

On The Eighth Day Co-Operative Limited

Report of the Management Committee and  
Unaudited Financial Statements

For the Year Ended 31 August 2017

Company Registration No: IP21704R

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

**Contents of the Financial Statements  
for the Year Ended 31 August 2017**

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	<b>Page</b>
Society Information	1
Report of the Management Committee	2
Accountants' Report	4
Profit and Loss Account	5
Balance Sheet	6
Statement of Changes in Equity	8
Notes to the Financial Statements	9
Trading and Profit and Loss Account	13

# ON THE EIGHTH DAY CO-OPERATIVE LIMITED

## Society Information for the Year Ended 31 August 2017

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**Members:**

I J Ford  
U Gothard  
J Marsh  
D Garland  
P Lavery  
S Singh  
S Jones  
C Gooding  
H Welch  
E Shepherd-White  
Y Hayakawa  
S Lipnitski  
S Hirschfeldt  
S Shaw  
R Barnes  
K Scott  
A Austin  
K Taylor-Wrigley

**Treasurer:**

I J Ford

**Secretary:**

S Lipnitski

**Chair:**

E Shepherd-White

**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 2017

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The Management Committee present their report with the financial statements of the Society for the year ended 31 August 2017.

#### 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 2016 to the date of this report.

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

Other changes in members holding office are as follows:

J Thomas - resigned 12 May 2017  
D Crompton - resigned 20 December 2016  
S Hirschfeldt - appointed 7 March 2017  
S Shaw - appointed 31 January 2017  
R Barnes - appointed 7 March 2017  
K Scott - appointed 25 July 2017  
A Austin - appointed 25 July 2017  
K Taylor-Wrigley - appointed 25 July 2017

#### 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.




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

**Report of the Management Committee  
for the Year Ended 31 August 2017**

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:**

  
S Lipnitski - Secretary

30 January 2018

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

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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 2017 set out on pages 5 to 12 which comprise the Profit and Loss Account, the 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.

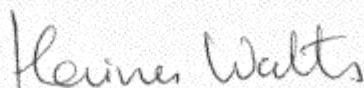
As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

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 them, as a body, in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://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 2017 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 2017 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  
Manchester  
M2 4DN

Date: 15/2/2018



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

**Profit and Loss Account  
for the Year Ended 31 August 2017**

	Notes	2017 £	2016 £
<b>Turnover</b>		1,831,065	1,836,223
Cost of sales		<u>(1,106,963)</u>	<u>(1,105,620)</u>
<b>Gross profit</b>		724,102	730,603
Administrative expenses		<u>(715,117)</u>	<u>(671,581)</u>
<b>Operating profit</b>	5	8,985	59,022
Income from fixed asset investments		18	29
Interest receivable and similar income		<u>30</u>	<u>95</u>
		9,033	59,146
Interest payable and similar expenses		<u>-</u>	<u>(503)</u>
<b>Profit before taxation</b>		9,033	58,643
Tax on profit	6	<u>(4,641)</u>	<u>(14,724)</u>
<b>Profit for the financial year</b>		<u><u>4,392</u></u>	<u><u>43,919</u></u>

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

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

**Balance Sheet**

**31 August 2017**

	Notes	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	7	633,646	652,322
Investments	8	772	754
		<u>634,418</u>	<u>653,076</u>
<b>Current assets</b>			
Stocks		105,826	95,008
Debtors	9	11,674	12,770
Cash at bank and in hand		172,078	166,803
		<u>289,578</u>	<u>274,581</u>
<b>Creditors</b>			
Amounts falling due within one year	10	89,674	96,670
<b>Net current assets</b>		<u>199,904</u>	<u>177,911</u>
<b>Total assets less current liabilities</b>		<u>834,322</u>	<u>830,987</u>
<b>Provisions for liabilities</b>		<u>4,282</u>	<u>5,343</u>
<b>Net assets</b>		<u>830,040</u>	<u>825,644</u>
<b>Capital and reserves</b>			
Called up share capital	11	18	14
Revaluation reserve		425,503	435,174
Retained earnings		404,519	390,456
<b>Shareholders' funds</b>		<u>830,040</u>	<u>825,644</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 2017**

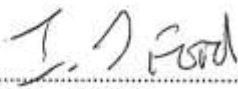
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The members have not required the Society to obtain an audit of its financial statements for the year ended 31 August 2017 in accordance with section 84 of the Co-operative and Community Benefit Societies Act 2014.

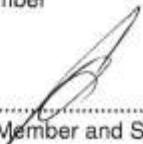
The members acknowledge their responsibilities for:

- (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 Co-operative and Community Benefit Societies Act 2014.

The financial statements were approved by the Management Committee on 30 January 2018 and were signed on its behalf by:

  
.....  
I J Ford - Member

  
.....  
J Marsh - Member

  
.....  
S Lipnitski – Member and Secretary

# ON THE EIGHTH DAY CO-OPERATIVE LIMITED

## Notes to the Financial Statements for the Year Ended 31 August 2017

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### 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 the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Co-operative and Communities Benefit Act 2014.

### 3. Accounting policies

#### Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

#### First year adoption

This is the first year that the Society has presented its financial statements under the provisions of Section 1A of FRS102 issued by the Financial Reporting Council.

The last financial statements for the year ended 31 August 2016 were prepared under previous UK GAAP, and the transition date to FRS 102 is therefore 1 September 2015.

The adoption of FRS102 has not required any material changes to the accounting policies.

#### Turnover

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

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

#### 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% 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 OF  
CO-OPERATIVE LIMITED**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**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.

**Debtors receivable and creditors payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Profit and Loss Account in administrative expenses.

