

## Annual Return (AR30) form

Society Name: Dunbar Community Bakery Limited  
 Society Num: 2714 RS

An Annual Return must be completed by all societies registered under the Co-operative and Community Benefit Societies Act 2014 ('the Act') (including any societies previously registered under the Industrial and Provident Societies Act 1965). The Annual Return must include:

- this form;
- a set of the society's accounts; and
- where required, an audit report or report on the accounts.

A society must submit the Annual Return within 7 months of the end of the society's financial year. Failure to submit on time is a prosecutable offence.

Please note that this form, including any details provided on the form, will be made available to the public through the Mutuels Public Register.

For guidance on our registration function for societies, which includes guidance on the requirement to submit an Annual Return, please see [here](#)

### 2.1 What date did the financial year covered by these accounts end?

30/11/2018

### 3.1 Please provide the names of the people who were directors of the society during the financial year this return covers.

Some societies use the term 'committee member' or 'trustee' instead of 'director'. For ease of reference, we use 'director' throughout this form.

Name of Director	Month of Birth	Year of Birth
Erica Wimbush	Jan	1955
Alan Nicholson	Oct	1967
Jo McNamara	May	1953
Jacquie Bell	May	1958
Sarah Watt	Jul	1974
David Williamson	Oct	1947
Duncan McKinnell	Nov	1951
Isobel Knox	Jan	1958

**3.2 All directors must be 16 or older. Please confirm this is this case:**

All directors are aged 16 or over

**3.3 Societies are within the scope of the Company Director Disqualification Act 1986 (CDDA). Please confirm that no director is disqualified under that Act:**

No director is disqualified

**3.4 Please state any close links which any of the directors has with any society, company or authority.**

'Close links' includes any directorships or senior positions held by directors of the society in other organisations.

N/A

**3.5 Please provide the name of the person who was secretary at the end of the financial year this return covers.**

Societies must have a secretary

**Name of Secretary**

**Month of Birth**

**Year of Birth**

Alan Nicholson

Oct

1967

**4.1 Please confirm that:**

accounts are being submitted with this form

the accounts comply with relevant statutory and accounting requirements

the accounts are signed by two members and the secretary (3 signatures in total)

**4.2 Based on the accounts, please provide the information requested below for the financial year covered by this return.**

**Number of members**

1024

**Turnover**

268484

**Assets**

21354

**Number of Employees**

10

**Share Capital**

76636

**Highest rate of interest paid on shares**

0

**4.3 What Standard Industrial Classification code best describes the society's main business?**

Where more than one code applies, please select the code that you feel best describes the society's main business activity. You will find a full list of codes [here](#)

**SIC Code**

**Manufacture of bread; manufacture of fresh pastry goods and cakes (10710)**

\*

Societies are required to appoint an auditor to audited unless they are small or have disapplied this requirement. For further guidance see chapter 7 of our guidance:

<https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf>

**5.1 Please select the audit option the society has complied with:**

- Full Professional Audit
- Auditor's report on the accounts
- Lay Audit
- No audit

**5.2 Please confirm the audit option used by the society is compliant with the society's own rules and the Act**

- We have complied with the audit requirements

**5.3 Please confirm any audit report (where required) is being submitted with this Annual Return**

- Yes
- Not applicable

**5.4 Is this society accepted by HM Revenue and Customs (HMRC) as a charity for tax purposes?**

- Yes
- No

**5.5 If the society is registered with the Office of the Scottish Charity Regulator (OSCR) please provide your OSCR registration number.**

- Registered
- Not applicable

## 5.6 Is the society a housing association?

- No  
 Yes

## 6.1 Is the society a subsidiary of another society?

- Yes  
 No

## 6.2 Does the society have one or more subsidiaries?

(As defined in sections 100 and 101 of the Act)

- Yes  
 No

All societies are registered meeting one of two conditions for registration. These are that the society is either:

- a bona fide co-operative society ('co-operative society'); or
- are conducting business for the benefit of the community ('community benefit society').

You must answer the questions set out in in the next section of this form, depending on which condition for registration you meet.

If you are not sure which condition for registration applies to the society please see chapters 4 and 5 of our guidance [here](#).

