

Registration number: IPO31175

**Lyvennet Community Pub
Limited**

**Members' Report Unaudited Financial
Statements**

31 December 2017

Draft



Lyvennet Community Pub Limited

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Lyvennet Community Pub Limited

Society Information

Members D K Henderson
D C Smith
D M Graham
C Smith
K Taylor
A S T Holroyd

Registered office 9-10 Stoneworks Garth
Crosby Ravensworth
PENRITH
CA10 3JE

Accountants Dodd & Co Limited
Chartered Accountants
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

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Lyvennet Community Pub Limited

Members' Report for the Year Ended 31 December 2017

The members present their report and the financial statements for the year ended 31 December 2017.

Members of the society

The members who held office during the year were as follows:

G Walsh (resigned 5 April 2017)

D K Henderson

D C Smith

D Baird (resigned 14 January 2017)

D M Graham

C Smith

K Taylor

A S T Holroyd

Principal activity

The principal activity of the company is the ownership of a public house and community hub. The society is a Registered Society.

Approved by the members on and signed on its behalf by:

.....
D C Smith
Treasurer

Lyvennet Community Pub Limited

Statement of Members' Responsibilities

The committee directors acknowledge their responsibilities for preparing the financial statements in accordance with applicable law and regulations.

The law governing Registered Societies requires the committee directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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.

The committee directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Chartered Accountants' Report to the Board of Directors on the Preparation of
the Unaudited Statutory Accounts of
Lyvennet Community Pub Limited
for the Year Ended 31 December 2017**

In order to assist you to fulfil your duties under the Cooperative & Community Benefit Societies Act 2014, we have prepared for your approval the accounts of Lyvennet Community Pub Limited for the year ended 31 December 2017 as set out on pages 5 to 11 from the society's accounting records and from information and explanations you have given us.

As a 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 <http://www.icaew.com/membershandbook>.

This report is made solely to the Committee of Management of Lyvennet Community Pub Limited, as a body, in accordance with the terms of our engagement letter dated 10 August 2015. Our work has been undertaken solely to prepare for your approval the accounts of Lyvennet Community Pub Limited and state those matters that we have agreed to state to them, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lyvennet Community Pub Limited and its Committee of Management as a body for our work or for this report.

It is your duty to ensure that Lyvennet Community Pub Limited has kept proper accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and surplus/deficit of Lyvennet Community Pub Limited. You consider that Lyvennet Community Pub Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Lyvennet Community Pub Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Dodd & Co Limited
Chartered Accountants
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW
Date:.....

Lyvennet Community Pub Limited

Income Statement for the Year Ended 31 December 2017

	Note	2017 £	2016 £
Turnover		30,482	20,314
Cost of sales		<u>(9,215)</u>	<u>(3,329)</u>
Gross profit		21,267	16,985
Administrative expenses		(11,004)	(11,376)
Other operating income		<u>1,299</u>	<u>844</u>
Operating profit		<u>11,562</u>	<u>6,453</u>
Profit before tax		11,562	6,453
Taxation	4	<u>(41)</u>	<u>620</u>
Profit for the financial year		11,521	7,073
Retained earnings brought forward		5,416	7,501
Dividends paid		<u>(9,318)</u>	<u>(9,158)</u>
Retained earnings carried forward		<u><u>7,619</u></u>	<u><u>5,416</u></u>

Lyvennet Community Pub Limited

**(Registration number: IPO31175)
Balance Sheet as at 31 December 2017**

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	12,355	13,805
Investment property	6	<u>324,556</u>	<u>324,556</u>
		<u>336,911</u>	<u>338,361</u>
Current assets			
Debtors	7	1,016	150
Cash and cash equivalents		<u>22,321</u>	<u>7,338</u>
		23,337	7,488
Creditors: Amounts falling due within one year	8	<u>(13,710)</u>	<u>(3,145)</u>
Net current assets		<u>9,627</u>	<u>4,343</u>
Total assets less current liabilities		346,538	342,704
Creditors: Amounts falling due after more than one year	8	(30,154)	(30,861)
Provisions for liabilities		<u>(1,131)</u>	<u>(1,090)</u>
Net assets		<u>315,253</u>	<u>310,753</u>
Capital and reserves			
Allotted, called up and fully paid share capital		307,634	305,337
Profit and loss account		<u>7,619</u>	<u>5,416</u>
Total equity		<u>315,253</u>	<u>310,753</u>

Approved and authorised by the Board on and signed on its behalf by:

.....

