

Registered number: 2582R

**Tamworth Co-operative Society Limited**

Directors' Report and Financial Statements

For the 52 weeks Ended 22 January 2022



# Tamworth Co-operative Society Limited

## Society Information

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### CO-OPERATIVE MISSION STATEMENT

Our mission is to challenge conventional UK enterprise by building a commercially successful family of businesses that offers a clear co-operative advantage, the advantage being the provision of excellent products or services with distinct competitive benefits derived from our values and principles, our rewards for members and our commitment to the communities we serve.

#### Directors

Mrs A A Higginson \*+o (Vice Chairman from 19 May 2020)  
Mrs A Brindley o  
Mr A M King (resigned 14 June 2021)  
Mr A V King \*+^o  
Mrs S D Peaple \*+  
Mrs S Preece \*o^x  
Mr R W Read o^+x\* (Chairman reappointed 19 May 2020)  
Mr D M Rose \*o+x  
Mr S Horsham  
Mr M Jackson \*^ (appointed 21 July 2021)

\* Member of the Remuneration Committee  
+ Member of the Search Committee  
o Pension Fund Trustees  
x Member Relations Committee  
^ Member Health & Safety Committee

#### Registered number

2582R

#### Registered office

5 Colehill  
Tamworth  
Staffordshire  
B79 7HA

#### Management executive

Julian Coles FCCA ACIS - Chief Executive Officer and Secretary  
Andrew N. Richardson ACMA - Deputy Chief Executive Officer  
Amanda J. Woodward MBIE - General Manager – Funeral Services  
Julie Gasper - Business Support Manager  
Daniel Welsh - General Manager - Food

#### Independent auditors

Dains Audit Limited  
15 Colmore Row  
Birmingham  
B3 2BH

#### Bankers

Lloyds Bank Plc  
17 George Street  
Tamworth  
Staffordshire  
B79 7LW

#### Solicitors

Rutherfords LLP  
Ventura Park Road  
Tamworth  
Staffordshire  
B78 3HL

Fishers Solicitors  
4-8 Kilwardby Street  
Ashby De La Zouch  
Leicestershire  
LE65 2FU

# Tamworth Co-operative Society Limited

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# Tamworth Co-operative Society Limited

## Notice of Meeting For the 52 weeks Ended 22 January 2022

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### Annual General Meeting

#### Notice of Meeting

Notice is hereby given that the Annual General Meeting of the Society will be held on :

The Catering Suite  
Tamworth Funeral Home  
The Mews  
35 - 37 Upper Gungate  
Tamworth  
B79 7NZ

25 May 2022  
(subject to Government restrictions)

(1) Admission on presentation of a Valid Pass Card

By Order of the Board



Julian Coles  
Secretary

Date 15 March 2022

#### Agenda

1. To confirm the Minutes of the Annual General Meeting held on 14 July 2021.
2. To elect scrutineers
3. To receive the Report of the Board of Directors.
4. To receive the Annual Report and Accounts of the society for the 52 weeks ended 22nd January 2022, together with the Report of the Auditors.
5. To confirm donations authorised by the Board of Directors
6. To declare the results of the election to the Board of Directors
7. To appoint Dains LLP as Auditors for 2022/2023.
8. Any other business

## Tamworth Co-operative Society Limited

### Strategic Report For the 52 weeks Ended 22 January 2022

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#### Other key performance indicators

	2018	2019	2020	2021	2022
Return on capital employed.	9.0	6.8	7.3	10.5	7.9
Surplus before distribution and impairment charges as a percentage of sales.	4.4	3.5	2.8	5.2	4.5
Trading surplus after depreciation as percentage of sales.	5.3	4.0	4.1	5.4	4.6
Trading surplus before depreciation as percentage of sales.	7.7	6.2	6.5	7.5	6.7
Gearing percentage.	7.8	10.9	10.9	10.0	7.7
Interest cover (times)	51.7	84.2	52.2	298.8	322.5
Retention as percentage of sales.	3.2	2.4	1.8	4.3	3.0
Capital expenditure as a percentage of sales.	2.2	3.6	3.0	4.2	3.0
Total net assets (£000)	13,155	13,681	12,950	14,230	16,314
Represented by:					
Share capital (£000)	2,393	2,381	2,249	2,232	2,309
Reserves (£000)	10,762	11,300	10,701	11,998	14,005

Note: All figures have been calculated in line with current Co-operatives UK Recommendations, and updated where applicable.

**Directors' Report  
For the 52 weeks Ended 22 January 2022**

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The Directors present their report and the financial statements for the 52 weeks ended 22 January 2022.

**Financial review**

The year remained exceptionally difficult for staff in all departments of the Society. The Board would like to start this report by expressing their gratitude to all employees for the continuing hard work under Covid restrictions. At the point of this narrative being finalised in March 2022 restrictions are now being lifted after a two year period that has caused such upheaval across the UK.

The financial year consisted of 52 trading week and that was the same length as the prior year. Total turnover reached £27,765,000 which overall was a reduction of just £23,000 on the prior year. Like for like food sales were at a lower level than the prior year which was significantly affected by exceptional Covid demand. Overall Food sales slightly exceeded the prior year and that reflected continuing growth at the relocated Dordon Convenience Store. The value of funeral arrangements and memorial sales exceeded the prior year. During 2021/2022 we ceased trading in the Department Store but the reported turnover in that Division exceeded the prior year due to earlier lockdown closure periods. Comparisons on the Revenue Account remain quite complicated from factors such as Covid as well as significant property repairs. For the current year we are reporting a trading surplus of £1,290,000 and that is down by £204,000 or 13.7% on the prior period. Items below the trading line total a reduction of £30,000 this year and that compares to a reduction of £40,000 in the previous year. In that earlier period there was other operating income which was significantly higher by £486,000 and that reflected higher Government grant support as well as the inclusion of Funeral Bond tax credits for previous periods. The surplus for the period before distributions was £1,260,000, adverse to the prior year by £194,000 or 13.3%. Dividends declared in the year were higher at £150,000 as the Board declared a dividend of 4% following the very strong results last year. The overall surplus before taxation was £1,080,000 which was significantly higher than our internal targets set at the start of the year.

