

On The Eighth Day Co-Operative Limited

Report of the Management Committee and
Unaudited Financial Statements

For the Year Ended 31 August 2018

Company Registration No: IP21704R

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

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for the Year Ended 31 August 2018**

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

**Society Information
for the Year Ended 31 August 2018**

Members:

I J Ford
J Marsh
D Garland
P Lavery
S Singh
S Jones
C Gooding
E Shepherd-White
Y Hayakawa
S Lipnitski
S Hirschfeldt
S Shaw
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 2018

The Management Committee present their report with the financial statements of the Society for the year ended 31 August 2018.

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 2017 to the date of this report.

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

Other changes in Members holding office are as follows:

U Gothard - resigned 1 October 2017
H Welch - resigned 31 July 2018
R Barnes - resigned 16 August 2018

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 society will continue in business.

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

**Report of the Management Committee
for the Year Ended 31 August 2018**

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

29 January 2019

**Chartered Accountants' Report to the Board of 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 2018 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. 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 2018 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 2018 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: 15/2/2019

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

**Profit and Loss Account
for the Year Ended 31 August 2018**

	Notes	2018 £	2017 £
Turnover		1,852,393	1,831,065
Cost of sales		<u>(1,108,934)</u>	<u>(1,106,963)</u>
Gross profit		743,459	724,102
Administrative expenses		<u>(713,194)</u>	<u>(715,117)</u>
Operating profit	4	30,265	8,985
Income from fixed asset investments		87	18
Interest receivable and similar income		<u>-</u>	<u>30</u>
Profit before taxation		30,352	9,033
Tax on profit	5	<u>(7,620)</u>	<u>(4,641)</u>
Profit for the financial year		<u><u>22,732</u></u>	<u><u>4,392</u></u>

The notes form part of these financial statements

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

**Balance Sheet
31 August 2018**

		2018	2017
	Notes	£	£
Fixed assets			
Tangible assets	6	656,921	633,646
Investments	7	<u>860</u>	<u>772</u>
		657,781	634,418
Current assets			
Stocks		106,542	105,826
Debtors	8	8,240	11,674
Cash at bank and in hand		<u>132,692</u>	<u>172,078</u>
		247,474	289,578
Creditors			
Amounts falling due within one year	9	<u>41,677</u>	<u>89,674</u>
Net current assets		<u>205,797</u>	<u>199,904</u>
Total assets less current liabilities		863,578	834,322
Provisions for liabilities		<u>10,809</u>	<u>4,282</u>
Net assets		<u>852,769</u>	<u>830,040</u>
Capital and reserves			
Called up share capital		15	18
Revaluation reserve	10	415,832	425,503
Retained earnings	10	<u>436,922</u>	<u>404,519</u>
		<u>852,769</u>	<u>830,040</u>

The notes form part of these financial statements

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

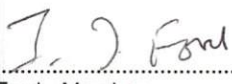
**Balance Sheet - continued
31 August 2018**


The members have not required the Society to obtain an audit of its financial statements for the year ended 31 August 2018 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 Board of Members on 29 January 2019 and were signed on its behalf by:


.....
I J Ford - Member


.....
J Marsh - Member


.....
S Lipnitski - Member and Secretary

The notes form part of these financial statements

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

**Statement of Changes in Equity
for the Year Ended 31 August 2018**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 September 2016	14	390,456	435,174	825,644
Changes in equity				
Issue of share capital	4	-	-	4
Total comprehensive income	-	14,063	(9,671)	4,392
Balance at 31 August 2017	18	404,519	425,503	830,040
Changes in equity				
Issue of share capital	(3)	-	-	(3)
Total comprehensive income	-	32,403	(9,671)	22,732
Balance at 31 August 2018	15	436,922	415,832	852,769

The notes form part of these financial statements

ON THE EIGHTH DAY CO-OPERATIVE LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2018

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. Accounting policies

Basis of preparing the financial statements

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

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

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.

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.

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

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**

3. Employees and members

The average number of employees during the year was 28 (2017 - 29).

4. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation - owned assets	<u>20,870</u>	<u>20,615</u>

5. Taxation

Analysis of the tax charge

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

	2018 £	2017 £
Current tax:		
UK corporation tax	1,091	5,702
Deferred tax	<u>6,527</u>	<u>(1,061)</u>
Tax on profit	<u>7,620</u>	<u>4,641</u>

6. Tangible fixed assets

	Long Leasehold property £	Shop and kitchen equipment £	Fixtures and fittings £	Computer equipment £	Totals £
Cost					
At 1 September 2017	650,000	170,499	106,948	49,217	976,664
Additions	34,067	-	4,716	5,362	44,145
Disposals	-	(480)	-	(372)	(852)
At 31 August 2018	<u>684,067</u>	<u>170,019</u>	<u>111,664</u>	<u>54,207</u>	<u>1,019,957</u>
Depreciation					
At 1 September 2017	45,775	167,102	82,356	47,785	343,018
Charge for year	13,567	772	4,639	1,892	20,870
Eliminated on disposal	-	(480)	-	(372)	(852)
At 31 August 2018	<u>59,342</u>	<u>167,394</u>	<u>86,995</u>	<u>49,305</u>	<u>363,036</u>
Net book value					
At 31 August 2018	<u>624,725</u>	<u>2,625</u>	<u>24,669</u>	<u>4,902</u>	<u>656,921</u>
At 31 August 2017	<u>604,225</u>	<u>3,397</u>	<u>24,592</u>	<u>1,432</u>	<u>633,646</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**

6. Tangible fixed assets - continued

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 £612,554 (2017 - £604,225) and a carrying amount at historical cost of £219,502 (2017 - £224,607). The depreciation on historical cost is £91,758 (2017 - £86,653).

7. Fixed asset investments

	Unlisted investments £
Cost	
At 1 September 2017	772
Additions	<u>88</u>
At 31 August 2018	<u>860</u>
Net book value	
At 31 August 2018	<u>860</u>
At 31 August 2017	<u>772</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.

8. Debtors: amounts falling due within one year

	2018 £	2017 £
Trade debtors	80	-
Prepayments and accrued income	<u>8,160</u>	<u>11,674</u>
	<u>8,240</u>	<u>11,674</u>

9. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	3,045	39,801
Corporation tax	1,093	5,702
Social security and other taxes	7,225	11,720
VAT	20,602	23,376
Wages	41	41
Pension Control	2,169	3,312
Accruals and deferred income	<u>7,502</u>	<u>5,722</u>
	<u>41,677</u>	<u>89,674</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**

10. Reserves

	Retained earnings £	Revaluation reserve £	Totals £
At 1 September 2017	404,519	425,503	830,022
Profit for the year	22,732	-	22,732
Surplus on property revaluation	<u>9,671</u>	<u>(9,671)</u>	<u>-</u>
At 31 August 2018	<u><u>436,922</u></u>	<u><u>415,832</u></u>	<u><u>852,754</u></u>

11. 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 2018**

	2018		2017	
	£	£	£	£
Sales		1,852,393		1,831,065
Cost of sales				
Opening stock	105,826		95,008	
Purchases	<u>1,109,650</u>		<u>1,117,781</u>	
	1,215,476		1,212,789	
Closing stock	<u>(106,542)</u>		<u>(105,826)</u>	
		<u>1,108,934</u>		<u>1,106,963</u>
Gross profit		743,459		724,102
(40.14% 2017 : 39.55%)				
Other income				
Income from unlisted investments	95		-	
Unlisted investments interest receivable	(8)		18	
Bank interest	<u>-</u>		<u>30</u>	
		<u>87</u>		<u>48</u>
		743,546		724,150
Expenditure				
Rent, rates and water	27,358		27,338	
Insurance	11,055		10,684	
Light and heat	22,417		22,238	
Members' salaries	342,969		300,862	
Members' employers NIC	25,901		23,734	
Members' pensions paid	10,290		9,077	
Wages and salaries	147,191		190,114	
Staff employers NIC	7,105		9,906	
Pensions	4,457		5,460	
Hire of plant and machinery	1,991		2,693	
Telephone	2,413		2,146	
Post, printing and stationery	2,361		1,657	
Advertising	50		10	
Travelling	829		779	
Repairs and renewals	29,979		28,484	
Laundry and cleaning	18,676		18,990	
Staff training	565		1,190	
Sundry expenses	4,613		7,221	
Accountancy	2,925		2,925	
Legal and professional fees	899		4,820	
Depreciation of tangible fixed assets				
Long leasehold	13,568		13,732	
Shop and kitchen equipment	773		773	
Fixtures and fittings	4,639		3,985	
Computer equipment	1,892		2,126	
Profit/loss on sale of tangible fixed assets	-		47	
Carried forward	684,915		690,991	

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 2018**

	2018		2017	
	£	£	£	£
Brought forward	<u>684,915</u>	<u>684,915</u>	<u>690,991</u>	<u>690,991</u>
		58,631		33,159
Finance interest				
Bank charges	4,382		4,620	
Credit card	<u>23,897</u>	<u>28,279</u>	<u>19,506</u>	<u>24,126</u>
Net profit		<u>30,352</u>		<u>9,033</u>

This page does not form part of the statutory financial statements