

Report of the Management Committee

Unaudited Financial Statements

for the Year Ended 31 August 2022

for

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

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

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for the Year Ended 31 August 2022**

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

**Society Information
for the Year Ended 31 August 2022**

Members:	I J Ford J Marsh S Singh S Jones C Gooding Y Hayakawa A Austin K Taylor-Wrigley L Breckon K Higginson
Treasurer:	J Marsh
Secretary:	K Higginson
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 2022

The members present their report with the financial statements of the society for the year ended 31 August 2022.

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 2021 to the date of this report.

I J Ford
J Marsh
S Singh
S Jones
C Gooding
Y Hayakawa
A Austin
K Taylor-Wrigley
L Breckon
K Higginson

Other changes in members holding office are as follows:

P Lavery - resigned 1 September 2021
S Lipnitski - resigned 17 September 2021
B Saleri - resigned 4 February 2022

Statement of members' responsibilities

The Management Committee are 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.

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 board:

.....
K Higginson - Secretary

15 February 2023

**Chartered Accountants' Report to the 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 2022 which comprise the Profit and Loss Account, 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 the Members of On The Eighth Day Co-Operative Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than On The Eighth Day Co-Operative Limited and its Members, 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 loss 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 2022 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 2022 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:

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

**Profit and Loss Account
for the Year Ended 31 August 2022**

	Notes	2022 £	2021 £
Turnover		1,140,585	921,121
Cost of sales		<u>(682,436)</u>	<u>(616,599)</u>
Gross profit		458,149	304,522
Administrative expenses		<u>(505,118)</u>	<u>(468,573)</u>
		(46,969)	(164,051)
Other operating income		<u>6,944</u>	<u>129,156</u>
Operating loss	5	(40,025)	(34,895)
Income from fixed asset investments		1	19
Interest receivable and similar income		<u>14</u>	<u>21</u>
		(40,010)	(34,855)
Interest payable and similar expenses		<u>(339)</u>	-
Loss before taxation		(40,349)	(34,855)
Tax on loss	6	<u>1,233</u>	<u>11,288</u>
Loss for the financial year		<u><u>(39,116)</u></u>	<u><u>(23,567)</u></u>

The notes on pages 8 to 11 form part of these financial statements

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

**Balance Sheet
31 August 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	7		651,402		671,448
Investments	8		<u>494</u>		<u>485</u>
			651,896		671,933
Current assets					
Stocks		83,611		87,792	
Debtors	9	14,226		15,232	
Cash at bank and in hand		<u>89,820</u>		<u>107,604</u>	
		187,657		210,628	
Creditors					
Amounts falling due within one year	10	<u>46,336</u>		<u>40,359</u>	
Net current assets			<u>141,321</u>		<u>170,269</u>
Total assets less current liabilities			793,217		842,202
Creditors					
Amounts falling due after more than one year	11		(37,200)		(45,833)
Provisions for liabilities			<u>(4,104)</u>		<u>(5,337)</u>
Net assets			<u>751,913</u>		<u>791,032</u>
Capital and reserves					
Called up share capital			10		13
Revaluation reserve	12		436,396		445,488
Retained earnings	12		<u>315,507</u>		<u>345,531</u>
			<u>751,913</u>		<u>791,032</u>

The notes on pages 8 to 11 form part of these financial statements

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

**Balance Sheet - continued
31 August 2022**

The members have not required the Society to obtain an audit of its financial statements for the year ended 31 August 2022 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 Cooperative and Community Benefit Societies Act 2014.

The financial statements have been prepared in accordance with the provisions applicable to society.

The financial statements were approved by the Management Committee and authorised for issue on 15 February 2023 and were signed on its behalf by

.....
I J Ford - Member

.....
J Marsh - Member

.....
K Higginson – Secretary and Member

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

**Statement of Changes in Equity
for the Year Ended 31 August 2022**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 September 2020	16	360,007	396,490	756,513
Changes in equity				
Issue of share capital	(3)	-	-	(3)
Total comprehensive income	-	(14,476)	48,998	34,522
	<u>13</u>	<u>345,531</u>	<u>445,488</u>	<u>791,032</u>
Balance at 31 August 2021				
Changes in equity				
Issue of share capital	(3)	-	-	(3)
Total comprehensive income	-	(30,024)	(9,092)	(39,116)
	<u>10</u>	<u>315,507</u>	<u>436,396</u>	<u>751,913</u>

The notes on pages 8 to 11 form part of these financial statements

ON THE EIGHTH DAY CO-OPERATIVE LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

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. Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Cooperative and Community Benefit Societies Act 2014.

3. Accounting policies

Basis of preparing the financial statements

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

Going concern

The current economic climate in regards to inflation has introduced a level of business uncertainty. The Co-Operative is fortunately well equipped to cope with this uncertainty. The members have conducted a business review of liquidity and resources and concluded that the Co-Operative has adequate resources to continue to trade for at least twelve months from the date of approval of the financial statements. As such, the financial statements continue to adopt the going concern basis of accounting in preparing the financial statements.

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

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses.

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.

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

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

3. **Accounting policies - continued**

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.

4. **Employees and members**

The average number of employees during the year was 22 (2021 - 27).