Within the Food Division, we have refurbished two locations during the year and that was the Convenience Stores at Lichfield and Stretton. Both locations have performed well since the work was carried out and report like for like sales increases over the prior year. For the Funeral Division, the total number of arrangements carried out was down on the prior year but very much in line with our longer term averages. A new fleet of funeral vehicles is on order for the Department and delivery is expected in the summer of 2022. The Property Division continues to recover after the challenges from the Covid period with income increasing to £512,000 against £408,000 in the prior year. We have carried out some major property repairs to the estate and this was particularly to our properties at 8 and 9 Colehill. The Department Store itself ceased trading primarily in the summer, although some of our concessions partners continued to trade from the premises until close to the end of the financial year. The Mobility concession has now relocated to the former Thomas Cook Travel unit which we are retaining. The sale of the rest of the Department Store premises to Tamworth Borough Council completed on Friday 4th March 2022. The Council are receiving grants under the Future High Street Fund for a significant redevelopment. The Society will be relocating its Members Services, Bereavement Centre and administrative offices to 8 Colehill when necessary building work there is completed during spring 2022. The Society is utilising temporary premises for a short period whilst that work is completed.

There are some forthcoming important changes to our Management Executive. Amanda Woodward our General Manager for the Funeral Division has decided to retire in March 2022 and Glen Speak, current Deputy Funeral Manager, will take over from the 1st April 2022. Amanda has been with the Society for nearly 30 years and our Funeral operations have developed very significantly under her excellent leadership. Amanda had other responsibilities beyond the Funeral Department and a new appointment of Senior General Manager has been made for Dan Welsh also effective from 1st April 2022. Dan heads up our Food business and will become the third senior Manager across the Society from April.

For the future, the Society is working hard to finalise arrangements for Funeral Bonds, which will become regulated by the FCA from the 29th July 2022. The Society is not itself applying for FCA registration but will be working closely with a much larger financial organisation called Ecclesiastical who are applying for FCA registration in this sector. That will mean Funeral Bond arrangements will transfer to Ecclesiastical and we will be the nominated Funeral Director so that arrangements will be carried out in the exactly the same way as customers had arranged with us. We will shortly be writing to all of our customers that will be affected by this change. In future years that will change the Society Balance Sheet quite significantly as at the current time we have active investments that support those Bonds as assets and then Creditors for the liability against those Funeral arrangements when they fall due. Both of the assets and liabilities will then transfer to Ecclesiastical. This change does not affect the overall net assets of the Society.

During the current year, the Society net assets have increased to £16.3m from £14.2m previously. This reflects the surplus reported as well as a reduction in the Pension liability which is now showing on the Balance Sheet at £5.9m compared to £7.2m previously. The Society remains in good financial health with cash deposits of £4.3m as at the Year End date. Given the strong results reported the Board have agreed a dividend of 3% to be declared.

## Tamworth Co-operative Society Limited

### Directors' Report (continued) For the 52 weeks Ended 22 January 2022

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#### Dividend

The Board of Directors remains mindful of the importance of Dividends to our Members and the Board has decided that due to the strong financial performance it would enhance the dividend payment recommended to 4% for this year.

The Dividend distributed is as follows:

	<b>Recommended 2022</b>	<b>Paid May 2021</b>
Members Dividend	115,839	153,436
Waived Dividends to Charities	10,836	11,656
Dividend Vouchers not Redeemed	<u>(10,000)</u>	<u>(15,000)</u>
Total	<u>116,675</u>	<u>150,092</u>

#### Community Dividend 2021/2022:

Church Street Food Store	-	Moorgate Primary Academy	£915
Bolehall	-	Ankermoor Primary Academy	£826
Dosthill	-	Dosthill Primary Academy	£970
Dordon	-	Dordon Primary School	£1,067
Glascote	-	William McGregory Primary School	£1,355
Kingsbury	-	Kingsbury Primary School	£875
Lichfield	-	Willows Primary School	£500
Polesworth	-	Nethersole C of E Academy	£831
Rosliston	-	Rosliston Church of England Primary School	£683
Stretton	-	The Fountains High School	£506
Whittington	-	Whittington Primary School	£697
Wood End	-	Wood End Primary School	£776

The Board agreed a minimum payment of £500 to each store.

For Financial Year 2022/2023 the Board intend to allocate £8,000 to local branches of the Samaritans, whilst a further £2,000 will be allocated to the other causes.

#### Membership

Details of Membership are recorded below:

	<b>Open Accounts</b>	<b>Suspended Accounts</b>
Opening balance as at 24 January 2021	20,741	20,458
New Members during the year	513*	-
Closed Accounts	(227)	-
Transfers from Suspended	35	(35)
Closing balance as at 22 January 2022	<u>21,062</u>	<u>20,423</u>

\* - Excludes employee members loaded on to the system for the purpose of the staff discount scheme

#### Search Committee

The Society has established a Search Committee comprising five Members of the Board of Directors, fully detailed on the society information page, and this is responsible for the following duties:

- Formulate plans for succession for members of the Management Executive.
- Regularly evaluate the balance of skills, knowledge and experience on the Board.
- Inform the Chief Executive of any skills deficiencies on the Board and ensure that the necessary training be provided.

Recommendations from the Search Committee are made to the full Board of Directors.

### **Remuneration policy**

The Remuneration Policy set by the Board and individual Remuneration Packages for Executive Management are determined by the Remuneration Committee within the framework of its Policy.

Details of Directors who are Members of the Remuneration Committee during the period ended 22nd January 2022 can be found on the society information page of the Report.

The Remuneration Committee has access to independent advice where it considers it appropriate.

Formal terms of reference have been agreed by the Board of Directors and the Committee has met on three occasions during the financial year ended 22nd January 2022. Minutes of the Committee Meetings are provided to the Board of Directors at the Board Meeting following the Meeting of this Committee and the Board considers any recommendations made to it.

The duties of the Committee are to determine and agree with the Board the remuneration and contractual position of the Society's Chief Executive and other Members of the Executive Management.

They also recommend to the Board of Directors where they consider changes should be made to Director Remuneration.

In determining such policy, they take into account all factors which they deem necessary. The objective of such a policy is to ensure that Members of the Management Executive of the Society are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Society. They approve the design of, and determine targets, for any performance related Pay Schemes and approve the total annual payments made under such Schemes.

In determining such packages and arrangements, they give due regard to any relevant legal requirements and review and note annually the Remuneration trends across the Society.

Further details concerning Executive Remuneration can be found on page 31.

The Remuneration of Directors is linked to the Retail Price Index except when other proposals are placed before Members at an Annual General Meeting.

### **Member Relations**

Due to the pandemic the operation of this sub committee was suspended until further notice. It has not been possible to organise and operate the normal activities for members since March 2020.