## 7.1 Condition for Registration

- Co-operative society  
 Community Benefits society

Community benefit societies must answer the following questions in relation to the financial year covered by this return.

### 7B.1 What is the business of the society?

For example, did you provide social housing, run an amateur sports club etc.

Community-based artisan bakery providing bread, pastry products and savouries for the benefit of the people of Dunbar and its environs.

**7B.2 Please describe the benefits to the community the society delivered?**

Here we are looking to see what the benefits to the community were. Community can be said to be the community at large. For example, did you relieve poverty or homelessness through the provision of social housing.

Quality, fairly priced bakery products.  
Employment opportunities and training opportunities for school leavers and young people.  
Surplus product donated to local food bank.

**7B.3 Please describe how the society's business delivered these benefits?**

The business of the society must be conducted for the benefit of the community. Please describe how the society's business (as described in answer to question 7B.1) provided benefit to the community.

The Society works with Dunbar High School to offer training and employment opportunities to local school leavers and with The Ridge, a Dunbar based social enterprise helping young and vulnerable people. The Society supports local events such as Gala Week and RNLI Lifeboat day as well as other events across East Lothian such as the Scottish National Airshow (East Fortune) and North Berwick Highland Games. The Society also provides retail sales supporting several local retailers and others across East Lothian's rural communities including other community-led enterprises such as the Humble Community Hub.

**7B.4 Did the society work with a specific community, and if so, please describe it here?**

For instance, were the society's activities confined to a specific location; or to a specific group of people? Please note that in serving the needs of any defined community, the society should not inhibit the benefit to the community at large.

Dunbar and its environs, with retail opportunities across wider East Lothian

**7B.5 What did the society do with any surplus or profit?**

For instance, did you pay a dividend to members (and if so, on what basis); did money get reinvested in the business; put into reserves; used for some other purpose?

Any surplus is used to repay loans from shareholders and the Co-operative Bank

**7B.6 Please state any significant commercial arrangements that the society has, or had, with any other organisation that could create, or be perceived as creating, a conflict of interest.**

Please tell us how you ensured that any such conflict of interest did not prevent the society from acting for the benefit of the community.

N/A

**Registration number SP002714**

**Dunbar Community Bakery Limited**  
**Management Committee Report and Accounts**  
**for the year ended 30 November 2018**

## Dunbar Community Bakery Limited

### Company information

Committee	Erica Wimbush Chrisann Morrison Allan Nicholson Jo McNamara Jacqueline Bell Isobel Knox	Chair Treasurer Secretary
Company number	SP002714	
Registered office	60 High Street Dunbar East Lothian EH42 1JH	
Accountants	Ian J Brown and Company 10B High Street Dunbar East Lothian EH42 1EL	
Bankers	Royal Bank Of Scotland Dunbar Branch 105 High Street Dunbar EH42 1ES	

# Dunbar Community Bakery Limited

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## Dunbar Community Bakery Limited

### Directors' report for the year ended 30 November 2018

The Management Committee present their report and the financial statements for the year ended 30 November 2018.

The Management Committee recommends that no dividend be paid in this period.

#### Principal activity

Dunbar Community Bakery Limited is a Community Co-operative with the objects of carrying out any trade, business or service which may seem to the Co-operative to be conducive to its interests generally and to the interests of the Community it is established to serve.

#### Corporate Status

The Society is incorporated with limited liability under the Industrial and Provident Societies Act 1965 to 2003. Net profits shall be applied as follows in such proportions and in such manner as may be decided by the Co-operative at the Annual General Meeting.

- a. First to a general reserve for the continuation and development of the Co-operative
- b. Secondly in paying dividends on issued share capital at a rate not exceeding 10%
- c. Thirdly in making payments for social or charitable purposes within the community served by the Co-operative.

#### Members and Capital

In the year 34 new Members joined the Society, contributing £1180. Each share is issued at a value of £1 and each member has only one vote.

#### Management Committee

The Committee comprises not less than 3 and not more than 15 members.

Only members of the co-operative and representatives of organisations which are members may stand for election. New committee members are to be elected in accordance with procedures established by the co-operative. Generally committee members hold office until the next AGM following their election. Retiring members are eligible for re-election.

