

Registered number
02615929

HALSTOCK VILLAGE SHOP LIMITED

**DIRECTORS' REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

For the year ended 31 May 2023

Halstock Village Shop Limited
Report and financial statements
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Halstock Village Shop Limited Company Information

Directors

Mr R A Fry
Mr J R Bright
Mr A J Woodroffe
Mr D R Warner

Secretary

Mr J R Bright

Registered office

Russell House
Halstock
Yeovil
BA22 9SF

Accountants

Edwards & Keeping
Unity Chambers
34 High Street East
Dorchester
Dorset
DT1 1HA

Registered number

02615929

Halstock Village Shop Limited

Registered number: 02615929

Directors' report

The directors present their 32nd report and the unaudited financial statements for the year ended 31 May 2023.

Principal activities

The company's principal activity during the year continued to be the operation of the Village Shop and Post Office.

Directors

The following persons served as directors during the year:

Mr R A Fry (Chairman)

Mr J R Bright

Mr A J Woodroffe

Mr D R Warner

Review of activities

In the year ended 31 May 2023, shop sales totalled £390,576, which represents a 3% increase over the previous year. However, principally because of a reduction in the gross profit margin from 21.7% to 18.9% and exceptional legal and other costs of approximately £6,000 incurred in the year, the company made a pre-tax loss of £896, although its financial position remains sound. However, no donation has been made this year to Halstock Village Trust.

Due to the pressure on floor space to stock the range of goods requested by customers, the Committee looked at different options for increasing the floor area. After considering various alternatives, a decision was taken to submit a planning application for a single storey extension on the south side of shop premises. Planning consent has been obtained and building work is planned to commence at the beginning of 2024. Funding for the project has been obtained from three sources:

- a donation from the Halstock Village Trust
- interest-free loans from local residents which have been fully subscribed and will be repaid over 7 years
- from the company's own resources.

The shop and post office continue to be of vital importance to the village and huge thanks are due to our employed staff, our many volunteers and our loyal customers.

Small company provisions

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

This report was approved by the board on 10 November 2023 and signed by its order.

Richard A Fry
Chairman

Halstock Village Shop Limited

Chartered Accountants' report to the Board of Directors on the preparation of the unaudited statutory accounts of Halstock Village Shop Limited for the year ended 31 May 2023

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Halstock Village Shop Limited for the year ended 31 May 2023, as set out in pages 4 to 9, from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/members/regulations-standards-and-guidance.

This report is made solely to the directors of Halstock Village Shop Limited, as a body, in accordance with our engagement letter dated 2 December 2019. Our work has been undertaken solely to prepare for your approval the financial statements of Halstock Village Shop Limited and state those matters that we have agreed to state to them, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Halstock Village Shop Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Halstock Village Shop Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Halstock Village Shop Limited. You consider that Halstock Village Shop Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Halstock Village Shop Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations that you have given us and we do not, therefore, express any opinion on the statutory financial statements.

Edwards & Keeping
Chartered Accountants
Unity Chambers
34 High Street East
Dorchester
Dorset
DT1 1HA

13 November 2023

Halstock Village Shop Limited
Income statement
for the year ended 31 May 2023

| | 2023 | 2022 |
|---|---------------|---------------|
| | £ | £ |
| Turnover | 397,659 | 386,734 |
| Cost of sales | (316,883) | (296,787) |
| Gross profit | <u>80,776</u> | <u>89,947</u> |
| Administrative expenses | (91,987) | (89,641) |
| Other operating income | <u>12,950</u> | <u>12,555</u> |
| Operating profit | 1,739 | 12,861 |
| Interest payable | (2,635) | (1,380) |
| (Loss)/profit on ordinary activities before taxation | <u>(896)</u> | <u>11,481</u> |
| Tax on (loss)/profit on ordinary activities | (101) | (1,781) |
| (Loss)/profit for the financial year | <u>(997)</u> | <u>9,700</u> |