### **Retirements**

The Society remembers Employees who have retired during the year and extends its very grateful and sincere thanks for the dedicated service provided over many years, wishing them a long, happy and healthy retirement.

### **Obituaries**

The Board very much regrets the death of former Employees and their families and remembers them all with much affection and gratitude.

### **Social and Co-operative performance**

As a Co-operative Society we have been asked to measure ourselves against a number of indicators of social, co-operative and environmental performance but because of the size and the nature of the Society we are unable to report in the depth that larger Societies can do because of their levels of resources. These are reported on as follows, unless they are separately covered elsewhere in this Report.

### **Member economic involvement**

Member economic involvement indicates how well we are meeting our Members' needs and whether we are successful in recruiting new Members from our Customer base. For the 52 weeks ended 22nd January 2022 Members claimed Dividend on 12.6% of Society sales (as against 12.5% last year).

The Society recruited 513 (2021 – 383) either new members or members re-engaging with the society and requesting a members card.



### **Member democratic participation**

The Society is democratically controlled by its Members. It is therefore important to measure the number of Members who become actively involved in the decision making and to encourage Members to participate to a greater extent.

The number of Members who took part in the AGM in 2021 was 23 against 22 in 2020, 27 in 2019, and 34 in 2018. The 2021 AGM was delayed due to the Covid-19 pandemic with a limited number of attendees and members joining the meeting by video conference.

### **Participation in training and education**

All Employees are encouraged to actively undergo Training and regular Courses take place throughout the Organisation each year.

#### **Staff injury and absentee rates**

Staff injury and absentee rates provide the Society with an indication of how well we control the risks to the health, safety and wellbeing of our Employees. Staff are encouraged to report all accidents, no matter how minor, and these are recorded to ensure that safety standards are maintained and continuously improved. The Health & Safety Committee on which the Board and employees are represented reviews these accidents at every Meeting.

This year 37 accidents were recorded across the Society, including 30 to employees. There were no reportable accidents. The comparative figures for the previous year were 31 accidents including 22 to Staff, no accidents were reportable.

The average number of days lost per Full Time Equivalent Employee through sickness and absenteeism was 10.3 days against 8.2 days the previous year. These figures have been prepared on a like for like basis and excludes absences due to self isolation in relation to Covid-19.

### **Staff profile**

The Society has a policy of promoting an environment free from discrimination, harassment and victimisation where everyone receives equal treatment regardless of their gender, colour, ethnic or national origin, disability, age, marital status, sexual orientation or religion. All decisions are based solely upon work criteria and individual merit.

The Board is currently composed of five male and four female Directors. Senior Management is made up of three men and two women.

77.2% (2021 - 77.0%) of total Employees are women and 22.8% (2021 - 23.0%) men. 56.2% (2021 - 55.6%) of Employees are full-time and 43.8% (2021 - 44.4%) part-time.

### **Employee involvement**

The Society places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Society. This is achieved through formal and informal meetings and circulation of regular briefing letters.

### **Disabled employees**

Applications for employment by disabled persons are always fully considered bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Society continues and that appropriate arrangements are made. It is the policy of the Society that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### **Ethical issues**

As indicated within the Staff Profile paragraph above, the Society has a clear ethical policy in relation to Employee matters. So far as procurement is concerned the Society operates a similar policy and procurement is made through whatever sources are best for the Society's business. The Society purchases all of its food through the Federal Retail Trading Services and follows the ethical practices conducted by that Group.

The Society has made no investments outside those offered by our Bankers during recent periods.

### **The Environment**

The Society continues to purchase all of its energy via the Co-operative Power - the energy buying consortium run by The Co-operative Group. This is a collection of Co-operative Societies working together to ensure the best possible approach to the utility markets.

#### **Proportion of waste recycled/reused**

We actively encourage the recycling of waste. Cardboard in particular is collected from all of our retail outlets, compacted in some cases, before being sent off for recycling. Unfortunately we do not have the means for producing figures indicating the tonnage of cardboard recycled.

The Society continues to maintain its links with the Fare Share Charity, who collect and recycle certain types of food, that otherwise would have gone to waste. During 2021 the Society also linked with an organisation called "too good to go". Via a phone app customers can purchase a magic bag containing products that have reached their end of shelf life. This avoids the product going to waste.

### **Responsibilities of the Board of Directors**

Co-operatives UK prepare a Corporate Governance Code for Consumer Co-operative Societies. This recognises that a neglect of governance weakens the framework of accountability and carries multiple risks to the business and its strategy over time. Conversely good governance supports the Board in its task of creating and maintaining a strong and sustainable business that meets the needs of its Members. Co-operatives UK indicate that they understand that the Code needs to be flexible but indicate that Member Co-operatives should include statements in their annual reports disclosing the extent to which they have followed it during the reporting period.

The latest version of the Code was issued in November 2019 and the Society does comply with the majority of the recommendations but would comment on the following specific points.

Provision 3.9 indicates that the maximum service of any Chair person may not exceed six years. Normally, the Board elect a different Chairman every year but there is no limit on the number of times that a person could serve as a Chairman. In practice it is not believed that this has ever exceeded six occasions but in a similar way to later responses the Society does not believe it is appropriate to put a limit on any of these areas.

Provision 4.1 indicates that no Directors should serve more than three consecutive three-year terms. The Society does not accept this recommendation.

The Code makes a recommendation at 4.14 regarding evaluation and the possibility of using an external facilitator to carry out a Board evaluation. The Board did trial this idea several years previously but has not decided to repeat the exercise. Because of the size of the Society and the need for Board Members to be appointed by the Members, it is not felt that this is an appropriate suggestion for our organisation.

On Committees of the Board, there are several recommendations regarding numbers that should comprise these Committees and how long individuals can serve on them. In a similar way to the comments made regarding the length of the service of the Chairman as indicated above, the Society does not believe it is appropriate to put a maximum term on any such service commitments. The Society also feels that it needs to determine the ideal size of such Committees based on its own needs rather than any outside suggestions. At this point the entire Board serves as Audit Committee and does not satisfy the requirement of one Member of that Committee having relevant financial experience as no professionally qualified Accountants currently sit on the Board.

Provision 5.12 indicates that in the event of a solvent dissolution then any surplus arising should be distributed in accordance with the International Co-operative Alliance Values and Principles. This is actually a matter that is dealt with in the Rules of the Society and The Society Rules indicate that any remaining assets after the satisfaction of all debts and liabilities should be distributed to local charitable organisations as determined by the Members. Reference has been made to this issue at previous Annual General Meetings and whilst the Board feel the chances of this arising are remote it will be given consideration the next time the Society Rules are being comprehensively considered.