The committee members during the period were:

		Date Appointed	Date Resigned	Shares Held
Erica Wimbush	Chair			1020
Chrisann Morrison	Treasurer	Mar 2019		0
Duncan McKinnell	Treasurer		May 2018	600
Alan Nicholson	Secretary			30
Dave Williamson	Secretary		May 2018	1200
Jo McNamara				100
Sarah Watt			Sep 2018	20
Jacqueline Bell				100
Ian Seward		Sep 2018	Mar 19	20
Isobel Knox		Oct 2018		500

## **Dunbar Community Bakery Limited**

### **Directors' report for the year ended 30 November 2018**

..... continued

#### **Statement of Management Committee Responsibilities**

We are required by law to prepare financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Policies, which give a true and fair view of the state of affairs of the Society at the end of the financial year and of the result for the period to that date. In preparing those financial statements we are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is not appropriate to presume that the Society will continue in business.

We are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Society and to enable us to ensure that the financial statements comply with the Industrial and Provident Act 1965 and the Friendly and Industrial and Provident Societies Act 1968. We are also responsible for safeguarding the assets of the Society and for taking reasonable steps for the prevention and detection of fraud and other irregularities, such as money laundering.

#### **Going Concern**

We are satisfied that the Society has adequate resources to operate as a going concern for the foreseeable future.

#### **The Management of Risk**

We are satisfied that the Society has a sound system of internal control to safeguard its assets and funds. The system of internal control is intended to manage rather than eliminate risks, and to give reasonable rather than absolute assurance.

The Society operates a system of internal controls which are designed to mitigate these risks. The procedures used by the Management Committee to monitor the Society and its internal control system include:

- An original business plan, which is being revised over time as the evolving situation dictates.
- Regular reporting of actual performance in terms of income and expenditure at monthly committee meetings.
- Annual review of the major risks to which the Society is exposed and the steps taken by management to mitigate those risks.
- The compilation and publication of annual financial accounts, which are reviewed by the committee.

As noted above, at least once a year, the committee reviews the major risks to which the Society is exposed, and the measures taken to mitigate these risks. The Management Committee identified the following categories as most significant:

- Fraud and misappropriation of assets
- Insufficient capital to continue trading
- Completeness of accounts
- "Ultra Vires" decisions being made during formal meetings

The Management Committee exercise their responsibilities for risk management primarily through receiving and considering reports from management at their regular board meetings.

**Dunbar Community Bakery Limited**

**Directors' report  
for the year ended 30 November 2018**

..... continued

This report was approved by the Management Committee on 28 June 2019 and signed on its behalf by



**Alan Nicholson**  
**Secretary**

Registered Office  
60 High Street  
Dunbar  
EH41 1JH

## **Dunbar Community Bakery Limited**

### **Chartered Accountants' report to the Board of Directors on the unaudited accounts of Dunbar Community Bakery Limited**

We report on the financial statements on pages 5 to 10 for the year ended 30 November 2018. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

#### **Respective Responsibilities of Officers & Reporting Accountants**

As explained more fully in the Statement of Management Committee Responsibilities set out on page five, the officers are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to carry out procedures designed to enable us to report our opinion in accordance with applicable law and Standards for reporting accountants' applicable in the United Kingdom.

As described on page five the Management Committee are responsible for the preparation of the financial statements. It is our responsibility to carry out procedures designed to enable us to report our opinion.

#### **Basis of Opinion**

Our work was conducted in accordance with the Statements of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the Society, and making such limited enquiries of the officers of the Society as we considered necessary for the purposes of this report. These procedures provide the only assurance expressed in our opinion.

#### **Unqualified Opinion**

In our opinion:

- (a) the income and expenditure account and the balance sheet, are in agreement with the accounting records kept by the Society under s.1 of the Friendly and Industrial and Provident Societies Act 1968.
- (b) having regard to, and on the basis of, the information contained in those accounting records, the 'income and expenditure account' and balance sheet have been drawn up in a manner consistent with the accounting requirements of the Industrial and Provident Societies Act 1965 and the Friendly and Industrial Provident Societies Act 1968.
- (c) the Society satisfied the conditions for exemption from an audit of the financial statements for the year specified in s4(a)(1) of the Friendly and Industrial and Provident Societies Act 1968, and did not, at any time within that year, fall within any of the categories not entitled to the exemption specified in S4(a)(3) of the Friendly and Industrial and Provident Societies Act 1968.