Halstock Village Shop Limited**Registered number:** 02615929**Statement of financial position****as at 31 May 2023**

| | Notes | 2023 £ | 2022 £ |
|--|--------------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 178,283 | 178,448 |
| Current assets | | | |
| Stocks | | 27,607 | 28,062 |
| Debtors | 5 | 1,806 | 2,207 |
| Cash at bank and in hand | | 47,538 | 46,233 |
| | | <u>76,951</u> | <u>76,502</u> |
| Creditors: amounts falling due within one year | 6 | <u>(86,772)</u> | <u>(85,059)</u> |
| Net current liabilities | | (9,821) | (8,557) |
| Total assets less current liabilities | | <u>168,462</u> | <u>169,891</u> |
| Creditors: amounts falling due after more than one year | 7 | (18,500) | (18,500) |
| Deferred tax liability | | (2,067) | (2,499) |
| Net assets | | <u>147,895</u> | <u>148,892</u> |
| Capital and reserves | | | |
| Called up share capital | | 961 | 961 |
| Profit and loss account | | 146,934 | 147,931 |
| Shareholders' funds | | <u>147,895</u> | <u>148,892</u> |

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The income statement has not been delivered to the Registrar of Companies.

Mr R A Fry

Director

Approved by the board on 10 November 2023

Halstock Village Shop Limited
Statement of Changes in Equity
for the year ended 31 May 2023

| | Share capital | Profit and loss account | Total |
|-------------------------------|--------------------------|--|----------------|
| | £ | £ | £ |
| At 1 June 2021 | 961 | 138,231 | 139,192 |
| Profit for the financial year | | 9,700 | 9,700 |
| At 31 May 2022 | <u>961</u> | <u>147,931</u> | <u>148,892</u> |
| At 1 June 2022 | 961 | 147,931 | 148,892 |
| Loss for the financial year | | (997) | (997) |
| At 31 May 2023 | <u>961</u> | <u>146,934</u> | <u>147,895</u> |

Halstock Village Shop Limited
Notes to the Financial Statements
for the year ended 31 May 2023

1 Statutory information

Halstock Village Shop Limited is a private company, limited by shares, incorporated in England and Wales with the registration number 02615929. Its registered office is Russell House, Halstock, Yeovil, BA22 9SF.

2 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard). The presentational currency is £ sterling.

Going concern

The financial statements have been prepared on a going concern basis. The company has net current liabilities of £10,266 but in the opinion of the directors:

(a) it is unlikely that the debenture holders would require repayment of their debentures if to do so would threaten the solvency or viability of the company. It is therefore unlikely that the debentures will be repaid in the 12 months from the date of approval of these financial statements;

(b) the Trustees of Halstock Village Trust have undertaken not to demand the repayment of the loan that the Trust has made to the company if such a demand would threaten the solvency or financial viability of the company; and

(c) sufficient cash will be generated from the company's operations such that the company will be able to meet all other liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

Turnover

Turnover represents the value, net of value added tax, of sales made to customers plus Post Office income.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

| | |
|-----------------------|---------------|
| Freehold buildings | over 50 years |
| Plant and machinery | over 3 years |
| Fixtures and fittings | over 5 years |
| Office equipment | over 5 years |

Stocks

Stocks are valued at the lower of cost and net realisable value.

Grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their recognition for tax purposes. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference. Current and deferred tax assets and liabilities are not discounted.

Halstock Village Shop Limited
Notes to the Financial Statements
for the year ended 31 May 2023

| | | |
|---|---------------|---------------|
| 3 Employees | 2023 | 2022 |
| | Number | Number |
| Average number of persons employed by the company | <u>3</u> | <u>3</u> |

