

**Society No.: 32418R**

**DEVELOPMENT CO-OPERATIVE LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31<sup>st</sup> March 2020**

**(Period: 1st April 2019 – 31st March 2020)**

**Secretary: M. Strube  
Registered Office: 10 East Reach, Taunton, TA1 3EW  
Principal Bankers: Unity Trust Bank**

**The financial statements for the year have been produced without audit.**

### **DIRECTORS' REPORT FOR THE YEAR**

The directors present their report and the financial statements for the year.

### **PRINCIPAL ACTIVITIES**

The co-operative's principal trading activity during the year was collaborative bidding for larger contracts relating to co-operative development and consultancy, alone or in partnership with others.

Development Co-operative is a consortium of Co-operative Development Bodies (CDBs) affiliated to Co-operatives UK. The co-operative aims to fill the current gap in the market for a dedicated co-operative development body with the capacity to engage in large-scale contracts and projects at UK, English- national and regional levels. The co-operative plans to combine, co-ordinate and channel the capacities of its members, and the skills and expertise of their specialist advisers, to provide a coherent and seamless co-operative development service in regions and sectors where no service currently operates at scale.

### **BUSINESS REVIEW**

During the period 2019-20, the new directors researched a range of opportunities including co-operative hub development and online services; and built relationships with a wider range of agencies, funders and partners.

### **SHARE MOVEMENTS**

Shares held at the start of the year was £2,600. During the year, £1,430 of shares were applied for (and purchase agreed) by supplier members. At year end, a further £2,816 of shares were applied for (and purchase approved) by supplier members as part-payment of invoices outstanding.

### **GOING CONCERN**

The directors note that the net worth of the business is negative £1,226. The amount outstanding to creditors and accruals (£2,325) exceeds the cash at bank and trade debtors (£1,100). However, £2,265 of the liabilities is owing to members who have agreed to extend such credit as may be necessary. Therefore, the directors believe the society to be solvent and able to continue to trade.

### **PLANS FOR FUTURE PERIODS**

We have now developed a business plan that will support a share offer to social investors and will form the basis of applications to funding bodies. We are continuing to engage with the Co-op Councils' Innovation Network and Co-operatives UK, and we aim to complement the work of other co-op development consortia such as Platform Six.

### **DIVIDEND AND TRANSFER TO RESERVES**

The directors have recommended that no dividends are paid this financial year.

### **FIXED ASSETS**

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

### **DIRECTORS**

The directors at the balance sheet date and at the beginning of the year (or on appointment if later), were as follows:

Alex Lawrie  
Jane Avery  
Dorothy Francis (retired 18th March 2020)  
Martin Strube  
Josef Davies-Coates  
John Merritt (appointed 8th January 2020)

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The law governing Co-operative and Community Benefit Societies requires the directors to prepare financial statements for each financial year which give a true and fair record of the affairs of the society and of the profit or loss of the society for that period. In preparing those financial statements the directors 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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and to 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.

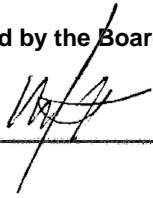
**DEVELOPMENT CO-OPERATIVE LIMITED  
YEAR ENDED 31ST MARCH 2020**

**AUDIT REPORT**

In accordance with section 84(1) of the Co-operative and Community Benefit Societies Act 2014, the society voted at the AGM to disapply the audit requirement.

**Approved by the Board on 5th March 2021 and signed on its behalf by:**

Signed



**Martin Strube**  
Name

**Secretary**  
Position

**DEVELOPMENT CO-OPERATIVE LIMITED**  
**YEAR ENDED 31ST MARCH 2020**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR**

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
<b>SALES</b>	1	138	775
<b>COST OF SALES</b>		<u>-</u>	<u>-</u>
<b>GROSS PROFIT</b>		138	775
<b>ADMINISTRATIVE EXPENSES</b>	4	(8,698)	(950)
<b>DEPRECIATION</b>	6	-	-
<b>OPERATING PROFIT</b>		<u>(8,561)</u>	<u>(175)</u>
<b>OTHER INCOME</b>			
Donations		-	-
Bank interest	7	<u>-</u>	<u>-</u>
<b>TOTAL OTHER INCOME</b>		-	-
<b>MEMBER DIVIDEND</b>	5	-	-
<b>NET PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(8,561)</u>	<u>(175)</u>
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	8	-	-
<b>RETAINED PROFIT</b>		<u><u>(8,561)</u></u>	<u><u>(175)</u></u>

None of the society's activities were acquired or discontinued during the above two financial years.

