

Company Registration No. RS007793 (England and Wales)

**MORTIMER COMMUNITY BENEFIT SOCIETY**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

# MORTIMER COMMUNITY BENEFIT SOCIETY

## COMPANY INFORMATION

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|                          |   |
|--------------------------|---|
| <b>Directors</b>         | E Walters<br>J Woodfield<br>J Stokes<br>J Munro<br>G Whitlock<br>A Kinsey<br>T Rogers         |
| <b>Secretary</b>         | G Whitlock  |
| <b>Company number</b>    | RS007793  |
| <b>Registered office</b> | Yarpole Village Shop<br>Green Lane<br>Yarpole<br>Leominster<br>Herefordshire<br>HR6 0BD       |
| <b>Accountants</b>       | Kendall Wadley LLP<br>Granta Lodge<br>71 Graham Road<br>Malvern<br>Worcestershire<br>WR14 2JS |

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# MORTIMER COMMUNITY BENEFIT SOCIETY

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# MORTIMER COMMUNITY BENEFIT SOCIETY

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 30 JUNE 2022**

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The directors present their annual report and financial statements for the year ended 30 June 2022.

### Principal activities

The principal activity of the company continued to be that of carrying out business for the benefit of the community.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

|             |                             |
|-------------|-----------------------------|
| J Ainsworth | (Resigned 8 December 2021)  |
| S Morgan    | (Resigned 8 December 2021)  |
| D Cheshire  | (Resigned 8 December 2021)  |
| A Jenkins   | (Resigned 8 December 2021)  |
| W Clare     | (Resigned 8 December 2021)  |
| M Taylor    | (Resigned 1 September 2022) |
| E Walters   |                             |
| J Woodfield |                             |
| J Stokes    |                             |
| J Munro     |                             |
| G Whitlock  |                             |
| A Kinsey    |                             |
| T Rogers    |                             |

### Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



J Stokes  
**Director**

T Rogers  
**Director**

20 October 2022

# **MORTIMER COMMUNITY BENEFIT SOCIETY**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 30 JUNE 2022***

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 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 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.

The 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 Companies Act 2006. 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.

# MORTIMER COMMUNITY BENEFIT SOCIETY

## ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MORTIMER COMMUNITY BENEFIT SOCIETY FOR THE YEAR ENDED 30 JUNE 2022

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We report on the accounts for the year ended 30 June 2022 set out on pages 4 to 11.

### Respective responsibilities of the committee of management and reporting accountant

The association's committee of management is responsible for the preparation of the accounts, and they consider that the association is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion

### Basis of opinion

Our procedures consisted of comparing the accounts with the books of account kept by the association and making such limited enquiries of the officers of the association as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

### Opinion

In our opinion:

- the revenue account and balance sheet for the year ended 30 June 2022 are in agreement with the books of account kept by the association under section 75 of the Co-operative and Community Benefit Societies Act 2014;
- having regard only to, and on the basis of the information contained in the books of account, the revenue account, and balance sheet for the year ended 30 June 2022 comply with the requirements of the Cooperative and Community Benefit Societies Act 2014; and;
- the association met the financial criteria enabling it to disapply the requirement to have an audit of the accounts for the year specified in section 84 of the Co-operative and Community Benefit Societies Act 2014.

**Kendall Wadley LLP**

20 October 2022

**Chartered Accountants**

Granta Lodge  
71 Graham Road  
Malvern  
Worcestershire  
WR14 2JS

# MORTIMER COMMUNITY BENEFIT SOCIETY

## PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 30 JUNE 2022*

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|                                      | <b>2022</b>   | <b>2021</b> |
|--------------------------------------|---------------|-------------|
|                                      | £             | £           |
| <b>Turnover</b>                      | 32,699        | 18,536      |
| Cost of sales                        | (2,097)       | (24)        |
|                                      | <hr/>         | <hr/>       |
| <b>Gross profit</b>                  | 30,602        | 18,512      |
| Administrative expenses              | (20,735)      | (20,145)    |
| Other operating income               | 220           | 2,123       |
|                                      | <hr/>         | <hr/>       |
| <b>Profit before taxation</b>        | 10,087        | 490         |
| Tax on profit                        | -             | -           |
|                                      | <hr/>         | <hr/>       |
| <b>Profit for the financial year</b> | <u>10,087</u> | <u>490</u>  |