### **Going concern**

After making all appropriate enquiries, the Directors have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the Going Concern basis in preparing the Society's Accounts. In particular, the Society has cash of £4,329,000 at 22 January 2022.

**Directors' Report (continued)  
For the 52 weeks Ended 22 January 2022**

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**Internal control**

As previously mentioned, the entire Board sits as the Audit Committee, and as such meets the Auditor to have a full discussion. In addition, the Management letter from the Auditors is also presented to the full Board.

The Board of Directors has continued to review and report upon internal financial controls.

The Society has continued with its work on establishing procedures necessary to comply with Legislation and the Corporate Governance Code of Best Practice and wherever possible additional Reports are made and controls implemented as is considered appropriate for a Society of this size.

The key elements of the Society's system of internal financial controls are as follows

**(A) Control environment**

The Society is committed to the highest standards of business conduct and seeks to maintain these standards across all of its operations.

The Society has an appropriate organisational structure for planning, executing, controlling and monitoring business operations in order to achieve Society objectives. Lines of responsibility and delegations of authority are documented and reviewed at least annually at Strategy Meetings.

The annual budget and long term plan of the society and of each Division are reviewed and approved.

A full Society Strategy is in place and is reviewed at least on an annual basis and separate Board Meetings are convened for that purpose.

At 22 January 2022 the number of creditor days outstanding for the Society was 19.5 days (2021 - 19.4 days).

**(B) Risk identification**

Society Management continue to be responsible for the identification and evaluation of key risks applicable to their areas of Business. These risks are assessed on a continual basis and may be associated with a variety of internal or external sources including control breakdowns, disruption in information systems, competition, natural catastrophe, and regulatory requirements.

**(C) Information and communication**

The Society's Businesses participate in periodic Strategic Reviews which include consideration of long term financial projections and the evaluation of Business alternatives with an in-depth analysis of past performance. Operating units prepare annual budgets and strategic plans. Performance against plan is actively monitored at the Board and Executive levels supported by regular forecasts and meetings between Senior Management and the Board of Directors as considered appropriate. Forecasts and results are consolidated and presented to the Board on a regular basis.

Through these mechanisms, Society performance is continually monitored, risks identified in a timely manner, their financial implications assessed, control procedures re-evaluated and corrective actions agreed and implemented.

**(D) Control procedures**

The Society and its operating units have implemented control procedures designed to ensure complete and accurate accounting for financial transactions and to limit the potential exposure to loss of assets or fraud.

**(E) Monitoring and corrective action**

There are clear and consistent procedures in place for monitoring the system of internal financial controls. The Board of Directors meets regularly to review the effectiveness of the Society's system of financial controls. Monthly Management Accounts are considered in great detail and any appropriate action is taken whenever necessary.

## Tamworth Co-operative Society Limited

### Directors' Report (continued) For the 52 weeks Ended 22 January 2022

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#### Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Society's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

#### Post balance sheet events

On 4 March 2022 the society sold the former Department Store to Tamworth Borough Council.

#### Auditors

The auditors, Dains Audit Limited, will be proposed for reappointment in accordance with the rules of the society at the Annual General Meeting.

This report was approved by the board on 15 March 2022 and signed on its behalf.



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**Robert W Read**  
Chairman of the Board



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**Julian Coles**  
Chief Executive Officer

## Tamworth Co-operative Society Limited

### Directors' Responsibilities Statement For the 52 weeks Ended 22 January 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.

The Co-operative and Community Benefit Societies Act 2014 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under applicable law the directors must not approve the financial statements unless satisfied that they are 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 Directors are required to:

- select suitable accounting policies for the Society's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Directors 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 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

#### Board Certification

The financial statements on pages 15 to 42 are hereby signed on behalf of the Board of Directors pursuant to Section 80 of the Co-operative and Community Benefit Societies Act 2014.



**Robert W Read**  
Chairman of the Board



**Julian Coles**  
Chief Executive Officer

15 March 2022

## Tamworth Co-operative Society Limited

### Directors' attendance For the 52 weeks ended 22 January 2022

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<b>Name</b>	<b>Year first elected</b>	<b>Appointment expires</b>	<b>Possible attendances</b>	<b>Actual attendances</b>
Mrs A A Higginson	2004	2022	25	24
Mr A M King (resigned 14/06/2021)	2016	2022	7	7
Mr A V King	2009	2024	28	27
Mrs S Preece	2013	2023	27	27
Mr R W Read	1999	2023	28	27
Mr D M Rose	2009	2024	22	20
Mrs S People	2011	2023	18	16
Mrs A Brindley	2015	2024	19	18
Mr S Horsham	2019	2022	16	15
Mr M Jackson (appointed 21/07/2021)	2021	2022	10	9

**Independent Auditors' Report to the Members of Tamworth Co-operative Society Limited**

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**Opinion**

We have audited the financial statements of Tamworth Co-operative Society (the 'Society') for the 52 weeks ended 22 January 2022 which comprise the revenue account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 22 January 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Independent Auditors' Report to the Members of Tamworth Co-operative Society Limited**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the Society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

**Responsibilities of the Directors**

As explained more fully in the Directors' responsibilities statement set out on page 10, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intends to liquidate the society or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Society through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Society, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Society's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.



**Independent Auditors' Report to the Members of Tamworth Co-operative Society Limited**

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To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the Society's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

This report is made solely to the Society's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Dains Audit Limited*

**Dains Audit Limited**

Statutory Auditor  
Chartered Accountants

Birmingham

6 May 2022

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**Tamworth Co-operative Society Limited**

