

### On The Eighth Day Co-Operative Limited

Report of the Management Committee and Unaudited Financial Statements

For the Year Ended 31 August 2016

Company Registration No: IP21704R



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# Contents of the Financial Statements for the Year Ended 31 August 2016

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# Society Information for the Year Ended 31 August 2016

Members:

I J Ford
U Gothard
J Marsh
J Thomas
D Garland
P Laverty
S Singh
S Jones
C Gooding
H Welch
D Crompton
D Shepherd-White
Y Hayakawa
S Lipnitski

Treasurer:

I J Ford

Secretary:

H Welch

Chair:

S Jones

Registered office:

111 Oxford Road Manchester

M1 7DU

Registered number:

21704R

(Co-operative and Community Benefit Society Act 2014)

Accountants:

Haines Watts Manchester Limited Northern Assurance Buildings

9-21 Princess Street

Manchester M2 4DN

### Report of the Management Committee for the Year Ended 31 August 2016

The Management Committee present their report with the financial statements of the Society for the year ended 31 August 2016.

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 2015 to the date of this report.

I J Ford

**U** Gothard

J Marsh

J Thomas

D Garland

P Laverty

S Singh

S Jones

C Gooding

H Welch

D Crompton

D Shepherd-White

Y Hayakawa

S Lipnitski

Other changes in members holding office are as follows:

S Fox - resigned 5 August 2016

Statement of members' responsibilities

The Management Committee is 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 company will continue in business.

### Report of the Members for the Year Ended 31 August 2016

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:

H Welch - Secretary

31 January 2017

# Independent Reporting 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 Co-operative and Community Benefit Societies Act 2014, we have prepared for your approval the financial statements of On The Eighth Day Co-Operative Limited for the year ended 31 August 2015 set out on pages 5 to 11 which comprise the Profit and Loss Account, the Balance Sheet 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 at icaew.com/membershandbook.

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 them, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and its Management Committee, 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 profit 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 2015 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 2015 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 Manchester Limited Northern Assurance Buildings 9-21 Princess Street

Painer Watts

Manchester M2 4DN

Date: 16 2 2017

## Profit and Loss Account for the Year Ended 31 August 2016

	Notes	2016 £	2015 £
Turnover		1,836,223	1,752,666
Cost of sales		(1,105,620)	(1,061,396)
Gross profit		730,603	691,270
Administrative expenses		(671,581)	(593,584)
Operating profit	2	59,022	97,686
Income from fixed asset investments Interest receivable and similar income		29 95	28 95
		59,146	97,809
Interest payable and similar charges		(503)	(1,692)
Profit on ordinary activities before tax	xation	58,643	96,117
Tax on profit on ordinary activities	3	(14,724)	(22,073)
Profit for the financial year		43,919	74,044

### ON THE EIGHTH DAY CO-OPERATIVE LIMITED (REGISTERED NUMBER: 21704R)

### Balance Sheet 31 August 2016

		2010	6	2015	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		652,322		657,506
Investments	4 5		<u>754</u>		724
			653,076		658,230
Current assets					
Stocks		95,008		96,317	
Debtors	6	12,770		10,346	
Cash at bank and in hand		166,803		170,345	
		274,581		277,008	
Creditors		× 11.			
Amounts falling due within one year	7	96,670		150,396	
Net current assets			177,911		126,612
Total assets less current liabilities			830,987		784,842
Provisions for liabilities	9		5,343		3,116
Net assets			825,644		781,726
Capital and reserves					· **
Called up share capital	10		14		15
Revaluation reserve	11		435,174		444,844
Profit and loss account	11		390,456		336,867
Shareholders' funds			825,644		781,726

### ON THE EIGHTH DAY CO-OPERATIVE LIMITED (REGISTERED NUMBER: 21704R)

### Balance Sheet - continued 31 August 2016

The members have not required the Society to obtain an audit of its financial statements for the year ended 31 August 2015 in accordance with section 84 of the Co-operative and Community Benefit Societies Act 2014.

