

Exelby Green Dragon Community Pub Ltd
Unaudited Financial Statements
31 December 2019

Exelby Green Dragon Community Pub Ltd

Financial Statements

Year ended 31 December 2019

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Exelby Green Dragon Community Pub Ltd

Management Committee Report

Year ended 31 December 2019

The members present their report and the unaudited financial statements of the society for the year ended 31 December 2019.

Principal activities

The principal activity during the year was the purchase and rental of a pub for community benefit.

Members

The members who served the society during the year were as follows:

Mr P Simpson
Mr M Temple
Mr G Cornwall-Legh
Mr J Walker
Mr G Price
Mr A Campbell
Ms H Johnson (Resigned 13 August 2019)

This report was approved by the management committee on 24 March 2020 and signed on behalf of the board by:

Mr P Simpson
Chair

Mr M Temple
Treasurer

Mr G Cornwall-Legh
Deputy chair

Mr G Price
Treasurer

Mr A Campbell
Member

Mr J Walker
Secretary

Registered office:
Garth House
Exelby
Bedale
North Yorkshire
DL8 2HD

Exelby Green Dragon Community Pub Ltd

Independent Accountant's Report to Exelby Green Dragon Community Pub Ltd

Year ended 31 December 2019

We report on the financial statements of the society for the year ended 31 December 2019 which comprise the income statement, statement of financial position and the related notes.

Our work has been undertaken so that we might state to the society those matters we are required to state to it in an accountant's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the management committee and independent accountant

The management committee is responsible for the preparation of the financial statements and they consider that an audit is not required for this year and that an independent accountant's report is needed.

It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis for opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants. Our procedures included a review of the accounting records kept by the society and a comparison of the financial statements presented with those records. It also included consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required for an audit, and consequently we do not express an audit opinion on the view given by the financial statements.

Opinion

In our opinion:

- a) the financial statements are in agreement with the accounting records kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014.
- b) having regard only to, and on the basis of, the information contained in those accounting records, the financial statements comply with the requirements of the Co-operative and Community Benefit Societies Act 2014.
- c) for the preceding year of account, the financial criteria for the exercise of the power conferred by section 84 were met in relation to the year.

DAVID CADWALLADER & CO LIMITED
Chartered Certified Accountants

Suite 3 Bignell Park Barns
Chesterton
Nr Bicester
Oxon
OX26 1TD

Exelby Green Dragon Community Pub Ltd

Income Statement

Year ended 31 December 2019

	Note	Year to 31 Dec 19 £	Period from 12 Jul 17 to 31 Dec 18 £
Turnover		14,809	2,500
Gross profit		<u>14,809</u>	<u>2,500</u>
Administrative expenses		20,500	25,629
Other operating income		<u>13,003</u>	<u>16,725</u>
Operating profit/(loss)		7,312	(6,404)
Other interest receivable and similar income		23	–
Interest payable and similar expenses		<u>2,200</u>	<u>867</u>
Profit/(loss) before taxation	3	5,135	(7,271)
Tax on profit/(loss)		<u>–</u>	<u>–</u>
Profit/(loss) for the financial year		<u><u>5,135</u></u>	<u><u>(7,271)</u></u>

The society has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 6 to 9 form part of these financial statements.

Exelby Green Dragon Community Pub Ltd

Statement of Financial Position

31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	301,134	215,490
Current assets			
Debtors	5	–	5,993
Cash at bank and in hand		63,052	109,628
		<u>63,052</u>	<u>115,621</u>
Creditors: amounts falling due within one year	6	<u>14,317</u>	<u>13,103</u>
Net current assets		<u>48,735</u>	<u>102,518</u>
Total assets less current liabilities		349,869	318,008
Creditors: amounts falling due after more than one year	7	<u>104,505</u>	<u>107,779</u>
Net assets		<u>245,364</u>	<u>210,229</u>
Capital and reserves			
Called up share capital		247,500	217,500
Profit and loss account		<u>(2,136)</u>	<u>(7,271)</u>
Members funds		<u>245,364</u>	<u>210,229</u>

The society is satisfied that it is entitled to exemption from the requirement to obtain an audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

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

The members acknowledge their responsibilities for:

- ensuring that the society keeps proper accounting records which comply with section 75 of the Co-operative and Community Benefit Societies Act 2014 (the Act);
- establishing and maintaining a satisfactory system of its books of accounts, its cash holdings and all its receipts and remittances in order to comply with section 75 of the Act; and
- preparing financial statements which give a true and fair view of the state of affairs of the society as at the end of the financial year and of its income and expenditure for the year in accordance with the requirements of section 80, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the society.

These financial statements have been prepared in accordance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The statement of financial position
continues on the following page.