D C Smith

Treasurer

Lyvennet Community Pub Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

Lyvennet Community Pub Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014.

The address of its registered office is:

9-10 Stoneworks Garth
Crosby Ravensworth
PENRITH
CA10 3JE

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK.'

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Lyvennet Community Pub Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class

Furniture, fittings and office equipment

Depreciation method and rate

15% reducing balance

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for the sale of goods or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method where due after more than one year.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Lyvennet Community Pub Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

3 Staff numbers

The average number of persons employed by the society (including directors) during the year, was 7 (2016 - 8).

4 Taxation

Tax charged/(credited) in the profit and loss account

	2017 £	2016 £
Deferred taxation		
Arising from origination and reversal of timing differences	95	(620)
Arising from changes in tax rates and laws	(54)	-
Total deferred taxation	<u>41</u>	<u>(620)</u>

Lyvennet Community Pub Limited

**Notes to the Financial Statements for the Year Ended 31 December 2017
(continued)**

5 Tangible assets

	Furniture, fittings and office equipment £	Total £
Cost or valuation		
At 1 January 2017	29,015	29,015
Additions	704	704
At 31 December 2017	29,719	29,719
Depreciation		
At 1 January 2017	15,210	15,210
Charge for the year	2,154	2,154
At 31 December 2017	17,364	17,364
Carrying amount		
At 31 December 2017	12,355	12,355
At 31 December 2016	13,805	13,805

6 Investment properties

	2017 £
At 1 January	324,556
At 31 December	324,556
There has been no valuation of investment property by an independent valuer.	

7 Debtors

	2017 £	2016 £
Trade debtors	866	-
Other debtors	150	150
	1,016	150

Lyvennet Community Pub Limited

**Notes to the Financial Statements for the Year Ended 31 December 2017
(continued)**

8 Creditors

	2017	2016
	£	£
Due within one year		
Taxation and social security	1,452	976
Other creditors	<u>12,258</u>	<u>2,169</u>
	<u>13,710</u>	<u>3,145</u>
Due after one year		
Other creditors	<u>30,154</u>	<u>30,861</u>

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Lyvennet Community Pub Limited

Detailed Profit and Loss Account for the Year Ended 31 December 2017

	2017 £	2016 £
Turnover	30,482	20,314
Cost of sales	<u>(9,215)</u>	<u>(3,329)</u>
Gross profit	<u>21,267</u>	<u>16,985</u>
Administrative expenses		
Establishment costs	(1,045)	-
General administrative expenses	(7,219)	(8,457)
Finance charges	(586)	(483)
Depreciation costs	<u>(2,154)</u>	<u>(2,436)</u>
	(11,004)	(11,376)
Other operating income	<u>1,299</u>	<u>844</u>
Operating profit	<u>11,562</u>	<u>6,453</u>
Profit before tax	<u>11,562</u>	<u>6,453</u>

Lyvennet Community Pub Limited

Detailed Profit and Loss Account for the Year Ended 31 December 2017 (continued)

	2017 £	2016 £
Turnover		
Pub rent and recharges	14,577	18,020
Sale of inventory items	6,616	2,294
Pub takings	9,289	-
	<u>30,482</u>	<u>20,314</u>
	2017 £	2016 £
Cost of sales		
Purchases	9,215	3,329
	<u>9,215</u>	<u>3,329</u>
	2017 £	2016 £
Establishment costs		
Rates	271	-
Light, heat and power	774	-
	<u>1,045</u>	<u>-</u>
	2017 £	2016 £
General administrative expenses		
Repairs and maintenance	3,680	4,405
Telephone and fax	146	-
Printing, postage and stationery	119	221
Sundry expenses	639	535
Insurance	1,346	1,286
Advertising	40	670
Accountancy fees	1,214	1,200
Legal and professional fees	35	140
	<u>7,219</u>	<u>8,457</u>
	2017 £	2016 £
Finance charges		
Bank charges	586	483
	<u>586</u>	<u>483</u>

Lyvennet Community Pub Limited

**Detailed Profit and Loss Account for the Year Ended 31 December 2017
(continued)**

	2017 £	2016 £
Depreciation costs		
Depreciation	<u>2,154</u>	<u>2,436</u>
	<u>2,154</u>	<u>2,436</u>
	2017 £	2016 £
Other operating income		
Deferred grants written back	706	706
Other income	<u>593</u>	<u>138</u>
	<u>1,299</u>	<u>844</u>

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