

**The Thorold Arms Community Benefit Society
Limited**

Unaudited Financial Statements

30 April 2019

The Thorold Arms Community Benefit Society Limited

Financial Statements

Year ended 30 April 2019

Contents	Page
Management committee report	1
Independent accountant's report to the society	3
Income statement	4
Statement of financial position	5
Notes to the financial statements	7
The following pages do not form part of the financial statements	
Detailed income statement	11
Notes to the detailed income statement	12

The Thorold Arms Community Benefit Society Limited

Management Committee Report

Year ended 30 April 2019

The members present their report and the unaudited financial statements of the society for the year ended 30 April 2019.

Management committee

The Members that served on the management committee during the year are as follows:

I Tyler
T Found
S Allen
M Ellerington
R Morley
K O'Sullivan
S Vickers
A Barnabas
S Manuel
B Richardson
J Scott
F Stephens
M Allen - Resigned 28 October 2018
S Richards - Resigned 28 October 2018
M Gardner - Resigned 9 March 2019
R P S Mann - Resigned 2 April 2019

The Thorold Arms Community Benefit Society Limited

Management Committee Report *(continued)*

Year ended 30 April 2019

This report was approved by the management committee on 4 Sept 19 and signed on behalf of the board by:

I Tyler
Chairman



T Found
Deputy chair



S Allen
Secretary



Registered office:
Orchard End
Main Street
Marston
Grantham
NG32 2HH

The Thorold Arms Community Benefit Society Limited

Independent Accountant's Report to The Thorold Arms Community Benefit Society Limited

Year ended 30 April 2019

We report on the financial statements of the society for the year ended 30 April 2019 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 Ltd

DAVID CADWALLADER & CO LIMITED
Chartered Certified Accountants

Suite 3 Bignell Park Barns
Chesterton
Nr Bicester
Oxon
OX26 1TD

10 September 2019

The Thorold Arms Community Benefit Society Limited

Income Statement

Year ended 30 April 2019

	Note	2019 £	2018 £
Administrative expenses		15,731	2,165
Other operating income		<u>10,158</u>	<u>900</u>
Operating loss		(5,573)	(1,265)
Interest payable and similar expenses		<u>40</u>	<u>–</u>
Loss before taxation		(5,613)	(1,265)
Tax on loss		<u>–</u>	<u>35</u>
Loss for the financial year		<u>(5,613)</u>	<u>(1,300)</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 7 to 9 form part of these financial statements.

The Thorold Arms Community Benefit Society Limited

Statement of Financial Position

30 April 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	3	235,053	–
Current assets			
Debtors	4	4,015	–
Cash at bank and in hand		<u>87,313</u>	<u>1,516</u>
		91,328	1,516
Creditors: amounts falling due within one year	5	<u>114,213</u>	<u>35</u>
Net current (liabilities)/assets		<u>(22,885)</u>	<u>1,481</u>
Total assets less current liabilities		<u>212,168</u>	<u>1,481</u>
Net assets		<u>212,168</u>	<u>1,481</u>
Capital and reserves			
Called up share capital		217,650	1,350
Profit and loss account		<u>(5,482)</u>	<u>131</u>
Members funds		<u>212,168</u>	<u>1,481</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 7 to 9 form part of these financial statements.

The Thorold Arms Community Benefit Society Limited

Statement of Financial Position *(continued)*

30 April 2019

These financial statements were approved by the management committee and authorised for issue on ~~14 Sep 19~~..., and are signed on their behalf by:

I Tyler
Chairman



T Found
Deputy chair



S Allen
Secretary



Registration number: RS007295

The notes on pages 7 to 9 form part of these financial statements.

The Thorold Arms Community Benefit Society Limited

Notes to the Financial Statements

Year ended 30 April 2019

1. General information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is Orchard End, Main Street, Marston, Grantham, NG32 2HH.

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.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

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.

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.

The Thorold Arms Community Benefit Society Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

2. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

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.

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.

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.

The Thorold Arms Community Benefit Society Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2019

3. Tangible assets

	Freehold property £
Cost	
At 1 May 2018	–
Additions	235,053
At 30 April 2019	<u>235,053</u>
Depreciation	
At 1 May 2018 and 30 April 2019	–
Carrying amount	
At 30 April 2019	<u>235,053</u>
At 30 April 2018	–

4. Debtors

	2019 £	2018 £
Other debtors	<u>4,015</u>	–

5. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	10,933	–
Corporation tax	–	35
Other creditors	<u>103,280</u>	–
	<u>114,213</u>	<u>35</u>

Other creditors includes grant income which is to be used to fund capital purchases:

Plunkett Foundation Grant: £50,000

Heritage Alive Grant: £3,600

The Thorold Arms Community Benefit Society Limited

Management Information

Year ended 30 April 2019

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

The Thorold Arms Community Benefit Society Limited

Detailed Income Statement

Year ended 30 April 2019

	2019 £	2018 £
Overheads		
Administrative expenses	15,731	2,165
	<u>(15,731)</u>	<u>(2,165)</u>
Loss on society trading		
Donations	10,158	–
Bursary income	–	900
	<u>10,158</u>	<u>900</u>
	<u>(5,573)</u>	<u>(1,265)</u>
Operating loss		
Interest payable and similar expenses	(40)	–
	<u>(5,613)</u>	<u>(1,265)</u>

The Thorold Arms Community Benefit Society Limited

Notes to the Detailed Income Statement

Year ended 30 April 2019

	2019 £	2018 £
Administrative expenses		
Rent rates and water	7,153	—
Light and heat	111	—
Insurance	2,140	—
Travel and subsistence	25	—
Printing postage and stationery	—	620
Sundry expenses	365	—
Subscriptions and memberships	226	305
Advertising	229	—
Legal and professional fees (allowable)	3,553	1,240
Accountancy fees	1,395	—
Bank charges	534	—
	<u>15,731</u>	<u>2,165</u>
Interest payable and similar expenses		
Interest on bank loans and overdrafts	<u>40</u>	<u>—</u>