The society has no recognised gains or losses other than those dealt with in the profit and loss account.

The "Notes to the financial statements" form part of these financial statements.

**DEVELOPMENT CO-OPERATIVE LIMITED  
YEAR ENDED 31ST MARCH 2020**

**BALANCE SHEET AT YEAR END**

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
<b>Fixed Assets</b>			
Fixed Assets	9	-	-
Investments	10	-	-
		-	-
<b>Current Assets</b>			
Cash	11	964	2,741
Debtors, Prepayments & Work In Progress	12	136	78
		1,100	2,819
<i>less</i>			
<b>Current Liabilities</b>			
Creditors: Amounts falling within one year	13	2,325	-
		(1,226)	2,819
<b>Net Current Assets</b>		(1,226)	2,819
<b>Total Assets Less Current Liabilities</b>		(1,226)	2,819
		-	-
<b>Creditors: Amounts falling due after more than one year</b>	14	-	-
<b>Net Worth</b>		(1,226)	2,819
<b>Financed By:</b>			
Reserves b/f		219	394
Profit for Year	15	(8,561)	(175)
Shares	16	7,116	2,600
	17	(1,226)	2,819

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within the Co-operative and Community Benefit Societies Act 2014.


The "Notes to the financial statements" form part of these financial statements.

The directors have taken advantage of the exemption conferred not to have these financial statements audited.

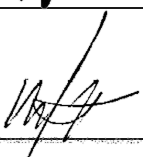
The director acknowledge their responsibilities for ensuring that:-

- i) The society keeps accounting records which comply with the Co-operative and Community Benefit Societies Act 2014
- ii) The financial statements give a true and fair view of the state of affairs of the society as at year end and of its profit for the year then ended, and which otherwise comply with the requirements of the Co-operative and Community Benefit Societies Act, 2014 relating to financial statements, so far as is applicable to the society.


**Approved by the Board on 5th March 2021 and signed on its behalf by:**

Signed 

Alex Lawrie Director  
Name Position

Signed 

Martin Strube Director  
Name Position

Signed 

Josef Davies-Coates Director  
Name Position

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**

**Notes**

**1. GENERAL INFORMATION**

Development Co-operative Limited is a Co-operative Society limited by shares under the Co-operative and Community Benefit Societies Act 2014.

The address of its registered office is:

10 East Reach  
 Taunton  
 TA1 3EW  
 United Kingdom

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF ACCOUNTING**

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

**2.2 TURNOVER**

Turnover represents the total invoice value of services rendered during the year.

For member subscriptions, there has been a change in accounting policy in this financial year. The member subscription income for 2016 (£800) included the value of invoices which had been raised during the year but remained unpaid at the year end. In 2017, the policy was amended so that the income for member subscriptions for 2017 (£225) only includes that income which had actually been paid at the year end.

**2.3 DEPRECIATION**

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Office equipment	50% Reducing balance
Furniture & Fittings	20% Reducing balance

**2.4 DEFERRED TAXATION**

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

**2.5 GOODWILL**

Purchased goodwill is written off immediately against reserves. Goodwill which is generated by the activities of the society is not recognised as an asset on the balance sheet and the associated costs are written off to the profit and loss account when they are incurred.

**2.6 WORK IN PROGRESS**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

**2.7 CASH FLOW STATEMENT**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the society is small.

**2.8 ACCOUNTING PERIOD**

The accounting period covers the period from 1st April 2018 to 31st March 2019.

**3. EMPLOYEES**

Average number of persons employed by the society.

	<b>2020</b>	<b>2019</b>
	<u>          </u>	<u>          </u>
	-	-
	<u>          </u>	<u>          </u>