The members acknowledge their responsibilities for:

 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 Co-operative and Community Benefit Societies Act 2014.

The financial statements were approved by the Management Committee on 31 January 2017 and were signed on its behalf by:

I J Ford - Member

J Marsh - Member

H Welch - Member and Secretary

I.D. Ford

### Notes to the Financial Statements for the Year Ended 31 August 2016

#### Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention modified to include the revaluation of long leasehold property and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

#### Turnove

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

#### Tangible fixed assets

Computer equipment

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

Long leasehold property Shop and kitchen equipment Fixtures and fittings 2% on cost or valuation 10% straight line

10% straight line 25% to 35% on cost

### Stocks

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

#### Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

#### Hire purchase and leasing commitments

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

2016

2015

### 2. Operating profit

The operating profit is stated after charging:

Depreciation - owned assets	£ 22,517	£ 20,709
Loss on disposal of fixed assets		===
Members' remuneration	306,225	253,797

### Notes to the Financial Statements - continued for the Year Ended 31 August 2016

3.	Taxation					
	Analysis of the tax charge				×	
	The tax charge on the profit of	on ordinary activitie	s for the year was	as follows:		
	The tan enange on the premi		- 10. III ) - III		2016	2015
					3	£
	Current tax:					
	UK corporation tax				12,497	21,481
	On corporation tax					
	Deferred tax				2,227	592
	20101102 1211					
	Tax on profit on ordinary acti	vities			14,724	22,073
	i an on promon or an analy area	MMER.				
4.	Tangible fixed assets					
77.5	rangible fixed assets	Long	Shop and	Fixtures		
		leasehold	kitchen	and	Computer	
		property	equipment	fittings	equipment	Totals
		£	£	£	£	£
	Cost or valuation		~	~		_
	At 1 September 2015	650,000	170,499	92,116	47,184	959,799
	Additions	-	170,400	16,046	2,033	18,079
	Disposals		=	(2,888)	2,000	(2,888)
	Disposais	<del></del>	-	(2,000)		(2,000)
	At 31 August 2016	650,000	170,499	105,274	49,217	974,990
	At 01 August 2010		110,400	100,211		
	Depreciation					
	At 1 September 2015	18,310	165,556	75.803	42,624	302,293
	Charge for year	13,732	773	4,976	3,036	22,517
	Eliminated on disposal			(2,142)	-	(2,142)
		<del> </del>				
	At 31 August 2016	32,042	166,329	78,637	45,660	322,668
	7 11 0 1 7 10g 00 1 20 10			,		
	Net book value					
	At 31 August 2016	617,958	4,170	26,637	3,557	652,322
		<u> </u>	<u> </u>			
	At 31 August 2015	631,690	4,943	16,313	4,560	657,506
	ALOT August 2010	001,000	= 7,040	10,010	=======================================	007,000

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 8 May 2014 by Peter Marsh, MRICS who is external to the company. The basis of this revaluation was open market. This class of assets has a current value of £617,958 (2015 - £631,690) and a carrying amount at historical cost of £229,712 (2015 - 234,816). The depreciation on historical cost is £81,549 (2015 - £76,444).

### Notes to the Financial Statements - continued for the Year Ended 31 August 2016

5.	Fixed asset investments			Unlisted
				investment
	Cost			2
	At 1 September 2015			724
	Additions			30
	7. daile one			
	At 31 August 2016			754
	7 tt o 1 7 tagaot 2010			
	Net book value			
	At 31 August 2016			754
	At 31 August 2015			724
	At 01 August 2010			
	Investments include £400 which represents the cost of s	hares nurchased in a	co-operative sche	me which allow
	the Society to make bulk purchases from a national retail		co operative soriei	ne winer allow
i	Debtors: amounts falling due within one year			
	20010101 amounts raining add million one you		2016	2015
			£	£
	Trade debtors		955	120
	Prepayments and accrued income		11,815	10,226
	The state of the s			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
			12,770	10,346
	Creditors: amounts falling due within one year			
			2016	2015
			£	£
	Bank loans and overdrafts		-	41,664
	Trade creditors		37,691	40,613
	Taxation and social security		46,095	52,670
	Other creditors		12,884	15,449
-			96,670	150,396
			*	:
	Secured debts			
	The following secured debts are included within creditors	(man - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		
			2016	2015
			£	£
	Bank loans			41,664
	in the second se			
•	Provisions for liabilities		7 <b>3</b> 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	
			2016	2015
			£	£
	- Work Short-Miles A Carteria			
	Deferred tax Accelerated capital allowances		5,343	3,116