**Ian J Brown and Company**  
**Chartered Accountants**

**28 June 2019**

**10B High Street**  
**Dunbar**  
**East Lothian**  
**EH42 1EL**

**Dunbar Community Bakery Limited**  
**Society profit and loss account**  
**for the year ended 30 November 2018**

	2018		2017	
	£	£	£	£
<b>Turnover</b>		268,484		245,025
<b>Cost of sales</b>				
Opening stock	2,500		1,800	
Purchases	74,201		65,180	
Closing stock	(3,000)		(2,500)	
		<u>(73,701)</u>		<u>(64,480)</u>
<b>Gross profit</b>	73%	194,783	74%	180,545
<b>Administrative expenses</b>				
Wages and salaries	115,879		115,362	
Employer's NI contributions	1,822		2,731	
Staff def. ben. scheme current service cost	2,617		-	
Rent payable	9,057		7,800	
Rates	1,373		1,256	
Insurance	901		528	
Light and heat	11,129		10,086	
Cleaning	2,799		3,006	
Repairs and maintenance	13,421		5,080	
Printing, postage and stationery	1,077		1,964	
Advertising	50		175	
Telephone	582		416	
Computer costs	225		168	
Hire of equipment	60		10	
Legal and professional	7,760		4,425	
Accountancy	1,880		1,815	
Bank charges	2,226		2,081	
Credit card charges	349		722	
Bad debts	362		3,177	
Consumables	1,466		26	
General expenses	1,335		122	
Charitable donations - other	50		110	
Subscriptions	568		50	
Amortisation on short leasehold	2,705		2,848	
Depreciation on fixtures & equipment	2,734		3,009	
		<u>182,427</u>		<u>166,967</u>
<b>Operating profit</b>		12,356		13,578
<b>Other income receivable</b>				
Grants received	2,000		500	
		<u>2,000</u>		<u>500</u>
<b>Interest payable</b>				
Interest on loans repayable in more than 5 years	2,498		2,845	
		<u>(2,498)</u>		<u>(2,845)</u>
<b>Net profit for the year before taxation</b>		<u>11,858</u>		<u>11,233</u>

The notes on pages 7 to 10 form an integral part of these financial statements.

**Dunbar Community Bakery Limited**

**Balance sheet  
as at 30 November 2018**

<b>Fixed assets</b>			
Tangible assets	7	59,603	63,133
<b>Current assets</b>			
Stocks		3,000	2,500
Debtors	8	11,682	8,148
Cash at bank and in hand		19,506	13,140
		<u>34,188</u>	<u>23,788</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(12,834)</u>	<u>(11,941)</u>
<b>Net current assets</b>		<u>21,354</u>	<u>11,847</u>
<b>Total assets less current liabilities</b>		80,957	74,980
<b>Creditors: amounts falling due after more than one year</b>	10	<u>(37,897)</u>	<u>(47,806)</u>
<b>Net assets</b>		<u>43,060</u>	<u>27,174</u>
<b>Capital and reserves</b>			
Called up share capital	11	76,636	75,456
Profit and loss account	12	<u>(33,576)</u>	<u>(48,282)</u>
<b>Shareholders' funds</b>	13	<u>43,060</u>	<u>27,174</u>

These accounts were approved by the Management Committee and authorised for issue on 28 June 2019.

**Erica Wimbush**  
Director

**Chrisann Morrison**  
Director

The notes on pages 7 to 10 form an integral part of these financial statements.

## Dunbar Community Bakery Limited

### Notes to the financial statements for the year ended 30 November 2018

#### 1. Accounting policies

##### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

Interest on loans and bank balances is credited to the profit and loss accounts as it accrues

##### 1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

##### 1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	25% Reducing Balance

##### 1.4. Stock

Stock is valued at the lower of cost and net realisable value.