The notes on pages 6 to 9 form part of these financial statements.

Exelby Green Dragon Community Pub Ltd

Statement of Financial Position *(continued)*

31 December 2019

These financial statements were approved by the management committee and authorised for issue on 24 March 2020, and are signed on their behalf by:

Mr P Simpson
Chair

Mr M Temple
Treasurer

Mr G Cornwall-Legh
Deputy chair

Mr G Price
Treasurer

Mr A Campbell
Member

Mr J Walker
Secretary

Registration number: RS007599

The notes on pages 6 to 9 form part of these financial statements.

Exelby Green Dragon Community Pub Ltd

Notes to the Financial Statements

Year ended 31 December 2019

1. General information

The society is registered under the Co-operative and Community Benefit Societies Act 2014. The address of the registered office is Garth House, Exelby, Bedale, North Yorkshire, DL8 2HD.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	5% straight line
Plant and machinery	-	15% straight line

Exelby Green Dragon Community Pub Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

2. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the society are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the society becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Exelby Green Dragon Community Pub Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

2. Accounting policies *(continued)*

Financial instruments *(continued)*

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

3. Profit before taxation

Profit/(loss) before taxation is stated after charging:

	Year to 31 Dec 19	Period from 12 Jul 17 to 31 Dec 18
	£	£
Depreciation of tangible assets	<u>10,449</u>	<u>4,964</u>

4. Tangible assets

	Freehold property £	Plant and machinery £	Total £
Cost			
At 1 January 2019	206,074	14,380	220,454
Additions	<u>92,400</u>	<u>3,693</u>	<u>96,093</u>
At 31 December 2019	<u>298,474</u>	<u>18,073</u>	<u>316,547</u>
Depreciation			
At 1 January 2019	2,809	2,155	4,964
Charge for the year	<u>7,742</u>	<u>2,707</u>	<u>10,449</u>
At 31 December 2019	<u>10,551</u>	<u>4,862</u>	<u>15,413</u>
Carrying amount			
At 31 December 2019	<u>287,923</u>	<u>13,211</u>	<u>301,134</u>
At 31 December 2018	<u>203,265</u>	<u>12,225</u>	<u>215,490</u>

5. Debtors

	2019	2018
	£	£
Other debtors	<u>–</u>	<u>5,993</u>

6. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	9,648	9,649
Social security and other taxes	357	–
Other creditors	<u>4,312</u>	<u>3,454</u>
	<u>14,317</u>	<u>13,103</u>

Exelby Green Dragon Community Pub Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 December 2019

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

	2019	2018
	£	£
Bank loans and overdrafts	30,702	40,351
Capital grants	73,803	67,428
	<u>104,505</u>	<u>107,779</u>

Exelby Green Dragon Community Pub Ltd

Management Information

Year ended 31 December 2019

The following pages do not form part of the financial statements.

Exelby Green Dragon Community Pub Ltd

Detailed Income Statement

Year ended 31 December 2019

	Year to 31 Dec 19 £	Period from 12 Jul 17 to 31 Dec 18 £
Turnover		
Rental income	14,809	2,500
	<hr/>	<hr/>
Gross profit	14,809	2,500
Overheads		
Administrative expenses	20,500	25,629
Other operating income		
Sundry income	1,663	809
	<hr/>	<hr/>
Loss on society trading	(4,028)	(22,320)
Donation income	1,573	853
Grant income	9,767	15,063
	<hr/>	<hr/>
	11,340	15,916
	<hr/>	<hr/>
Operating profit/(loss)	7,312	(6,404)
Other interest receivable and similar income	23	–
Interest payable and similar expenses	(2,200)	(867)
	<hr/>	<hr/>
Profit/(loss) before taxation	5,135	(7,271)

Exelby Green Dragon Community Pub Ltd

Notes to the Detailed Income Statement

Year ended 31 December 2019

	Year to 31 Dec 19 £	Period from 12 Jul 17 to 31 Dec 18 £
Administrative expenses		
Rent rates and water	228	1,306
Light and heat	–	4,567
Insurance	777	311
Repairs and maintenance (allowable)	5,394	11,954
Office expenses	–	199
Printing postage and stationery	815	–
Sundry expenses	354	–
Legal and professional fees (allowable)	–	1,483
Other professional fees	1,838	200
Accountancy fees	645	645
Depreciation of tangible assets	10,449	4,964
	<u>20,500</u>	<u>25,629</u>
Other interest receivable and similar income		
Interest on cash and cash equivalents	<u>23</u>	<u>–</u>
Interest payable and similar expenses		
Interest on bank loans and overdrafts	<u>2,200</u>	<u>867</u>