleaning costs | 5,471 | 11,694 |
| Security | (10) | 2,660 |
| Motor expenses | – | 2,388 |
| Travel and subsistence | 195 | 1,268 |
| Hire costs (non-operating leases) | 1,049 | 1,313 |
| Telephone | (255) | 726 |
| Printing postage and stationery | 488 | 564 |
| Staff training | – | 1,890 |
| Sundry expenses | 3,009 | 8,768 |
| IT software & consumables | 1,626 | 2,381 |
| Advertising | 3,275 | 4,254 |
| Entertaining & band costs | (167) | 1,145 |
| Legal and professional fees (allowable) | 80 | 1,221 |
| Accountancy fees | 2,505 | 5,095 |
| Depreciation of tangible assets | 111,731 | 20,161 |
| (Gain)/loss on disposal of tangible assets | 7,643 | – |
| Bad debts written off | 3,005 | – |
| Bank charges | 1,197 | 2,580 |
| Less grant funded administration costs | (18,125) | (15,000) |
| | <u>268,461</u> | <u>201,686</u> |
| Other interest receivable and similar income | | |
| Interest on cash and cash equivalents | <u>11</u> | <u>18</u> |