

IVY HOUSE COMMUNITY PUB LIMITED

UNAUDITED

MANAGEMENT COMMITTEE MEMBERS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2020

IVY HOUSE COMMUNITY PUB LIMITED

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IVY HOUSE COMMUNITY PUB LIMITED

SOCIETY INFORMATION

Management Committee Members Tessa Blunden
Emily Dresner
Howard Peacock (resigned 28 February 2020)
Stuart Taylor
Matt Soper
Geoff Cudd
Colin Buck
Kirsty Jeeves
Garrett Fallon
Dominic Coyte
Pete Broadbent

Registered number 31957R

Registered office 40 Stuart Road
London
SE15 3BE

Accountants MHA MacIntyre Hudson
Chartered Accountants
2 London Wall Place
London
EC2Y 5AU

IVY HOUSE COMMUNITY PUB LIMITED

**MANAGEMENT COMMITTEE MEMBERS' REPORT
FOR THE YEAR ENDED 29 FEBRUARY 2020**

The Management Committee Members present their report and the financial statements for the year ended 29 February 2020.

Management Committee Members

The Management Committee Members who served during the year were:

Tessa Blunden
Emily Dresner
Howard Peacock (resigned 28 February 2020)
Stuart Taylor
Matt Soper
Geoff Cudd
Colin Buck
Kirsty Jeeves
Garrett Fallon
Dominic Coyte
Pete Broadbent

Small companies note

In preparing this report, the Management Committee Members have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

and signed on its behalf.

.....
Tessa Blunden
Chair

IVY HOUSE COMMUNITY PUB LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF MANAGEMENT COMMITTEE MEMBERS
ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF IVY HOUSE
COMMUNITY PUB LIMITED
FOR THE YEAR ENDED 29 FEBRUARY 2020**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Ivy House Community Pub Limited for the year ended 29 February 2020 which comprise the Profit and Loss Account, the Balance Sheet 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 at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

MHA MacIntyre Hudson

Reporting Accountants

2 London Wall Place

London

EC2Y 5AU

Date:

IVY HOUSE COMMUNITY PUB LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 29 FEBRUARY 2020**

	Note	2020 £	2019 £
Turnover		790,360	784,363
Cost of sales		(307,046)	(289,262)
Gross profit		483,314	495,101
Administrative expenses		(499,996)	(513,275)
Other operating income	2	9,000	9,000
Operating loss		(7,682)	(9,174)
Interest receivable and similar income		57	202
Interest payable and similar expenses		(15,920)	(22,237)
Loss before tax		(23,545)	(31,209)
Tax on loss		(134)	-
Loss for the financial year		(23,679)	(31,209)

The notes on pages 6 to 13 form part of these financial statements.

IVY HOUSE COMMUNITY PUB LIMITED
REGISTERED NUMBER: 31957R

BALANCE SHEET
AS AT 29 FEBRUARY 2020

	Note	29 February 2020 £	28 February 2019 £
Fixed assets			
Tangible assets	5	838,021	863,025
		<u>838,021</u>	<u>863,025</u>
Current assets			
Stocks	6	14,953	16,616
Debtors: amounts falling due within one year	7	8,542	6,279
Cash at bank and in hand		68,211	99,562
		<u>91,706</u>	<u>122,457</u>
Creditors: amounts falling due within one year	8	(405,631)	(156,059)
		<u>(313,925)</u>	<u>(33,602)</u>
Net current liabilities			
		<u>(313,925)</u>	<u>(33,602)</u>
Total assets less current liabilities		524,096	829,423
Creditors: amounts falling due after more than one year	9	(378,000)	(660,148)
		<u>146,096</u>	<u>169,275</u>
Net assets		146,096	169,275
Capital and reserves			
Called up share capital	10	227,800	227,300
Profit and loss account		(81,704)	(58,025)
		<u>146,096</u>	<u>169,275</u>

The Management Committee Members consider that the Society is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Society to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006. The Management Committee Members 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 Society's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The financial statements were approved and authorised for issue by the Management Committee on and were signed on its behalf.

.....
Tessa Blunden
Chair

.....
Colin Buck
Finance Director

.....
Matt Soper
Secretary

The notes on pages 6 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

1. Accounting policies

1.1 General information and basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) as amended in July 2015, the Companies Act 2006 and the Cooperative and Community Benefit Societies Act 2014. The financial statements have been prepared on a going concern basis under the historical cost convention. The address of the registered office is given in the Society information at the start of these accounts.

The financial statements are presented in sterling which is the functional currency of the Society and rounded to the nearest pound.