**Revenue account  
For the 52 weeks ended 22 January 2022**

		<b>2022 £000</b>	<b>2021 £000</b>
Gross takings	<b>30,909</b>	30,953	
Less concession sales	<b>(238)</b>	(304)	
<b>Takings</b>		<b>30,671</b>	30,649
Less value added tax		<b>(2,906)</b>	(2,861)
<b>Turnover</b>	4	<b>27,765</b>	27,788
Cost of sales		<b>(18,335)</b>	(18,439)
		<b>9,430</b>	9,349
Property income		<b>512</b>	408
Expenses		<b>(8,652)</b>	(8,263)
		<b>(8,140)</b>	(7,855)
<b>Trading surplus</b>	14	<b>1,290</b>	1,494
Interest receivable and similar income	7	<b>428</b>	762
Interest payable and similar charges	8	<b>(424)</b>	(755)
Other finance costs	9	<b>(113)</b>	(130)
(Loss)/gain on disposal of fixed assets		<b>(71)</b>	3
Fair value adjustments to fixed assets	16,17	<b>100</b>	(465)
Other operating income	5	<b>159</b>	645
Other exceptional charges	10	<b>(109)</b>	(100)
		<b>(30)</b>	(40)
<b>Surplus for the period before distribution</b>		<b>1,260</b>	1,454
Dividends paid	11	<b>(150)</b>	(90)
Grants and donations	12	<b>(30)</b>	(26)
<b>Surplus before taxation</b>		<b>1,080</b>	1,338
Tax on surplus	15	<b>(244)</b>	(136)
<b>Retained surplus for the period</b>		<b>836</b>	1,202

All amounts relate to continuing operations

The notes on pages 22 to 42 form part of these financial statements.

**Tamworth Co-operative Society Limited**

**Statement of Comprehensive Income  
For the 52 weeks Ended 22 January 2022**

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	<b>Note</b>	<b>2022 £000</b>	<b>2021 £000</b>
Surplus for the period		<u>836</u>	<u>1,202</u>
<b>Other comprehensive income</b>			
Actuarial gain on defined benefit schemes	27	1,024	27
Movement on deferred tax relating to pension liability	25	177	98
<b>Other comprehensive income for the period</b>		<u>1,201</u>	<u>125</u>
<b>Total comprehensive income for the period</b>		<u><u>2,037</u></u>	<u><u>1,327</u></u>

**Tamworth Co-operative Society Limited**  
Registered number:2582R

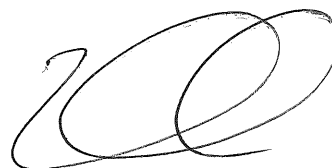
**Balance Sheet**  
**As at 22 January 2022**

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets	16	11,864	11,347
Investments	18	10,841	10,996
Investment property	17	6,041	6,796
		<u>28,746</u>	<u>29,139</u>
<b>Current assets</b>			
Stocks	19	848	833
Debtors: amounts falling due after more than one year	20	1,708	1,531
Debtors: amounts falling due within one year	20	1,132	1,278
Cash at bank and in hand	21	4,329	3,015
		<u>8,017</u>	<u>6,657</u>
Creditors: amounts falling due within one year	22	(4,486)	(4,516)
<b>Net current assets</b>		<u>3,531</u>	<u>2,141</u>
<b>Total assets less current liabilities</b>		<u>32,277</u>	<u>31,280</u>
Creditors: amounts falling due after more than one year	23	(9,684)	(9,660)
<b>Provisions for liabilities</b>			
Deferred tax	25	(353)	(178)
<b>Net assets excluding pension liability</b>		<u>22,240</u>	<u>21,442</u>
Pension liability	27	(5,926)	(7,212)
<b>Net assets</b>		<u><u>16,314</u></u>	<u><u>14,230</u></u>
<b>Capital and reserves</b>			
Called up share capital	28	2,309	2,232
Profit and loss account	30	14,005	11,998
		<u>16,314</u>	<u>14,230</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 March 2022.



**Robert W Read**  
Chairman of the board



**Julian Coles**  
Chief Executive Officer

The notes on pages 22 to 42 form part of these financial statements.

**Tamworth Co-operative Society Limited**

**Statement of Changes in Equity  
For the 52 weeks Ended 22 January 2022**

	Called up share capital	Profit and loss account	Members funds
	£000	£000	£000
At 23 January 2021	2,232	11,998	14,230
<b>Comprehensive income for the period</b>			
Profit for the period	-	836	836
Actuarial gains on pension scheme (net of deferred tax)	-	1,201	1,201
<b>Other comprehensive income for the period</b>	-	1,201	1,201
<b>Total comprehensive income for the period</b>	-	2,037	2,037
Share interest paid	-	(30)	(30)
Shares issued during the period	347	-	347
Shares redeemed during the period	(270)	-	(270)
<b>Total transactions with owners</b>	77	(30)	47
<b>At 22 January 2022</b>	<b>2,309</b>	<b>14,005</b>	<b>16,314</b>

The notes on pages 22 to 42 form part of these financial statements.

**Tamworth Co-operative Society Limited**

**Statement of Changes in Equity  
For the 52 weeks Ended 23 January 2021**

	Called up share capital	Profit and loss account	Members funds
	£000	£000	£000
At 25 January 2020	2,249	10,701	12,950
<b>Comprehensive income for the period</b>			
Profit for the period	-	1,202	1,202
Actuarial losses on pension scheme (net of deferred tax)	-	125	125
<b>Other comprehensive income for the period</b>	-	125	125
<b>Total comprehensive income for the year</b>	-	1,327	1,327
Share interest paid	-	(30)	(30)
Shares issued during the period	202	-	202
Shares redeemed during the period	(219)	-	(219)
<b>Total transactions with owners</b>	(17)	(30)	(47)
<b>At 23 January 2021</b>	<b>2,232</b>	<b>11,998</b>	<b>14,230</b>

The notes on pages 22 to 42 form part of these financial statements.

**Tamworth Co-operative Society Limited**

**Statement of Cash Flows  
For the 52 weeks Ended 22 January 2022**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Cash flows from operating activities</b>		
Profit for the period	836	1,202
<b>Adjustments for:</b>		
Dividends and grants paid	(180)	(116)
Depreciation of tangible assets	579	584
Fair value adjustments to fixed assets	(100)	465
Loss on disposal of tangible assets	71	-
Pension charge	113	130
Interest paid	424	755
Interest received	(428)	(762)
Taxation charge	244	136
Increase in stocks	(15)	(61)
Increase in debtors	(149)	(341)
(Decrease)/increase in creditors	(37)	212
Employer contributions to defined benefit scheme	(375)	(375)
Corporation tax received/ (paid)	149	(305)
<b>Net cash generated from operating activities</b>	<b>1,132</b>	<b>1,524</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(841)	(903)
Purchase of investment properties	-	(190)
Sale of investment properties	547	-
Purchase of unlisted and other investments	(412)	(505)
Sale of unlisted and other investments	987	1,015
Interest received	8	12
<b>Net cash from investing activities</b>	<b>289</b>	<b>(571)</b>
<b>Cash flows from financing activities</b>		
Movement in ordinary shares	77	(17)
Dividends and grants paid	(180)	(116)
Interest paid	(4)	(5)
<b>Net cash used in financing activities</b>	<b>(107)</b>	<b>(138)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,314</b>	<b>815</b>
Cash and cash equivalents at beginning of period	3,015	2,200
<b>Cash and cash equivalents at the end of period</b>	<b>4,329</b>	<b>3,015</b>
<b>Cash and cash equivalents at the end of period comprise:</b>		
Cash at bank and in hand	4,329	3,015
	<b>4,329</b>	<b>3,015</b>