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

#### 2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

#### 3. Operating profit

Operating profit is stated after charging:

Depreciation and other amounts written off tangible assets

and after crediting:

Government grants

	2018 £	2017 £
Depreciation and other amounts written off tangible assets	5,439	5,857
Government grants	2,000	500

No member of the Management Committee received payment during the year.

**Dunbar Community Bakery Limited**

**Notes to the financial statements  
for the year ended 30 November 2018**

..... continued

<b>4.</b>	<b>Interest payable and similar charges</b>	<b>2018</b>	<b>2017</b>
		£	£
	On loans repayable in five years or more	2,498	2,845
		<u>          </u>	<u>          </u>

**5. Pension costs**

The company operates a workplace pension scheme for eligible employees who have not opted out.

		<b>2018</b>	<b>2017</b>
		£	£
	<b>Analysis of the amount charged to operating profit</b>		
	Current service cost	2,617	-
		<u>          </u>	<u>          </u>
		<u>2,617</u>	<u>          </u>

**6. Tax on profit on ordinary activities**

		<b>2018</b>	<b>2017</b>
		£	£
	<b>Analysis of charge in period</b>		
	<b>Current tax</b>		
	UK corporation tax	(2,848)	-
		<u>          </u>	<u>          </u>



Dunbar Community Bakery Limited

Notes to the financial statements  
for the year ended 30 November 2018

..... continued

7. Tangible fixed assets	Long leasehold property £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
At 1 December 2017	80,812	46,182	126,994
Additions	-	1,909	1,909
At 30 November 2018	<u>80,812</u>	<u>48,091</u>	<u>128,903</u>
<b>Depreciation</b>			
At 1 December 2017	26,706	37,155	63,861
Charge for the year	2,705	2,734	5,439
At 30 November 2018	<u>29,411</u>	<u>39,889</u>	<u>69,300</u>
<b>Net book values</b>			
At 30 November 2018	<u>51,401</u>	<u>8,202</u>	<u>59,603</u>
At 30 November 2017	<u>54,106</u>	<u>9,027</u>	<u>63,133</u>
<b>8. Debtors</b>		<b>2018</b> £	<b>2017</b> £
Trade debtors		10,556	6,336
Other debtors		1,083	512
Prepayments and accrued income		43	1,300
		<u>11,682</u>	<u>8,148</u>
<b>9. Creditors: amounts falling due within one year</b>		<b>2018</b> £	<b>2017</b> £
Loans		6,087	6,087
Trade creditors		4,482	2,167
Corporation tax		(2,848)	-
Other taxes and social security costs		2,863	1,239
Accruals and deferred income		2,250	2,448
		<u>12,834</u>	<u>11,941</u>

**Dunbar Community Bakery Limited**

**Notes to the financial statements  
for the year ended 30 November 2018**

..... continued

	2018	2017
	£	£
<b>10. Creditors: amounts falling due after more than one year</b>		
Loans	<u>37,897</u>	<u>47,806</u>
 <b>11. Share capital</b>		
	2018	2017
	£	£
<b>Allotted, called up and fully paid</b>		
76,636 Ordinary shares of £1 each	<u>76,636</u>	<u>75,456</u>
 <b>Equity Shares</b>		
76,636 Ordinary shares of £1 each	<u>76,636</u>	<u>75,456</u>

At 30th November 2011, the Management Committee suspended the withdrawal of shares. The entitlement of members to the assets of the Society is limited to the shares that they hold in the Society, together with any interest declared by directors on this shares.

Each share is issued at a nominal £1 per share and each member has only one vote.

	Profit and loss account	Total
	£	£
<b>12. Equity Reserves</b>		
<b>At 1 December 2017</b>	(48,282)	(48,282)
Profit for the year	14,706	14,706
<b>At 30 November 2018</b>	<u>(33,576)</u>	<u>(33,576)</u>
 <b>13. Reconciliation of movements in shareholders' funds</b>		
	2018	2017
	£	£
Profit for the year	14,706	11,233
Net proceeds of equity share issue	1,180	2,090
Net addition to shareholders' funds	<u>15,886</u>	<u>13,323</u>
Opening shareholders' funds	27,174	13,851
Closing shareholders' funds	<u>43,060</u>	<u>27,174</u>