5. **Operating loss**

The operating loss is stated after charging:

	2022	2021
	£	£
Depreciation - owned assets	<u>20,196</u>	<u>18,058</u>

6. **Taxation**

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	-	(6,795)
Deferred tax	<u>(1,233)</u>	<u>(4,493)</u>
Tax on loss	<u>(1,233)</u>	<u>(11,288)</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

7.	Tangible fixed assets					
		Long leasehold property £	Shop and kitchen equipment £	Fixtures and fittings £	Computer equipment £	Totals £
	Cost					
	At 1 September 2021	650,000	162,659	116,504	60,645	989,808
	Additions	-	-	490	-	490
	Disposals	-	-	(516)	-	(516)
	At 31 August 2022	<u>650,000</u>	<u>162,659</u>	<u>116,478</u>	<u>60,645</u>	<u>989,782</u>
	Depreciation					
	At 1 September 2021	9,750	162,659	87,870	58,081	318,360
	Charge for year	13,000	-	5,139	2,057	20,196
	Eliminated on disposal	-	-	(176)	-	(176)
	At 31 August 2022	<u>22,750</u>	<u>162,659</u>	<u>92,833</u>	<u>60,138</u>	<u>338,380</u>
	Net book value					
	At 31 August 2022	<u>627,250</u>	<u>-</u>	<u>23,645</u>	<u>507</u>	<u>651,402</u>
	At 31 August 2021	<u>640,250</u>	<u>-</u>	<u>28,634</u>	<u>2,564</u>	<u>671,448</u>

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 20 November 2020 by P M Cooke, FRICS, IRRV who is external to the society. The basis of this revaluation was open market. This class of assets has a current value of £627,250 (2021 - £640,250) and a carrying amount at historical cost of £199,083 (2021 - £204,188). The depreciation on historical cost is £112,177 (2021 - £107,072).

8.	Fixed asset investments		Unlisted investments £
	Cost		
	At 1 September 2021		485
	Additions		<u>9</u>
	At 31 August 2022		<u>494</u>
	Net book value		
	At 31 August 2022		<u>494</u>
	At 31 August 2021		<u>485</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2022**

9.	Debtors: amounts falling due within one year	2022	2021	
		£	£	
	Trade debtors	41	118	
	Other debtors	<u>14,185</u>	<u>15,114</u>	
		<u>14,226</u>	<u>15,232</u>	
10.	Creditors: amounts falling due within one year	2022	2021	
		£	£	
	Bank loans and overdrafts	9,589	4,167	
	Trade creditors	14,925	11,775	
	Taxation and social security	14,767	16,713	
	Other creditors	<u>7,055</u>	<u>7,704</u>	
		<u>46,336</u>	<u>40,359</u>	
11.	Creditors: amounts falling due after more than one year	2022	2021	
		£	£	
	Bank loans	<u>37,200</u>	<u>45,833</u>	
12.	Reserves	Retained earnings	Revaluation reserve	Totals
		£	£	£
	At 1 September 2021	345,531	445,488	791,019
	Deficit for the year	(39,124)	-	(39,124)
	Transfer of realised profits	<u>9,092</u>	<u>(9,092)</u>	<u>-</u>
	At 31 August 2022	<u>315,499</u>	<u>436,396</u>	<u>751,895</u>
13.	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 2022**

	2022		2021	
	£	£	£	£
Sales		1,140,585		921,121
Cost of sales				
Opening stock	87,792		93,237	
Purchases	<u>678,255</u>		<u>611,154</u>	
Closing stock	<u>766,047</u> <u>(83,611)</u>		<u>704,391</u> <u>(87,792)</u>	
		<u>682,436</u>		<u>616,599</u>
Gross profit		458,149		304,522
(40.17% 2021 : 33.06%)				
Other income				
Other income	-		3,537	
Government grants	6,944		125,619	
Unlisted investments interest receivable	1		19	
Bank interest	6		14	
Other interest receivable	<u>8</u>		<u>7</u>	
		<u>6,959</u>		<u>129,196</u>
		465,108		433,718
Expenditure				
Rent, rates and water	13,015		2,048	
Insurance	16,238		9,920	
Light and heat	26,515		10,716	
Members' salaries	202,005		240,709	
Members' employers NIC	14,751		15,249	
Members' pensions	6,155		7,221	
Wages and salaries	129,299		98,297	
Staff employers NIC	6,261		4,876	
Pensions	4,232		3,221	
Hire of plant and machinery	1,001		1,404	
Telephone	1,994		2,139	
Post, printing and stationery	3,144		3,339	
Advertising	26		79	
Travelling	352		(212)	
Repairs and renewals	19,871		20,036	
Laundry and cleaning	15,246		9,726	
Staff training	913		170	
Sundry expenses	2,903		2,492	
Accountancy	3,225		3,205	
Legal and professional fees	1,100		-	
Donations	-		25	
Depreciation of tangible fixed assets				
Long leasehold	13,000		9,750	
Shop and kitchen equipment	-		98	
Fixtures and fittings	5,139		5,260	
Computer equipment	2,057		2,950	
Carried forward	<u>488,442</u>	<u>465,108</u>	<u>452,718</u>	<u>433,718</u>

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 2022**

	2022		2021	
	£	£	£	£
Brought forward	488,442	465,108	452,718	433,718
Loss on sale of tangible fixed assets	340		2,248	
Profit/loss on sale of fixed asset investments	-		1	
		<u>488,782</u>	<u>1</u>	<u>454,967</u>
		(23,674)		(21,249)
Finance interest				
Bank charges	2,121		2,996	
Credit card	14,215		10,610	
Bank loan interest	339		-	
		<u>16,675</u>	<u>-</u>	<u>13,606</u>
Net loss		<u>(40,349)</u>		<u>(34,855)</u>