**Tamworth Co-operative Society Limited**

**Analysis of Net Debt  
For the 52 weeks Ended 22 January 2022**

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	<b>At 23 January 2021 £000</b>	<b>Cash flows £000</b>	<b>At 22 January 2022 £000</b>
Cash at bank and in hand	<b>3,015</b>	<b>1,314</b>	<b>4,329</b>
	<b>3,015</b>	<b>1,314</b>	<b>4,329</b>

The notes on pages 22 to 42 form part of these financial statements.



**Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022**

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**1. General information**

The Tamworth Co-operative Society Limited is a Co-operative society domiciled in the United Kingdom. The Society is incorporated in England and Wales under the Co-operative and Community Benefit Societies Act 2014.

The registered office of the Co-operative is 5 Colehill, Tamworth, Staffordshire, B79 7HN.

The principal activities of the Society and the nature of the Society's operations are set out in the directors report.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Society's accounting policies (see note 3).

The Society's functional and presentational currency is GBP. The financial statements are presented in pounds sterling and amounts have been rounded to the nearest £'000.

The following principal accounting policies have been applied:

**2.2 Going concern**

After making all appropriate enquires, the Directors have a reasonable expectation that the society has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. For this reason the Directors continue to adopt the going concern basis in preparing the society financial statements.

**2.3 Accounting date**

The financial statements are in respect of the 52 week period ended 22 January 2022 with the comparative figures for the 52 weeks period ended 23 January 2021.

**2.4 Gross takings**

Gross takings includes cash sales, goods sold on credit and concessionaire sales inclusive of Value Added Tax.

**2. Accounting policies (continued)**

**2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Society has transferred the significant risks and rewards of ownership to the buyer;
- the Society retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Society will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Society will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.6 Property income**

Income received from property is accounted for on an accruals basis for rents received.

**2.7 Repairs**

Repair expenditure is charged to the revenue account in the year that the cost is incurred.

## 2. Accounting policies (continued)

### 2.8 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Society assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Society adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Society. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% per annum
Leasehold buildings	- over the unexpired period of the lease
Transport	- over the expected working life or 4 years
Fixtures and fittings	- over the expected working life or 10 years
Assets under construction	- Not depreciated

### 2.9 Operating leases: the Society as lessee

Rentals paid under operating leases are charged to the revenue account on a straight line basis over the period of the lease.

### 2.10 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

### 2.11 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the revenue account.

### 2.12 Valuation of investments

Investments in funeral prepayment plans and other unlisted shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Revenue account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

**2. Accounting policies (continued)**

**2.13 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is determined by calculation from retail selling price, discounted back at the average gross margin achieved and other reconciling items.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.14 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.15 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.16 Financial instruments**

The Society only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the revenue account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Society would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

**2. Accounting policies (continued)**

**2.17 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.18 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Revenue account in the same period as the related expenditure.

**2.19 Finance costs**

Finance costs are charged to the revenue account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.20 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**2.21 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 payments obligations.

The contributions are recognised as an expense in the revenue 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.

**Defined benefit pension plan**

The Society operates a defined benefit plan for certain employees. The scheme was closed to future accrual in October 2009. The society no longer has any employees accruing future increases or benefits. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the society engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the society's policy for similarly held assets. This includes the use of appropriate valuation techniques.

**2. Accounting policies (continued)**

**2.21 Pensions (continued)**

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in the revenue account as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

**2.22 Interest income**

Interest income is recognised in the revenue account using the effective interest method.

**2.23 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Society a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the revenue account in the year that the Society becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**2.24 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the revenue account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Society operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.25 Funeral plan**

The amounts received in advance for funeral bonds are recorded as a liability, apportioned between amounts due within one year and after more than one year, based upon past period experiences of redemptions and these are held on the balance sheet at their fair value. The fair value being the market value of the funeral bond at the year end on the basis that bond could be redeemed at a different funeral provider.

**Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022**

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**2. Accounting policies (continued)**

In addition, all receipts are invested in individual whole life or unit linked insurance policies with the Royal London Insurance Group. Investment of the receipts are held as assets in the balance sheet. The investments are held at fair value, being the market value of bond at the year end.

Interest receivable on the fund is recognised in the revenue account on encashment of the bond when the related funeral is provided. Commission on funds invested with Royal London is recognised in the revenue account on receipt.

**2.26 Share interest**

The Society's members' share capital maintains a fixed nominal value and attracts interest. Share interest is disclosed as a movement in equity and within the reconciliation of movements in members' funds.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

In the application of the Society's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of revision and future periods in the revision affects both current and future periods.

**Depreciation and residual values**

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of freehold properties, and have concluded that asset lives and residual values are appropriate.

**Impairment of tangible fixed assets**

The Society conducts impairment reviews of assets when events of changes in circumstances indicate that their carrying amounts may not be recoverable annually in accordance with Financial Reporting Standard 102. An impairment loss is recognised when the carrying amount of an asset is lower than the greater of its net selling price or the value in use. In determining the value in use, management assesses the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Estimates and judgements are applied in determining these future cash flows and the discount rate.

**Defined benefit pension scheme**

The present value of the pension scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 22 January 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**4. Turnover**

The whole of the turnover is attributable to the principal activity.

All turnover arose within the United Kingdom.

## Tamworth Co-operative Society Limited

### Notes to the Financial Statements For the 52 weeks Ended 22 January 2022

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#### 5. Other operating income

	2022 £000	2021 £000
Compensation for termination of lease	30	-
Government grants receivable	54	416
Funeral bond tax credit	75	229
	<u>159</u>	<u>645</u>

The Society has been eligible to claim from the government support schemes in response to the Covid-19 outbreak.

Government grants receivable comprises Retail, Hospitality and Leisure grants totalling £25,000 (2021 - £323,000) received via local governments and amounts received under the Coronavirus Job Retention Scheme totalling £29,000 (2021 - £93,000).