### Notes to the Financial Statements - continued for the Year Ended 31 August 2016

9.	Provisions	for liabilities	<ul> <li>continued</li> </ul>
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	tax
	£
Balance at 1 September 2015	3,116
Charge to Profit and Loss Account during year	2,227
2,	
Balance at 31 August 2016	5,343

Deferred

### 10. Called up share capital

Allotted, iss	ued and fully paid:			
Number:	Class:	Nominal value:	2016 £	2015 £
15	Ordinary =	£1	14	15

During the year the Society purchased one ordinary share at par from a member who ceased membership during the year.

#### 11. Reserves

	Profit and loss account	Revaluation reserve £	Totals £
At 1 September 2015	336,867	444,844	781,711
Profit for the year	43,919	•	43,919
Transfer of realised profits	9,670	(9,670)	
At 31 August 2016	390,456	435,174	825,630

### 12. Control

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

# Trading and Profit and Loss Account for the Year Ended 31 August 2016

	201	6	201	5
	£	£	£	3
Sales	8	4 000 000		4 750 000
Jaies		1,836,223		1,752,666
Cost of sales				
Opening stock	96,317		84,161	
Purchases	1,104,311		1,073,552	
	.,,,,,,,,,			
	1,200,628		1,157,713	
Closing stock	(95,008)		(96,317)	
	(00,000)	1,105,620	(00,017)	1,061,396
				1,001,000
Gross profit		730,603		691,270
(39.79% 2015 : 39.44%)				001,270
resources and a construct and X				
Establishment costs				
Rent, rates and water	26,998		25,336	
Insurance	11,085		9,889	
Light and heat	21,726		22,918	
		59,809		58,143
		670.704		
		670,794		633,127
Administrative expenses				
Members' salaries	306,225		253,797	
Members' employers NIC	24,759		20,348	
Wages and salaries	158,475		154,118	
Staff employers NIC	7,685		7,970	
Hire of plant and machinery	2,084		1,493	
Telephone	2,235		1,786	
Post, printing and stationery	2,132		1,124	
Advertising	1,760		1,657	
Travelling	975		829	
Repairs and renewals	27,863		26,628	
_aundry and cleaning	18,954		17,590	
Staff training	753		ä	
Sundry expenses	4,814		4,128	
Accountancy	3,425		3,675	
egal and professional fees	3,435		855	
Depreciation of tangible fixed assets				
Long leasehold	13,732		13,732	
Shop and kitchen equipment	773		773	
Fixtures and fittings	4,976		3,491	
Computer equipment	3,036		2,713	
Profit/loss on sale of tangible fixed assets	746	500 000		<u> </u>
		588,837		<u>516,707</u>

# Trading and Profit and Loss Account for the Year Ended 31 August 2016

	2016		2015	
	£	£	£	£
Brought forward		81,957		116,420
Finance costs				
Bank charges	4,025		1,296	
Credit card	18,910		17,438	40.704
		22,935		18,734
		59,022		97,686
Finance income				
ncome from unlisted				
investments	23		22	
Unlisted investments interest				
receivable	6	,	6	
Bank interest	<u>95</u>	124	95	123
		*		
		59,146		97,809
Finance interest				
Bank loan interest		503		1,692
Net profit		58,643		96,117

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