

Report of the Management Committee and

Unaudited Financial Statements

for the Year Ended 31 August 2021

for

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

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for the Year Ended 31 August 2021**

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**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Society Information
for the Year Ended 31 August 2021**

Members:

I J Ford
J Marsh
P Lavery
S Singh
S Jones
C Gooding
Y Hayakawa
S Lipnitski
A Austin
K Taylor-Wrigley
L Breckon
B Saleri
K Higginson

Treasurer:

J Marsh

Secretary:

K Higginson

Registered office:

111 Oxford Road
Manchester
M1 7DU

Registered number:

IP21704R (England and Wales)

Accountants:

Haines Watts Manchester Limited
Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

ON THE EIGHTH DAY CO-OPERATIVE LIMITED

Report of the Management Committee for the Year Ended 31 August 2021

The Management Committee present their report with the financial statements of the Society for the year ended 31 August 2021.

Principal activity

The principal activity of the Society is that of the selling of wholefoods and providing the service of a vegetarian restaurant.

Members

The members shown below have held office during the whole of the period from 1 September 2020 to the date of this report.

I J Ford
J Marsh
P Lavery
S Singh
S Jones
C Gooding
Y Hayakawa
S Lipnitski
A Austin
K Taylor-Wrigley
L Breckon
B Saleri
K Higginson

Other changes in members holding office are as follows:

D Garland - resigned 12 October 2020
K Scott - resigned 20 November 2020
S Zucconi - resigned 5 November 2020

Statement of Members' responsibilities

The Management Committee are responsible for preparing the Report of the Management Committee and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 requires the Management Committee to prepare financial statements for each financial year. Under that Act the Management Committee has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Also under that Act the Management Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of the profit or loss of the Society for that period. In preparing these financial statements, the Management Committee are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Report of the Management Committee
for the Year Ended 31 August 2021**

The Management Committee are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Management Committee:


.....
K Higginson - Secretary

30 January 2022

**Chartered Accountants' Report to the Members
on the Unaudited Financial Statements of
On The Eighth Day
Co-Operative Limited**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of On The Eighth Day Co-Operative Limited for the year ended 31 August 2021 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and the related notes from the Society'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 within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Members of On The Eighth Day Co-Operative Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of On The Eighth Day Co-Operative Limited and state those matters that we have agreed to state to the Members of On The Eighth Day Co-Operative Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than On The Eighth Day Co-Operative Limited and its Members, as a body, for our work or for this report.

It is your duty to ensure that On The Eighth Day Co-Operative 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 loss of On The Eighth Day Co-Operative Limited. You consider that On The Eighth Day Co-Operative Limited is exempt from the statutory audit requirement for the year.

In our opinion the profit and loss account and balance sheet for the year ended 31 August 2021 are in agreement with the books of account kept by the Society under Section 75 of the Co-operative and Community Benefit Societies Act 2014, and that, having regard only to, and on the basis of the information contained in the books of account, they comply with the requirements of the Co-operative and Community Benefit Societies Act 2014.

In our opinion the Society has satisfied the conditions for exemption from audit of the accounts for the year ended 31 August 2021 as set out in Section 84 the Co-operative and Community Benefit Societies Act 2014 and did not at any time within the year fall within any of the categories of society not entitled to such exemption.

Haines Watts

Haines Watts Manchester Limited
Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

Date: *8/2/2022*

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Profit and Loss Account
for the Year Ended 31 August 2021**

	Notes	2021 £	2020 £
Turnover		921,121	1,421,487
Cost of sales		<u>(616,599)</u>	<u>(883,485)</u>
Gross profit		304,522	538,002
Administrative expenses		<u>(468,573)</u>	<u>(707,483)</u>
		(164,051)	(169,481)
Other operating income		<u>129,156</u>	<u>84,201</u>
Operating loss	5	(34,895)	(85,280)
Income from fixed asset investments		19	-
Interest receivable and similar income		<u>21</u>	<u>43</u>
Loss before taxation		(34,855)	(85,237)
Tax on loss	6	<u>11,288</u>	<u>1,477</u>
Loss for the financial year		<u>(23,567)</u>	<u>(83,760)</u>

The notes on pages 9 to 12 form part of these financial statements

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED (REGISTERED NUMBER: IP21704R)**

**Balance Sheet
31 August 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	7		671,448		620,754
Investments	8		<u>485</u>		<u>466</u>
			671,933		621,220
Current assets					
Stocks		87,792		93,237	
Debtors	9	15,232		11,150	
Cash at bank and in hand		<u>107,604</u>		<u>112,145</u>	
		210,628		216,532	
Creditors					
Amounts falling due within one year	10	<u>40,359</u>		<u>71,409</u>	
Net current assets			<u>170,269</u>		<u>145,123</u>
Total assets less current liabilities			842,202		766,343
Creditors					
Amounts falling due after more than one year	11		(45,833)		-
Provisions for liabilities			<u>(5,337)</u>		<u>(9,830)</u>
Net assets			<u>791,032</u>		<u>756,513</u>
Capital and reserves					
Called up share capital			13		16
Revaluation reserve	12		445,488		396,490
Retained earnings	12		<u>345,531</u>		<u>360,007</u>
			<u>791,032</u>		<u>756,513</u>

