

CLUB REGISTRATION NUMBER IP031919

**THE BALDONS AND NUNEHAM COMMUNITY
SOCIETY LIMITED**

FINANCIAL STATEMENTS

24 MARCH 2017

MERCER LEWIN LTD

Chartered Accountants & Statutory Auditor
41 Cornmarket Street
Oxford
OX1 3HA

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 24 MARCH 2017

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THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

THE REPORT OF THE MANAGEMENT COMMITTEE

YEAR ENDED 24 MARCH 2017

The Management Committee has pleasure in presenting its report and the financial statements of the club for the year ended 24 March 2017.

PRINCIPAL ACTIVITIES

The principal activity of the company is the ownership and leasing of The Seven Stars, Marsh Baldon.

STATEMENT OF RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE

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

Co-operative and Community Benefit Society law requires the Management Committee to prepare financial statements for each financial year. Under that law 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). Under Co-operative and Community Benefit Society law the officers 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 club and of the profit or loss for that year.

In preparing these financial statements, the Management Committee is required to:

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

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

Registered office:
Durham Leys Barn
The Green
Marsh Baldon
OXFORD
OX44 9LP

Signed on behalf of the officers

P Collins
Committee chair

Approved by the Management Committee on 21 June 2017

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BALDONS
AND NUNEHAM COMMUNITY SOCIETY LIMITED**

YEAR ENDED 24 MARCH 2017

We have audited the financial statements of The Baldons and Nuneham Community Society Limited for the year ended 24 March 2017 which comprise the Revenue Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and FRS102.

This report is made solely to the club's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the club's members those matters we are required to state to them in an auditor'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 club and the club's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT COMMITTEE AND AUDITOR

As explained more fully in the Statement of Officers' Responsibilities set out on page 1, the Management Committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out below:

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the club's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Management Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED *(continued)*

YEAR ENDED 24 MARCH 2017

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the club's affairs as at 24 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

OPINION ON OTHER MATTER PRESCRIBED BY THE CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

In our opinion the Report of the Management Committee has been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014 and the regulations made under it, and the information given there is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations and access to documents that we require for our audit.

ANDREW CHURCHILL STONE
(Senior Statutory Auditor)

For and on behalf of
MERCER LEWIN LTD
Chartered Accountants
& Statutory Auditor

41 Cornmarket Street
Oxford
OX1 3HA

21 June 2017

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

REVENUE ACCOUNT

YEAR ENDED 24 MARCH 2017

	Note	2017 £	2016 £
REVENUE		75,119	65,895
Administrative expenses		<u>53,114</u>	<u>24,137</u>
OPERATING PROFIT	2	22,005	41,758
Interest receivable		29	53
Interest payable and similar charges		(7,141)	(7,942)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>14,893</u>	<u>33,869</u>
Tax on profit on ordinary activities		11,291	8,740
PROFIT FOR THE FINANCIAL YEAR		<u>3,602</u>	<u>25,129</u>
Balance brought forward		69,498	44,369
Balance carried forward		<u>73,100</u>	<u>69,498</u>

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

BALANCE SHEET

24 MARCH 2017

	Note	2017		2016	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		432,011		473,573
CURRENT ASSETS					
Debtors	5	35,643		30,667	
Cash at bank and in hand		47,237		37,780	
		82,880		68,447	
CREDITORS: Amounts falling due within one year	6	34,522		53,031	
NET CURRENT ASSETS			48,358		15,416
TOTAL ASSETS LESS CURRENT LIABILITIES			480,369		488,989
CREDITORS: Amounts falling due after more than one year	7		235,465		248,639
			244,904		240,350
CAPITAL AND RESERVES					
Called up equity share capital	9		171,804		170,852
Revenue account			73,100		69,498
MEMBERS' FUNDS			244,904		240,350

These financial statements were approved by the Management Committee and authorised for issue on the 21 June 2017 and are signed on their behalf by:

P Collins
Committee Chair

Club Registration Number: IP031919

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 24 MARCH 2017

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

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

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.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 25 March 2015. There have been no changes to reported profits as a result.

Cash flow statement

The Management Committee has taken advantage of the exemption in Financial Reporting Standard for Smaller Entities (effective April 2008) from including a Cash flow statement in the financial statements on the grounds that the club is small.

Revenue

Revenue is recognised on a receivable basis in the case of rent and on a received basis for all other income and is shown net of value added tax.

Fixed assets

All fixed assets are initially recorded at cost. The company's freehold property is held for the benefit of the community of the Baldons and Nuneham and not for its investment potential. The directors do not consider that the provisions of SSAP19 apply in the circumstances.