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

1.2 Revenue

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts.

Interest income is recognised using the effective interest method.

1.3 Tangible fixed assets

Tangible fixed assets costing £100 or more are capitalised.

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold property	- 2% for building, 4%-20% for improvement work, straight line
Pub equipment	- 25%-33% straight line
Fixtures and fittings	- 20%-33% straight line
Office equipment	- 20%-33% straight line

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Stock has been independently valued as at the balance sheet date by an external, licensed trade consultant.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

1. Accounting policies (continued)

1.5 Debtors

Debtors are recognised when the Society is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

1.6 Financial instruments

The Society only holds basic Financial Instruments. The financial assets and financial liabilities of the Society are as follows:

Debtors - other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 7. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Liabilities - trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Notes 8 and 9. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver services rather than cash or another financial instrument.

1.7 Creditors

Creditors are recognised when the Society has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

1.8 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

Government grants relating to tangible fixed assets are treated as deferred income and released to the Income and Expenditure Account over the expected useful lives of the assets concerned.

1.9 Borrowing costs

All borrowing costs are recognised in the Profit and Loss Account in the year in which they are incurred.

1.10 Pensions

Defined contribution pension plan

The Society operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Society pays fixed contributions into a separate entity. Once the contributions have been paid the Society has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Society in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

2. Other operating income

	2020	<i>2019</i>
	£	£
Government grants receivable	9,000	<i>9,000</i>
	<u>9,000</u>	<u><i>9,000</i></u>

The grant of £450,000 was received from the Social Investment Business Ltd to fund the purchase of the Ivy House Pub and is being released over the life of the building (50 years) to the Income and Expenditure account.

3. Operating loss

The operating loss is stated after charging:

	2020	<i>2019</i>
	£	£
Depreciation of tangible fixed assets	30,869	<i>32,491</i>
Defined contribution pension cost	4,362	<i>2,965</i>
	<u>4,362</u>	<u><i>2,965</i></u>

4. Staff costs

	2020	<i>2019</i>
	£	£
Wages and salaries	269,040	<i>305,329</i>
Social security costs	13,831	<i>15,616</i>
Pension costs	4,362	<i>2,965</i>
Other staff costs	8,243	<i>5,821</i>
	<u>295,476</u>	<u><i>329,731</i></u>

The average monthly number of employees, including the Management Committee Members, during the year was as follows:

	2020	<i>2019</i>
	No.	No.
	2	<i>2</i>
	<u>2</u>	<u><i>2</i></u>

Key Management Personnel, who comprise the Management Committee, did not receive any remuneration in the year (2019: £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

5. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 March 2019	984,117	70,525	3,499	5,355	1,063,496
Additions	3,383	2,482	-	-	5,865
At 29 February 2020	<u>987,500</u>	<u>73,007</u>	<u>3,499</u>	<u>5,355</u>	<u>1,069,361</u>
Depreciation					
At 1 March 2019	131,440	60,439	3,499	5,093	200,471
Charge for the year on owned assets	26,115	4,647	-	107	30,869
At 29 February 2020	<u>157,555</u>	<u>65,086</u>	<u>3,499</u>	<u>5,200</u>	<u>231,340</u>
Net book value					
At 29 February 2020	<u>829,945</u>	<u>7,921</u>	<u>-</u>	<u>155</u>	<u>838,021</u>
At 28 February 2019	<u>852,677</u>	<u>10,086</u>	<u>-</u>	<u>262</u>	<u>863,025</u>

IVY HOUSE COMMUNITY PUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

6. Stocks

	2020	<i>2019</i>
	£	£
Closing stock	14,953	16,616
	<u>14,953</u>	<u>16,616</u>
	<u>14,953</u>	<u>16,616</u>

7. Debtors

	2020	<i>2019</i>
	£	£
Trade debtors	611	-
Other debtors	4,505	3,564
Prepayments	3,426	2,715
	<u>8,542</u>	<u>6,279</u>
	<u>8,542</u>	<u>6,279</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Loans	304,930	57,862
Trade creditors	28,522	25,595
Other taxation and social security	37,280	31,556
Other creditors	12,913	18,865
Accruals and deferred income	21,986	22,181
	<u>405,631</u>	<u>156,059</u>

Deferred income

	2020 £	2019 £
Deferred income at 1 March	6,795	13,995
Resources deferred during the year	6,424	6,795
Amounts released from previous periods	(6,795)	(13,995)
Deferred income at 29 February	<u>6,424</u>	<u>6,795</u>

During the year the Society has deferred income relating to events to be held after the year end.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020

9. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Loans	-	273,148
Government grants received	378,000	387,000
	<u>378,000</u>	<u>660,148</u>

Included within the above are amounts falling due as follows:

	2020 £	2019 £
Bank loans falling due 1-2 years	<u>-</u>	<u>273,148</u>

The loan is secured by a first fixed legal charge with full title guarantee over the freehold property known as "The Ivy House". The loan matures in September 2020 and, as such, the balance of the loan has been transferred to Creditors: Amounts falling due within one year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

10. Share capital

	2020	<i>2019</i>
	£	£
Allotted, called up and fully paid		
1,428 (<i>2019 - 1,423</i>) Class A Community Share shares of £100.00 each	142,800	<i>142,300</i>
850 (<i>2019 - 850</i>) Class B Community Share shares of £100.00 each	85,000	<i>85,000</i>
	227,800	<i>227,300</i>

During the year, 5 Class A Community Share shares weres allotted. The consideration received per share was the same as its nominal value, £100 (*2019, 98 Class A Community Share shares at nominal value £100*).

11. Contingent liabilities

There are no contingent liabilities.

12. Related party transactions

There were no related party transactions in either period.

13. Controlling party

There is no ultimate controlling party.

14. Post balance sheet events

The impact of COVID-19 both here in the UK and abroad has significantly impacted the global economy. As such the Society is not alone in being impacted by this global pandemic and in light of this were required to close the public house on 20 March 2020. The Society has utilised available reliefs put forward by HM Government to mitigate the impact on cash flow due to this crisis. There have been no changes made to these financial statements as a result of the COVID-19 crisis as it is assessed as a non-adjusting post balance sheet event.

IVY HOUSE COMMUNITY PUB LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 29 FEBRUARY 2020**

	Note	2020 £	2019 £
Turnover		790,360	784,363
Cost Of Sales		(307,046)	(289,262)
Gross profit		<u>483,314</u>	<u>495,101</u>
Gross profit %		61.2 %	63.1 %
Other operating income		9,000	9,000
Less: overheads			
Administration expenses		(499,996)	(513,275)
Operating loss		<u>(7,682)</u>	<u>(9,174)</u>
Interest receivable		57	202
Interest payable		(15,920)	(22,237)
Tax on loss on ordinary activities		(134)	-
Loss for the year		<u>(23,679)</u>	<u>(31,209)</u>

IVY HOUSE COMMUNITY PUB LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

	2020 £	2019 £
Turnover		
Bar and food sales	722,015	696,620
Room hire	20,272	36,276
Rental income	45,323	48,020
Other income	2,750	3,447
	<u>790,360</u>	<u>784,363</u>

	2020 £	2019 £
Cost of sales		
Opening stocks	16,616	13,258
Closing stocks	(14,953)	(16,616)
Purchases	252,025	251,148
Fees to performers	26,239	24,549
Other cost of sales	15,648	7,369
Card transaction costs	11,471	9,554
	<u>307,046</u>	<u>289,262</u>

	2020 £	2019 £
Other operating income		
Government grants receivable	9,000	9,000
	<u>9,000</u>	<u>9,000</u>

IVY HOUSE COMMUNITY PUB LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

	2020 £	2019 £
Administration expenses		
Staff salaries	269,040	305,329
Staff national insurance	13,831	15,616
Staff pension costs - defined contribution schemes	4,362	2,965
Other staff costs	8,243	5,821
Hotels, travel and subsistence	20	207
Printing and stationery	1,209	946
Postage	6	11
Telephone	2,547	2,667
Advertising and promotion	3,525	666
Trade subscriptions	3,281	5,823
Professional fees	39,985	25,109
Bank charges	893	507
Sundry expenses	1,315	2,222
Rates	5,134	3,634
Water	2,761	4,071
Light and heat	18,837	17,253
Cleaning	34,433	31,077
Insurances	26,461	19,035
Repairs and maintenance	29,648	30,335
Depreciation - plant and machinery	4,754	5,579
Depreciation - freehold property	26,116	27,969
Equipment	2,510	5,226
Security	1,085	1,207
	<u>499,996</u>	<u>513,275</u>

IVY HOUSE COMMUNITY PUB LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

	2020	2019
	£	£
Interest receivable		
Bank interest receivable	57	202
	<u>57</u>	<u>202</u>
	<u><u>57</u></u>	<u><u>202</u></u>

	2020	2019
	£	£
Interest payable		
Other loan interest payable	15,920	22,237
	<u>15,920</u>	<u>22,237</u>
	<u><u>15,920</u></u>	<u><u>22,237</u></u>