#### 6. Auditors' remuneration

	2022 £000	2021 £000
Fees payable to the society's auditor for the audit of the Society's annual accounts	21	20
<b>Fees payable to the Society's auditor in respect of:</b>		
Other services relating to taxation	<u>10</u>	<u>22</u>

#### 7. Interest receivable and similar income

	2022 £000	2021 £000
Changes in fair value of funeral bond assets	420	750
Bank interest receivable	-	3
Other interest receivable	8	9
	<u>428</u>	<u>762</u>

#### 8. Interest payable and similar expenses

	2022 £000	2021 £000
Other loan interest payable	4	5
Changes in fair value of funeral bond liabilities	420	750
	<u>424</u>	<u>755</u>



## Tamworth Co-operative Society Limited

### Notes to the Financial Statements For the 52 weeks Ended 22 January 2022

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#### 9. Other finance costs

	2022 £000	2021 £000
Net interest on net defined benefit liability	113	130
	<u>113</u>	<u>130</u>

#### 10. Other exceptional charges

	2022 £000	2021 £000
Provision for transfer of funeral bonds to Ecclesiastical	84	-
Provision in relation to costs to close the Society's non-food trading division	25	100
	<u>109</u>	<u>100</u>

#### 11. Dividends paid

	2022 £000	2021 £000
Dividends to members	153	82
Waived dividend given to charity	12	8
Dividend vouchers not redeemed by members from prior years	(15)	-
	<u>150</u>	<u>90</u>

#### 12. Grants and donations

	2022 £000	2021 £000
Member relations committee	-	1
Employee related	30	25
	<u>30</u>	<u>26</u>

Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022

13. Employees

Staff costs, including Directors' remuneration, were as follows:

	2022 £000	2021 £000
Wages and salaries	4,600	4,518
Social security costs	298	288
Cost of defined contribution scheme	179	173
	<u>5,077</u>	<u>4,979</u>

The average monthly number of employees, including the Directors, during the 52 weeks was as follows:

	2022 No.	2021 No.
Full time	116	110
Part time	181	176
	<u>297</u>	<u>286</u>

Management executive remuneration

	2022 £000	2021 £000
<b>The total remuneration of the management executive was as follows:</b>		
Salaries	435	425
Bonus	75	72
Taxable benefits	5	5
Pension contributions	22	22
	<u>537</u>	<u>524</u>

The emoluments of the Chief Executive Officer (who is also the highest paid employee) included above was as follows:

	2022 £000	2021 £000
Salary and taxable benefits	127	124
Bonus	40	40
Pension contributions	7	7
	<u>174</u>	<u>171</u>

Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022

14. Trading surplus

The trading surplus is stated after charging:

	2022 £000	2021 £000
Depreciation of tangible assets	579	584
Impairment of tangible fixed assets	-	460
Impairment of investment properties	-	5
Defined contribution pension cost	179	173
Operating lease rentals - other operating leases	12	25
Directors' fees	33	32
	<u>          </u>	<u>          </u>

15. Taxation

	2022 £000	2021 £000
<b>Corporation tax</b>		
Current tax on profits for the year	102	210
Adjustments in respect of previous periods	(33)	(109)
<b>Total current tax</b>	<u>          </u> <u>          </u>	<u>          </u> <u>          </u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	602	187
Changes to tax rates	(427)	(152)
<b>Total deferred tax</b>	<u>          </u> <u>          </u>	<u>          </u> <u>          </u>
<b>Taxation on surplus</b>	<u>          </u> <u>          </u>	<u>          </u> <u>          </u>

**Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022**

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**15. Taxation (continued)**

**Factors affecting tax charge for the period**

The tax assessed for the period is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Surplus before tax	<b>1,080</b>	1,338
Surplus multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	<b>205</b>	254
<b>Effects of:</b>		
Expenses not deductible for tax purposes	<b>75</b>	137
Adjustments to tax charge in respect of prior periods	<b>(33)</b>	(109)
Other timing differences	<b>77</b>	(69)
Non-taxable income	<b>(86)</b>	(66)
Capital gains	<b>6</b>	(11)
<b>Total tax charge for the period</b>	<b>244</b>	136

**Factors that may affect future tax charges**

The rate of tax applied to the reported profit is 19.00% (2021: 19.00%). The rate of tax as introduced in the Finance Bill 2021 will remain unchanged for the financial year 2023.

Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

There is no expiry date on timing differences, unused tax losses or tax credits.

Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022

16. Tangible fixed assets

	Freehold land and buildings £000	Leasehold land and buildings £000	Transport £000	Fixtures, fittings and plant £000	Assets under construction £000	Total £000
<b>Cost or valuation</b>						
At 23 January 2021	10,510	2	1,156	5,466	-	17,134
Additions	-	-	18	477	346	841
Disposals	-	-	-	(442)	-	(442)
Transfers between classes	255	-	-	-	-	255
At 22 January 2022	10,765	2	1,174	5,501	346	17,788
<b>Depreciation</b>						
At 23 January 2021	1,560	2	847	3,378	-	5,787
Charge for the 52 weeks on owned assets	102	-	73	404	-	579
Disposals	-	-	-	(442)	-	(442)
At 22 January 2022	1,662	2	920	3,340	-	5,924
<b>Net book value</b>						
At 22 January 2022	9,103	-	254	2,161	346	11,864
At 23 January 2021	8,950	-	309	2,088	-	11,347

The original cost of freehold land included in the above figures, which is not depreciated is £3,299,000 (2021 - £3,154,000).

The freehold and leasehold land and buildings were valued on 24 January 2013 by Peter J Hicks FRICS of Peter J Hicks & Co. Chartered Surveyors on an existing use basis. These valuations have been used as the deemed cost following the transfer of engagement from TCS Estates Services Limited.

## Tamworth Co-operative Society Limited

### Notes to the Financial Statements For the 52 weeks Ended 22 January 2022

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#### 17. Investment property

	Freehold investment property £000
<b>Valuation</b>	
At 23 January 2021	6,796
Disposals	(600)
Surplus on revaluation	100
Transfers between classes	(255)
<b>At 22 January 2022</b>	<b>6,041</b>

The 2022 valuations were made by Peter J Hicks FRICS of Peter J Hicks & Co. Chartered Surveyors, on an open market value for existing use basis.

The historic cost of investment properties included at valuation is £4,305,782 (2021 - £4,342,118)

#### 18. Fixed asset investments

	Unlisted investments £000
<b>Cost or valuation</b>	
At 23 January 2021	10,996
Additions	412
Disposals	(987)
Revaluations	420
<b>At 22 January 2022</b>	<b>10,841</b>

Unlisted investments principally relate to Royal London investments funeral prepayment plans.