# MORTIMER COMMUNITY BENEFIT SOCIETY

## BALANCE SHEET

AS AT 30 JUNE 2022

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|  | Notes | 2022<br>£       | £               | 2021<br>£       | £               |
|--|-------|-----------------|-----------------|-----------------|-----------------|
| <b>Fixed assets</b>  |       |                 |                 |                 |                 |
| Tangible assets  | 4     |                 | 267,547         |                 | 273,993         |
| <b>Current assets</b>  |       |                 |                 |                 |                 |
| Debtors  | 5     | 2,164           |                 | 1,990           |                 |
| Cash at bank and in hand                                       |       | 62,774          |                 | 26,088          |                 |
|  |       | <u>64,938</u>   |                 | <u>28,078</u>   |                 |
| <b>Creditors: amounts falling due within one year</b>          | 6     | <u>(90,980)</u> |                 | <u>(46,352)</u> |                 |
| <b>Net current liabilities</b>                                 |       |                 | <u>(26,042)</u> |                 | <u>(18,274)</u> |
| <b>Total assets less current liabilities</b>                   |       |                 | 241,505         |                 | 255,719         |
| <b>Creditors: amounts falling due after more than one year</b> | 7     |                 | <u>(14,812)</u> |                 | <u>(41,467)</u> |
| <b>Net assets</b>  |       |                 | <u>226,693</u>  |                 | <u>214,252</u>  |
| <b>Capital and reserves</b>                                    |       |                 |                 |                 |                 |
| Called up share capital  |       |                 | 248,850         |                 | 247,150         |
| Profit and loss reserves                                       |       |                 | <u>(22,157)</u> |                 | <u>(32,898)</u> |
| <b>Total equity</b>  |       |                 | <u>226,693</u>  |                 | <u>214,252</u>  |

For the financial year ended 30 June 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 20 October 2022 and are signed on its behalf by:

T Rogers  
**Director**

**Company Registration No. RS007793**



# MORTIMER COMMUNITY BENEFIT SOCIETY

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

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|  | Notes | Share capital<br>£ | Profit and loss reserves<br>£ | Total<br>£     |
|--|-------|--------------------|-------------------------------|----------------|
| <b>Balance at 1 July 2020</b>                      |       | 245,050            | (33,388)                      | 211,662        |
| <b>Year ended 30 June 2021:</b>                    |       |                    |                               |                |
| Profit and total comprehensive income for the year |       | -                  | 490                           | 490            |
| Issue of share capital                             |       | 2,100              | -                             | 2,100          |
|  |       | <u>247,150</u>     | <u>(32,898)</u>               | <u>214,252</u> |
| <b>Balance at 30 June 2021</b>                     |       | 247,150            | (32,898)                      | 214,252        |
| <b>Year ended 30 June 2022:</b>                    |       |                    |                               |                |
| Profit and total comprehensive income for the year |       | -                  | 10,087                        | 10,087         |
| Issue of share capital                             |       | 700                | -                             | 700            |
|  |       | <u>248,850</u>     | <u>(22,157)</u>               | <u>226,693</u> |
| <b>Balance at 30 June 2022</b>                     |       | 248,850            | (22,157)                      | 226,693        |

# MORTIMER COMMUNITY BENEFIT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2022**

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### 1 Accounting policies

#### Company information

Mortimer Community Benefit Society Limited is a community benefit society, limited by shares, incorporated in England and Wales, registered number RS007793. The registered office is Yarpole Community Village Shop, Green Lane, Yarpole, Herefordshire, HR6 0BD.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

#### Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

#### Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                             |                      |
|-----------------------------|----------------------|
| Freehold land and buildings | 2% reducing balance  |
| Fixtures and fittings       | 25% reducing balance |

# MORTIMER COMMUNITY BENEFIT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

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### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

# MORTIMER COMMUNITY BENEFIT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# MORTIMER COMMUNITY BENEFIT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

|       | 2022<br>Number | 2021<br>Number |
|-------|----------------|----------------|
| Total | -              | -              |