4 Tangible fixed assets

| | Land and buildings | Plant and machinery | Fixtures and fittings | Office equipment £ | Total £ |
|-----------------------|-------------------------------|--------------------------------|----------------------------------|-----------------------------------|--------------------|
| Cost | | | | | |
| At 1 June 2022 | 209,237 | 16,792 | 32,043 | 8,093 | 266,165 |
| Additions | <u>4,198</u> | <u>3,811</u> | <u>-</u> | <u>-</u> | <u>8,009</u> |
| At 31 May 2023 | <u>213,435</u> | <u>20,603</u> | <u>32,043</u> | <u>8,093</u> | <u>274,174</u> |
| Depreciation | | | | | |
| At 1 June 2022 | 43,939 | 13,604 | 23,912 | 6,262 | 87,717 |
| Charge for the year | <u>2,092</u> | <u>3,107</u> | <u>2,353</u> | <u>622</u> | <u>8,174</u> |
| At 31 May 2023 | <u>46,031</u> | <u>16,711</u> | <u>26,265</u> | <u>6,884</u> | <u>95,891</u> |
| Net book value | | | | | |
| At 31 May 2023 | <u>167,404</u> | <u>3,892</u> | <u>5,778</u> | <u>1,209</u> | <u>178,283</u> |
| At 31 May 2022 | <u>165,298</u> | <u>3,188</u> | <u>8,131</u> | <u>1,831</u> | <u>178,448</u> |

Included within land and buildings are two flats owned by the company that provide rental income. These flats are a part of the village shop building, which is covenanted only to be used for community benefit, and the flats are unable to be sold separately. The flats' fair value therefore cannot be reliably measured and they are instead valued at historic cost less depreciation.

| | | |
|------------------|--------------|--------------|
| 5 Debtors | 2023 | 2022 |
| | £ | £ |
| Other debtors | <u>1,806</u> | <u>2,207</u> |

| | | |
|---|---------------|---------------|
| 6 Creditors: amounts falling due within one year | 2023 | 2022 |
| | £ | £ |
| Trade creditors | 9,484 | 11,494 |
| Corporation tax | 533 | 81 |
| Other taxes and social security costs | 1,648 | 304 |
| Other creditors | 8,057 | 6,130 |
| Halstock Village Trust loan | 59,500 | 59,500 |
| Debentures (repayable on demand) | <u>7,550</u> | <u>7,550</u> |
| | <u>86,772</u> | <u>85,059</u> |

Debentures (repayable on demand) do not bear interest.

Creditors falling due within one year include the following liabilities on which security has been given by the company:

| | | |
|----------------------------------|--------------|--------------|
| | 2023 | 2022 |
| | £ | £ |
| Debentures (repayable on demand) | <u>7,550</u> | <u>7,550</u> |
| | <u>7,550</u> | <u>7,550</u> |

Halstock Village Shop Limited
Notes to the Financial Statements
for the year ended 31 May 2023

| | | |
|--|---------------|---------------|
| 7 Creditors: amounts falling due after one year | 2023 | 2022 |
| | £ | £ |
| Debentures (repayable 2 July 2028) | <u>18,500</u> | <u>18,500</u> |

Debentures (repayable 2 July 2028) do not bear interest.

Creditors falling due after one year include the following liabilities on which security has been given by the company:

| | | |
|------------------------------------|---------------|---------------|
| | 2023 | 2022 |
| | £ | £ |
| Debentures (repayable 2 July 2028) | <u>18,500</u> | <u>18,500</u> |
| | <u>18,500</u> | <u>18,500</u> |

The debentures are secured on the assets of the company.

8 Loans

Creditors include the following amount falling due for payment after more than 5 years and payable otherwise than by instalments:

| | | |
|------------------------------------|---------------|---------------|
| | 2023 | 2022 |
| | £ | £ |
| Debentures (repayable 2 July 2028) | <u>18,500</u> | <u>18,500</u> |
| | <u>18,500</u> | <u>18,500</u> |

Loans summary

| | | |
|------------------------|---------------|---------------|
| | 2023 | 2022 |
| | £ | £ |
| Debentures | 26,050 | 26,050 |
| Halstock Village Trust | <u>59,500</u> | <u>59,500</u> |
| | <u>85,550</u> | <u>85,550</u> |
| Due within one year | 67,050 | 67,050 |
| Due after one year | <u>18,500</u> | <u>18,500</u> |
| | <u>85,550</u> | <u>85,550</u> |

10 Control

The company is controlled by no single party. Halstock Village Trust has the largest shareholding comprising 46.2% (2022: 46.2%) of the issued share capital.