The notes on pages 9 to 12 form part of these financial statements

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED (REGISTERED NUMBER: IP21704R)**

**Balance Sheet - continued
31 August 2021**

The members have not required the Society to obtain an audit of its financial statements for the year ended 31 August 2021 in accordance with section 84 of the Co-operative and Community Benefit Societies Act 2014.

The members acknowledge their responsibilities for:

- (a) ensuring that the Society keeps accounting records which comply with section 75 of the Co-operative and Community Benefit Societies Act 2014 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Society as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of the Cooperative and Community Benefit Societies Act 2014.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Management Committee and authorised for issue on 30 January 2022 and were signed on its behalf by:


.....
I J Ford - Member


.....
J Marsh - Member and Treasurer


.....
K Higginson - Member and Secretary

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Statement of Changes in Equity
for the Year Ended 31 August 2021**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 September 2019	17	434,096	406,161	840,274
Changes in equity				
Cancellation of share capital	(1)	-	-	(1)
Total comprehensive income	-	(74,089)	(9,671)	(83,760)
Balance at 31 August 2020	16	360,007	396,490	756,513
Changes in equity				
Cancellation of share capital	(3)	-	-	(3)
Total comprehensive income	-	(14,476)	48,998	34,522
Balance at 31 August 2021	13	345,531	445,488	791,032

ON THE EIGHTH DAY CO-OPERATIVE LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Statutory information

On The Eighth Day Co-Operative Limited is a private Society, limited by shares, registered in England and Wales. The Society's registered number and registered office address can be found on the Society Information page.

2. Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

3. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Going concern

COVID-19 introduced a level of business disruption during the year to 31 August 2021 which has continued after the end of the financial year.

The Co-Operative is fortunately well equipped to cope with the disruption. The members have conducted a business review of liquidity and resources and concluded that the Co-Operative has adequate resources to continue to trade for at least twelve months from the date of approval of the financial statements. As such, the financial statements continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold property	- 2% and 10% on cost or valuation
Shop and kitchen equipment	- 10% straight line
Fixtures and fittings	- 10% straight line
Computer equipment	- 25% to 35% on cost

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses.

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

3. Accounting policies - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The Society operates a defined contribution pension scheme. Contributions payable to the Society's pension scheme are charged to profit or loss in the period to which they relate.

4. Employees and members

The average number of employees during the year was 27 (2020 - 28).

5. Operating loss

The operating loss is stated after charging:

	2021 £	2020 £
Depreciation - owned assets	<u>18,058</u>	<u>24,490</u>

6. Taxation

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2021 £	2020 £
Current tax:		
UK corporation tax	(6,795)	(1,074)
Deferred tax	<u>(4,493)</u>	<u>(403)</u>
Tax on loss	<u>(11,288)</u>	<u>(1,477)</u>

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

7. Tangible fixed assets

	Long leasehold property £	Shop and kitchen equipment £	Fixtures and fittings £	Computer equipment £	Totals £
Cost or valuation					
At 1 September 2020	684,067	170,019	107,492	60,645	1,022,223
Additions	-	-	12,911	-	12,911
Disposals	-	(7,360)	(3,899)	-	(11,259)
Revaluations	(34,067)	-	-	-	(34,067)
At 31 August 2021	<u>650,000</u>	<u>162,659</u>	<u>116,504</u>	<u>60,645</u>	<u>989,808</u>
Depreciation					
At 1 September 2020	92,156	168,940	85,242	55,131	401,469
Charge for year	9,750	98	5,260	2,950	18,058
Eliminated on disposal	-	(6,379)	(2,632)	-	(9,011)
Revaluation adjustments	(92,156)	-	-	-	(92,156)
At 31 August 2021	<u>9,750</u>	<u>162,659</u>	<u>87,870</u>	<u>58,081</u>	<u>318,360</u>
Net book value					
At 31 August 2021	<u>640,250</u>	<u>-</u>	<u>28,634</u>	<u>2,564</u>	<u>671,448</u>
At 31 August 2020	<u>591,911</u>	<u>1,079</u>	<u>22,250</u>	<u>5,514</u>	<u>620,754</u>

The Society operates from premises under a lease of length 999 years provided by Carlton (North Wales) Ltd. This was granted in April 2003 after the Society transferred its ownership of the freehold property to Carlton (North Wales) Ltd for a consideration of £120,000. The Society has incurred expenditure on subsequent improvements to the property, which have been accounted for in these financial statements in addition to the value of the leasehold interest.