### 4 Tangible fixed assets

|                                    | Land and<br>buildings<br>£ | Fixture and<br>Fittings<br>£ | Total<br>£ |
|------------------------------------|----------------------------|------------------------------|------------|
| <b>Cost</b>                        |                            |                              |            |
| At 1 July 2021                     | 282,297                    | 15,108                       | 297,405    |
| Additions                          | -                          | 1,399                        | 1,399      |
| At 30 June 2022                    | 282,297                    | 16,507                       | 298,804    |
| <b>Depreciation and impairment</b> |                            |                              |            |
| At 1 July 2021                     | 16,601                     | 6,811                        | 23,412     |
| Depreciation charged in the year   | 5,422                      | 2,423                        | 7,845      |
| At 30 June 2022                    | 22,023                     | 9,234                        | 31,257     |
| <b>Carrying amount</b>             |                            |                              |            |
| At 30 June 2022                    | 260,274                    | 7,273                        | 267,547    |
| At 30 June 2021                    | 265,696                    | 8,297                        | 273,993    |

### 5 Debtors

|   | 2022<br>£ | 2021<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 1,870     | 1,404     |
| Other debtors                               | 294       | 586       |
|   | 2,164     | 1,990     |

# MORTIMER COMMUNITY BENEFIT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

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**6 Creditors: amounts falling due within one year**

|                              | <b>2022</b>   | <b>2021</b>   |
|------------------------------|---------------|---------------|
|                              | £             | £             |
| Bank loans                   | 65,894        | 45,606        |
| Trade creditors              | 210           | 43            |
| Taxation and social security | 958           | 47            |
| Other creditors              | 23,918        | 656           |
|                              | <u>90,980</u> | <u>46,352</u> |

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

|                           | <b>2022</b>   | <b>2021</b>   |
|---------------------------|---------------|---------------|
|                           | £             | £             |
| Bank loans and overdrafts | 14,812        | 41,467        |
|                           | <u>14,812</u> | <u>41,467</u> |

# MORTIMER COMMUNITY BENEFIT SOCIETY

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2022

|   | £            | 2022<br>£     | £            | 2021<br>£     |
|---|--------------|---------------|--------------|---------------|
| <b>Turnover</b>                           |              |               |              |               |
| Fundraising event income                  |              | 5,422         |              | -             |
| Rental Income                             |              | 7,277         |              | 18,536        |
| Surrender of lease                        |              | 20,000        |              | -             |
|   |              | <u>32,699</u> |              | <u>18,536</u> |
| <b>Cost of sales</b>                      |              |               |              |               |
| Direct costs                              | 2,097        |               | 24           |               |
|   | <u>2,097</u> |               | <u>24</u>    |               |
| Total cost of sales                       |              | (2,097)       |              | (24)          |
| <b>Gross profit</b>                       | 93.59%       | 30,602        | 99.87%       | 18,512        |
| <b>Other operating income</b>             |              |               |              |               |
| Government grants receivable and released | -            |               | 2,083        |               |
| Sundry income                             | 220          |               | 40           |               |
|   | <u>220</u>   |               | <u>2,123</u> |               |
|   |              | 220           |              | 2,123         |
| <b>Administrative expenses</b>            |              |               |              |               |
| Rates                                     | 1,148        |               | 40           |               |
| Power, light and heat                     | 1,951        |               | 406          |               |
| Property repairs and maintenance          | 1,885        |               | 5,711        |               |
| Premises insurance                        | 979          |               | 1,223        |               |
| Computer running costs                    | 219          |               | 10           |               |
| Leasing                                   | 1,266        |               | 1,250        |               |
| Professional subscriptions                | 464          |               | 425          |               |
| Legal and professional fees               | 1,500        |               | 143          |               |
| Accountancy                               | 1,200        |               | 600          |               |
| Charitable donations                      | 588          |               | -            |               |
| Bank charges                              | 1,461        |               | 1,839        |               |
| Printing and stationery                   | 4            |               | 61           |               |
| Advertising                               | 200          |               | 11           |               |
| Telecommunications                        | -            |               | 58           |               |
| Sundry expenses                           | 24           |               | -            |               |
| Royalties                                 | -            |               | 180          |               |
| Depreciation                              | 7,846        |               | 8,188        |               |
|   | <u>7,846</u> |               | <u>8,188</u> |               |
|   |              | (20,735)      |              | (20,145)      |
| <b>Operating profit</b>                   |              | <u>10,087</u> |              | <u>490</u>    |