Depreciation

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

Freehold Property	-	50 years
Fixtures & Fittings	-	10 years

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 24 MARCH 2017

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the Balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Revenue Account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Grants and donations

Local government grants relating to tangible fixed assets are treated as deferred income and released to the Revenue account over the expected useful lives of the assets concerned. Other minor grants are credited to the Revenue account as the related expenditure is incurred.

Judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2017 £	2016 £
Officers' remuneration	–	–
Depreciation of owned fixed assets	10,345	10,344
Loss on disposal of fixed assets	31,217	–
Auditor's fees	<u>2,030</u>	<u>2,042</u>

3. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the officers, during the year.

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 24 MARCH 2017

4. TANGIBLE ASSETS

	Freehold Property £	Fixtures & Fittings £	Total £
COST			
At 25 March 2016	449,563	52,606	502,169
Disposals	–	(52,606)	(52,606)
At 24 March 2017	449,563	–	449,563
DEPRECIATION			
At 25 March 2016	13,164	15,432	28,596
Charge for the year	4,388	5,957	10,345
On disposals	–	(21,389)	(21,389)
At 24 March 2017	17,552	–	17,552
NET BOOK VALUE			
At 24 March 2017	432,011	–	432,011
At 24 March 2016	436,399	37,174	473,573

Included in Freehold Property is land at a cost of £175,000 which is not subject to depreciation.

5. DEBTORS

	2017 £	2016 £
Trade debtors	34,320	26,583
Other debtors	249	2,713
Prepayments and accrued income	1,074	1,371
	35,643	30,667

6. CREDITORS: Amounts falling due within one year

	2017		2016	
	£	£	£	£
Trade creditors		–		17,063
Other creditors including taxation:				
Loans	12,375		12,375	
Corporation tax	11,291		8,740	
VAT	180		218	
Other creditors	5,513		5,500	
Accruals and deferred income	5,163		9,135	
		34,522		35,968
		34,522		53,031

The loan is secured by a first charge over the company's freehold property.

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 24 MARCH 2017

7. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
Other creditors including:		
Loans	188,719	201,094
Other creditors	46,746	47,545
	<u>235,465</u>	<u>248,639</u>

Included above are loans repayable by installments of £139,219 and deferred income of £44,349 which falls due after five years.

The loan is secured by a first charge over the freehold property. The deferred income relates to grant monies received and an obligation arising in a lease agreement.

8. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under the requirements of FRS102.

9. SHARE CAPITAL

	2017 £	2016 £
At 25 March 2016	170,852	175,809
Shares issued	952	1,493
Shares cancelled/forfeited	-	(6,450)
At 24 March 2017	<u>171,804</u>	<u>170,852</u>
Amounts presented in equity	<u>171,804</u>	<u>170,852</u>

During the year interest totalling £952 was rolled into shares.

In accordance with the society's governing document, interest may be payable on the shares at the discretion of the committee.

10. CONTINGENT LIABILITIES

The society has entered into an agreement under which is received a capital grant in the year ended 24 March 2014. The grant was for £39,942. There are terms in the agreement under which it is possible that part repayment of the grant may be required. This could occur within a period of 10 years from the date the grant was received. On the basis of current information, the management committee are of the opinion that it is unlikely that repayments will be required.

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 24 MARCH 2017

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 2 to 3.**

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED

DETAILED REVENUE ACCOUNT

YEAR ENDED 24 MARCH 2017

	Note	2017		2016	
		£	£	£	£
REVENUE					
Rent receivable			74,320		64,583
Small grants and donations			–		513
Long term grant release			799		799
			<u>75,119</u>		<u>65,895</u>
OVERHEADS					
Insurance		1,293		1,339	
Repairs and maintenance (allowable)		7,646		3,863	
Planning and licence fees		180		592	
Travel and subsistence		–		5	
Hire of equipment		–		2,799	
Printing, stationery and postage		74		102	
Sundry expenses		311		296	
Legal and professional fees		8		2,755	
Auditors remuneration		2,030		2,042	
Depreciation of freehold property		4,388		4,388	
Depreciation of fixtures and fittings		5,957		5,956	
Loss on disposal of fixed assets		31,217		–	
Bank charges		10		–	
			<u>53,114</u>		<u>24,137</u>
OPERATING PROFIT			22,005		41,758
Bank interest receivable			29		53
			<u>22,034</u>		<u>41,811</u>
Interest payable and similar charges			(7,141)		(7,942)
PROFIT ON ORDINARY ACTIVITIES			<u>14,893</u>		<u>33,869</u>

THE BALDONS AND NUNEHAM COMMUNITY SOCIETY LIMITED**NOTES TO THE DETAILED REVENUE ACCOUNT****YEAR ENDED 24 MARCH 2017****INTEREST PAYABLE**

Loan interest payable	3,978	4,423
Interest on members' shares	3,163	<u>3,519</u>
	<u>7,141</u>	<u>7,942</u>