The long leasehold property class of fixed assets was revalued on 20 November 2021 by P M Cooke, FRICS, IRRV who is external to the Society. The basis of this revaluation was open market. This class of assets has a current value of £640,250 (2020 - £591,911) and a carrying amount at historical cost of £204,189 (2020 - £209,293). The depreciation on historical cost is £107,071 (2020 - £101,967).

8. Fixed asset investments

	Unlisted investments £
Cost	
At 1 September 2020	466
Additions	20
Disposals	(1)
At 31 August 2021	<u>485</u>
Net book value	
At 31 August 2021	<u>485</u>
At 31 August 2020	<u>466</u>

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

9. Debtors: amounts falling due within one year

	2021	2020
	£	£
Trade debtors	118	685
Other debtors	<u>15,114</u>	<u>10,465</u>
	<u>15,232</u>	<u>11,150</u>

10. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	4,167	-
Trade creditors	11,775	14,403
Taxation and social security	16,713	36,500
Other creditors	<u>7,704</u>	<u>20,506</u>
	<u>40,359</u>	<u>71,409</u>

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

	2021	2020
	£	£
Bank loans	<u>45,833</u>	<u>-</u>

12. Reserves

	Retained earnings £	Revaluation reserve £	Totals £
At 1 September 2020	360,007	396,490	756,497
Deficit for the year	(23,567)	-	(23,567)
Transfer of realised profits	9,091	(9,091)	-
Surplus on property revaluation	<u>-</u>	<u>58,089</u>	<u>58,089</u>
At 31 August 2021	<u>345,531</u>	<u>445,488</u>	<u>791,019</u>

13. Control

The Society is controlled by the members who own 100% of the called up share capital of the Society.

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Trading and Profit and Loss Account
for the Year Ended 31 August 2021**

	2021		2020	
	£	£	£	£
Sales		921,121		1,421,487
Cost of sales				
Opening stock	93,237		105,783	
Purchases	<u>611,154</u>		<u>870,939</u>	
	704,391		976,722	
Closing stock	<u>(87,792)</u>		<u>(93,237)</u>	
		<u>616,599</u>		<u>883,485</u>
Gross profit		304,522		538,002
(33.06% 2020 : 37.85%)				
Other income				
Other income	3,537		-	
Government grants	125,619		84,201	
Unlisted investments interest				
receivable	19		-	
Bank interest	14		43	
Other interest receivable	<u>7</u>		<u>-</u>	
		<u>129,196</u>		<u>84,244</u>
		433,718		622,246
Expenditure				
Rent, rates and water	2,048		12,935	
Insurance	9,920		12,160	
Light and heat	10,716		28,684	
Members' salaries	240,709		300,442	
Members' employers NIC	15,249		22,487	
Members' pensions paid	7,221		9,230	
Wages and salaries	98,297		204,905	
Staff employers NIC	4,876		10,925	
Pensions	3,221		6,015	
Hire of plant and machinery	1,404		1,848	
Telephone	2,139		2,232	
Post, printing and stationery	3,339		2,008	
Advertising	79		10	
Travelling	(212)		620	
Repairs and renewals	20,036		24,417	
Laundry and cleaning	9,726		13,708	
Staff training	170		217	
Sundry expenses	2,492		2,796	
Accountancy	3,205		3,545	
Legal and professional fees	-		3,000	
Donations	25		-	
Depreciation of tangible fixed assets				
Long leasehold	9,750		16,407	
Shop and kitchen equipment	98		773	
Fixtures and fittings	5,260		4,210	
Computer equipment	2,950		3,099	
Profit/loss on sale of fixed asset investments	1		-	
Carried forward	<u>452,719</u>	<u>433,718</u>	<u>686,673</u>	<u>622,246</u>

This page does not form part of the statutory financial statements

**ON THE EIGHTH DAY
CO-OPERATIVE LIMITED**

**Trading and Profit and Loss Account
for the Year Ended 31 August 2021**

	2021		2020	
	£	£	£	£
Brought forward	<u>452,719</u>	<u>433,718</u>	<u>686,673</u>	<u>622,246</u>
		<u>452,719</u>		<u>686,673</u>
		(19,001)		(64,427)
Finance interest				
Bank charges	2,996		3,217	
Credit card	<u>10,610</u>		<u>17,593</u>	
		<u>13,606</u>		<u>20,810</u>
		(32,607)		(85,237)
Loss on disposal of fixed assets				
Plant and machinery	981		-	
Fixtures and fittings	<u>1,267</u>		-	
		<u>2,248</u>		-
Net loss		<u>(34,855)</u>		<u>(85,237)</u>