**4. DIRECTORS' REMUNERATION**

Wages and salaries, including Social Security costs

	<u>          </u>	<u>          </u>
	-	-
	<u>          </u>	<u>          </u>

**DEVELOPMENT CO-OPERATIVE LIMITED**  
**YEAR ENDED 31ST MARCH 2020**

	2020	2019
<b>5. MEMBER DIVIDENDS</b>		
Interim dividend paid	-	-
Final dividend paid	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>6. OPERATING PROFIT</b>		
The operating profit is stated after charging:		
Depreciation	-	-
	<u>-</u>	<u>-</u>
<b>7. INTEREST RECEIVED</b>		
Interest receivable	-	-
	<u>-</u>	<u>-</u>
<b>8. CORPORATION TAX ANNUAL RETURN</b>		
Corporation tax chargeable	-	-
Adjustment for previous years	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>9. TANGIBLE ASSETS</b>		
Cost at beginning of year	-	-
Additions during year	-	-
<b>At year end</b>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Depreciation at beginning of year	-	-
Depreciation charge during period	-	-
<b>Depreciation at year end</b>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>Net book value at year end</b>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Net book value at beginning of year	-	-
<b>10. SHARES HELD IN OTHER CO-OPERATIVES</b>		
	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>11. CASH</b>		
Current bank account	964	2,741
Deposits and Cash	-	-
	<u>964</u>	<u>2,741</u>
	<u>964</u>	<u>2,741</u>
<b>12. DEBTORS, PREPAYMENTS &amp; WORK IN PROGRESS</b>		
Trade debtors	75	-
Other debtors	-	-
Work in progress	-	-
Prepayments	-	-
VAT	61	78
	<u>136</u>	<u>78</u>
	<u>136</u>	<u>78</u>
<b>13. CREDITORS; AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Trade creditors	1,485	-
Other Creditor	-	-
Corporation Tax	-	-
PAYE	-	-
Wages	-	-
Loans	-	-
Payments received in advance	-	-
Accruals	840	-
Bank account overdraft	-	-
	<u>2,325</u>	<u>-</u>
	<u>2,325</u>	<u>-</u>

**DEVELOPMENT CO-OPERATIVE LIMITED**  
**YEAR ENDED 31ST MARCH 2020**

	<b>2020</b>	<b>2019</b>
<b>14. CREDITORS; AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
Loans	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>15. PROFIT &amp; LOSS ACCOUNT</b>		
Retained profits at beginning of year	219	394
Profits during the year	<u>(8,561)</u>	<u>(175)</u>
Retained profits at year end	<u>(8,342)</u>	<u>219</u>
<b>16. SHARE CAPITAL</b>		
Allotted, called up and fully paid		
Ordinary shares of £1 each	7,116	2,600
	<u>7,116</u>	<u>2,600</u>
	<u>7,116</u>	<u>2,600</u>
<b>17. RECONCILIATION OR MOVEMENTS IN MEMBERS FUNDS</b>		
Profit for the financial year	<u>(8,561)</u>	<u>(175)</u>
	<u>(8,561)</u>	<u>(175)</u>
New shares subscribed	<u>4,516</u>	<u>(1,700)</u>
New addition to members' funds	<u>(4,045)</u>	<u>(1,875)</u>
Members' funds at beginning of year	2,819	4,694
Members' funds at year end	<u>(1,226)</u>	<u>2,819</u>
	<u>(1,226)</u>	<u>2,819</u>
Represented by:-		
Equity interests:-		
Share capital	7,116	2,600
Retained profit at year end	<u>(8,342)</u>	<u>219</u>
	<u>(1,226)</u>	<u>2,819</u>
	<u>(1,226)</u>	<u>2,819</u>

**18. TRANSITION TO FRS 102**

FRS 102 (Section 1A) was adopted for the year commencing 1 April 2016. There have been no adjustments as a consequence of the adoption of FRS 102 1A.



Management Information

	2020	2019
SALES	138	775
COST OF SALES	-	-
	<hr/>	<hr/>
GROSS PROFIT	138	775
ADMINISTRATIVE EXPENSES	(8,698)	(950)
DEPRECIATION	-	-
OPERATING PROFIT	<hr/> (8,561)	<hr/> (175)
INTEREST RECEIVABLE		
Donations	-	-
Bank interest	<hr/> -	<hr/> -
TOTAL OTHER INCOME	-	-
	<hr/>	<hr/>
NET PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(8,561)	(175)

**DEVELOPMENT CO-OPERATIVE LIMITED**  
**YEAR ENDED 31ST MARCH 2020**

	<b>2020</b>	<b>2019</b>
<b>SALES</b>		
Membership	138	775
	<hr/>	<hr/>
	138	775
<b>COST OF SALES</b>		
Membership Dividend	-	-
	<hr/>	<hr/>
	-	-
<b>GROSS PROFIT</b>		
Member Subscriptions	138	775
	<hr/>	<hr/>
	138	775
<b>ADMINISTRATIVE EXPENSES</b>		
Project Development	5,704	-
Administration	844	-
Legal	5	-
Accountancy & Bookkeeping	840	-
ICT	156	-
Governance	76	597
Insurance	-	-
Website	951	233
Subscriptions	50	120
Bank Charges & Interest	72	-
Bad Debts / Write offs	-	-
	<hr/>	<hr/>
	8,698	950