Halstock Village Shop Limited
Detailed profit and loss account
for the year ended 31 May 2023

| | 2023 | | 2022 | |
|--|-------------|------------------|-------------|------------------|
| | £ | £ | £ | £ |
| Sales | | | | |
| Shop sales | | 390,576 | | 379,170 |
| Post Office income | | 7,083 | | 7,564 |
| | | <u>397,659</u> | | <u>386,734</u> |
| Cost of sales | | | | |
| Purchases | 316,428 | | 301,716 | |
| (Increase)/decrease in stock | 455 | | (4,929) | |
| | | <u>(316,883)</u> | | <u>(296,787)</u> |
| Gross profit | | <u>80,776</u> | | <u>89,947</u> |
| Gross profit percentage (on shop sales) | | 18.9% | | 21.7% |
| Administrative expenses | | | | |
| Employee costs: | | | | |
| Wages and salaries | 56,973 | | 51,874 | |
| Pension costs | 654 | | 488 | |
| Recruitment costs | - | | 653 | |
| | | <u>(57,627)</u> | | <u>(53,015)</u> |
| Premises costs: | | | | |
| Electricity and water | 4,087 | | 3,728 | |
| Insurance | 573 | | 552 | |
| Depreciation on freehold property | 2,092 | | 2,093 | |
| | | <u>(6,752)</u> | | <u>(6,373)</u> |
| Telephone and fax | 1,033 | | 919 | |
| Printing, postage and stationery | 700 | | 434 | |
| Shop consumables | 133 | | 224 | |
| Equipment hire | 336 | | 319 | |
| Advertising | 190 | | 260 | |
| Insurance | 911 | | 758 | |
| Bank charges | 449 | | 464 | |
| Credit card charges | 3,701 | | 3,697 | |
| Repairs and maintenance | 2,183 | | 5,838 | |
| Cleaning and refuse collection | 2,513 | | 2,173 | |
| IT costs | 600 | | 573 | |
| Sundry expenses | 1,779 | | 1,093 | |
| Depreciation of plant and machinery | 3,107 | | 1,896 | |
| Depreciation of fixtures and fittings | 2,353 | | 2,497 | |
| Depreciation of office equipment | 622 | | 780 | |
| | | <u>(20,610)</u> | | <u>(21,925)</u> |
| Legal and professional costs: | | | | |
| Accountancy fees | 600 | | 600 | |
| Bookkeeping | 2,546 | | 2,352 | |
| Legal fees | 3,441 | | - | |
| Professional fees | 411 | | 376 | |
| | | <u>(6,998)</u> | | <u>(3,328)</u> |
| Charitable donations: | | | | |
| Halstock Village Trust | - | | 5,000 | |
| | | <u>-</u> | | <u>(5,000)</u> |
| Total administrative expenses | | <u>(91,987)</u> | | <u>(89,641)</u> |
| Carried forward | | (11,211) | | 306 |

Halstock Village Shop Limited
Detailed profit and loss account
for the year ended 31 May 2023

| | 2023 | | 2022 | |
|---|-------------|--------------|-------------|---------------|
| | £ | £ | £ | £ |
| Brought forward | | (11,211) | | 306 |
| Rental income | 12,780 | | 12,435 | |
| Other income | 170 | | - | |
| Grants released to profit and loss account | <u>-</u> | | <u>120</u> | |
| | | 12,950 | | 12,555 |
| Interest receivable | | | | |
| Interest payable | | | | |
| Halstock Village Trust loan interest | | (2,635) | | (1,380) |
| Profit/(loss) on ordinary activities before taxation | | <u>(896)</u> | | <u>11,481</u> |

This profit and loss account does not form part of the statutory accounts