**4. Employees and members**

The average monthly number of employees and members during the year was 29 (2016 - 28).

**5. Operating profit**

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation - owned assets	20,615	22,517

**6. Taxation**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2017	2016
	£	£
Current tax:		
UK corporation tax	5,702	12,497
Deferred tax	(1,061)	2,227
<b>Tax on profit</b>	<b>4,641</b>	<b>14,724</b>



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

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**7. Tangible fixed assets**

	Long leasehold property £	Shop and kitchen equipment £	Fixtures and fittings £	Computer equipment £	Totals £
<b>Cost</b>					
At 1 September 2016	650,000	170,499	105,274	49,217	974,990
Additions	-	-	1,985	-	1,985
Disposals	-	-	(311)	-	(311)
At 31 August 2017	<u>650,000</u>	<u>170,499</u>	<u>106,948</u>	<u>49,217</u>	<u>976,664</u>
<b>Depreciation</b>					
At 1 September 2016	32,042	166,329	78,637	45,660	322,668
Charge for year	13,733	773	3,984	2,125	20,615
Eliminated on disposal	-	-	(265)	-	(265)
At 31 August 2017	<u>45,775</u>	<u>167,102</u>	<u>82,356</u>	<u>47,785</u>	<u>343,018</u>
<b>Net book value</b>					
At 31 August 2017	<u>604,225</u>	<u>3,397</u>	<u>24,592</u>	<u>1,432</u>	<u>633,646</u>
At 31 August 2016	<u>617,958</u>	<u>4,170</u>	<u>26,637</u>	<u>3,557</u>	<u>652,322</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 8 May 2014 by Peter Marsh, MRICS who is external to the Society. The basis of this revaluation was open market. This class of assets has a current value of £604,225 (2016 - £617,958) and a carrying amount at historical cost of £224,606 (2016 - £229,712). The depreciation on historical cost is £86,653 (2016 - £81,549).

**8. Fixed asset investments**

	Other investments £
<b>Cost</b>	
At 1 September 2016	754
Additions	<u>18</u>
At 31 August 2017	<u>772</u>
<b>Net book value</b>	
At 31 August 2017	<u>772</u>
At 31 August 2016	<u>754</u>

Investments include £400 which represents the cost of shares purchased in a co-operative scheme which allows the Society to make bulk purchases from a national retailer at trade prices.

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

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**9. Debtors: amounts falling due within one year**

	2017	2016
	£	£
Trade debtors	-	955
Prepayments and accrued income	11,674	11,815
	<u>11,674</u>	<u>12,770</u>

**10. Creditors: amounts falling due within one year**

	2017	2016
	£	£
Trade creditors	39,801	37,691
Corporation tax	5,702	12,497
Social security and other taxes	11,720	9,682
VAT	23,376	23,916
Wages control	41	84
Pension Control	3,312	2,997
Accruals and deferred income	5,722	9,803
	<u>89,674</u>	<u>96,670</u>

**11. Called up share capital**

**Allotted, issued and fully paid:**

Number:	Class:	Nominal value:	2017	2016
			£	£
15	Ordinary	£1	<u>18</u>	<u>14</u>

During the year six shares were issued to new members of the Society and it purchased two ordinary shares at par from members who ceased membership during the year.

**12. 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 2017**

	2017		2016
	£	£	£
<b>Sales</b>		1,831,065	1,836,223
<b>Cost of sales</b>			
Opening stock	95,008		96,317
Purchases	<u>1,117,781</u>		<u>1,104,311</u>
	1,212,789		1,200,628
Closing stock	<u>(105,826)</u>		<u>(95,008)</u>
	<u>1,106,963</u>		<u>1,105,620</u>
<b>Gross profit</b>		724,102	730,603
(39.55%      2016 : 39.79%)			
<b>Establishment costs</b>			
Rent, rates and water	27,338		26,998
Insurance	10,684		11,085
Light and heat	<u>22,238</u>		<u>21,726</u>
	<u>60,260</u>		<u>59,809</u>
	663,842		670,794
<b>Administrative expenses</b>			
Members' salaries	300,862		303,867
Members' employers NIC	23,734		24,759
Members' pensions paid	9,077		2,358
Wages and salaries	190,114		157,303
Staff employers NIC	9,906		7,685
Pensions	5,460		1,172
Hire of plant and machinery	2,693		2,084
Telephone	2,146		2,235
Post, printing and stationery	1,657		2,132
Advertising	10		1,760
Travelling	779		975
Repairs and renewals	28,484		27,863
Laundry and cleaning	18,990		18,954
Staff training	1,190		753
Sundry expenses	7,221		4,814
Accountancy	2,925		3,425
Legal and professional fees	4,820		3,435
Depreciation of tangible fixed assets			
Long leasehold	13,732		13,732
Shop and kitchen equipment	773		773
Fixtures and fittings	3,985		4,976
Computer equipment	2,126		3,036
Loss on sale of tangible fixed assets	<u>47</u>		<u>746</u>
	<u>630,731</u>		<u>588,837</u>
Carried forward		33,111	81,957

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 2017**

	2017	2016
	£	£
Brought forward	33,111	81,957
<b>Finance costs</b>		
Bank charges	4,620	4,025
Credit card	19,506	18,910
	<u>24,126</u>	<u>22,935</u>
	8,985	59,022
<b>Finance income</b>		
Income from unlisted investments	-	23
Unlisted investments interest receivable	18	6
Bank interest	30	95
	<u>48</u>	<u>124</u>
	9,033	59,146
<b>Finance interest</b>		
Bank loan interest	-	503
<b>Net profit</b>	<u>9,033</u>	<u>58,643</u>

This page does not form part of the statutory financial statements