#### 19. Stocks

	2022 £000	2021 £000
Finished goods and goods for resale	848	833
	<b>848</b>	<b>833</b>

# Tamworth Co-operative Society Limited

## Notes to the Financial Statements For the 52 weeks Ended 22 January 2022

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### 20. Debtors

	2022 £000	2021 £000
<b>Due after more than one year</b>		
Deferred tax asset (note 25)	1,708	1,531
	<u>1,708</u>	<u>1,531</u>

	2022 £000	2021 £000
<b>Due within one year</b>		
Trade debtors	915	1,012
Other debtors	37	-
Prepayments and accrued income	180	148
Corporation tax repayable	-	118
	<u>1,132</u>	<u>1,278</u>

### 21. Cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	4,329	3,015
	<u>4,329</u>	<u>3,015</u>

### 22. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	1,475	1,461
Corporation tax	27	-
Other taxation and social security	79	130
Funeral prepayment plans	1,353	1,576
Other creditors	98	120
Dividends Payable	67	74
Accruals	1,387	1,155
	<u>4,486</u>	<u>4,516</u>

Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022

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

	2022 £000	2021 £000
Funeral prepayments plans	9,684	9,660
	<u>9,684</u>	<u>9,660</u>

24. Financial instruments

	2022 £000	2021 £000
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	10,841	10,996
Financial assets that are measured at amortised cost	5,244	4,027
	<u>16,085</u>	<u>15,023</u>
<b>Financial liabilities</b>		
Financial liabilities measured at fair value through profit or loss	11,037	11,236
Financial liabilities measured at amortised cost	1,640	1,655
	<u>12,677</u>	<u>12,891</u>

Financial assets measured at fair value through profit or loss comprise fixed asset investments.

Financial assets measured at amortised cost comprise cash and bank balances and trade debtors.

Financial liabilities measured at fair value through profit or loss comprise funeral prepayments plans.

Financial liabilities measured at amortised cost comprise trade and other creditors and dividends payable.

25. Deferred taxation

	2022 £000	2021 £000
At beginning of year	1,353	1,290
Charged to revenue account	(175)	(35)
Charged to other comprehensive income	177	98
<b>At end of year</b>	<u>1,355</u>	<u>1,353</u>



Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022

25. Deferred taxation (continued)

The deferred tax balance is made up as follows:

	2022 £000	2021 £000
Accelerated capital allowances	(381)	(242)
Pension deficit	1,482	1,370
Other timing difference	49	64
Property gains and losses	205	161
	<u>1,355</u>	<u>1,353</u>
<b>Comprising:</b>		
Asset - due after one year	1,708	1,531
Liability	(353)	(178)
	<u>1,355</u>	<u>1,353</u>

26. Capital commitments

At 22 January 2022 the Society had capital commitments as follows:

	2022 £000	2021 £000
Contracted for but not provided in these financial statements	1,145	111
	<u>1,145</u>	<u>111</u>

**Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022**

**27. Pension commitments**

The Society operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Society in an independently administered fund. The pension cost charge represents contributions payable by the society to the fund and amounted to £179,000 (2021 - £173,000) .

The Society operates a Defined Benefit Pension Scheme.

The Tamworth Co-operative Society Limited Employees Superannuation scheme which is based in the UK, was closed for all future accruals on 31 October 2009 and has no active members. The pensions contributions payable by the society in the year amounted to £375,000 (2021 - £375,000).

A full actuarial valuation was carried out as at 31 March 2019 and updated to 22 January 2022 using the Projected Unit method, by an independent qualified actuary.

Reconciliation of present value of plan liabilities:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Reconciliation of present value of plan liabilities</b>		
At the beginning of the year	23,184	23,437
Interest cost	363	413
Actuarial gains	358	205
Benefits paid	(1,023)	(871)
<b>At the end of the year</b>	<b>22,882</b>	<b>23,184</b>

Reconciliation of present value of plan assets:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
At the beginning of the year	15,972	15,953
Interest income	250	283
Actuarial gains	1,382	232
Contributions	375	375
Benefits paid	(1,023)	(871)
<b>At the end of the year</b>	<b>16,956</b>	<b>15,972</b>

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Fair value of plan assets	16,956	15,972
Present value of plan liabilities	(22,882)	(23,184)
<b>Net pension scheme liability</b>	<b>(5,926)</b>	<b>(7,212)</b>

Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022

27. Pension commitments (continued)

The amounts recognised in profit or loss are as follows:

	2022 £000	2021 £000
Interest on obligation	(113)	(130)
<b>Total</b>	<b>(113)</b>	<b>(130)</b>

The cumulative amount of actuarial gains and losses recognised in the Statement of Comprehensive Income was £1,258,000 (2021 - £234,000).

The Society expects to contribute £375,000 to its Defined Benefit Pension Scheme in 2023.

	2022 £000	2021 £000
<b>Analysis of actuarial gain/(loss) recognised in Other Comprehensive Income</b>		
Actual return less interest income included in net interest income	1,382	232
Experience gains and losses arising on the scheme liabilities	(366)	402
Changes in assumptions underlying the present value of the scheme liabilities	8	(607)
	<b>1,024</b>	<b>27</b>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2022 %	2021 %
Discount rate	2.2	1.6
Revaluation in deferment	2.9	1.9
Future pension increases	3.4	3.0
Inflation assumption (CPI)	2.9	1.9
Mortality rates		
- for a male aged 65 now	86.6	86.2
- at 65 for a male aged 45 now	87.9	88.2
- for a female aged 65 now	89.0	87.6
- at 65 for a female member aged 45 now	90.4	89.8

Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022

27. Pension commitments (continued)

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2022 £000	2021 £000	2020 £000	2019 £000	2018 £000
Defined benefit obligation	(22,882)	(23,184)	(23,437)	(20,938)	(21,993)
Scheme assets	16,956	15,972	15,953	14,386	15,173
<b>Deficit</b>	<b>(5,926)</b>	<b>(7,212)</b>	<b>(7,484)</b>	<b>(6,552)</b>	<b>(6,820)</b>
Experience adjustments on scheme liabilities	(358)	(205)	(2,835)	633	(426)
Experience adjustments on scheme assets	1,382	232	1,699	(573)	433
<b>Deficit</b>	<b>1,024</b>	<b>27</b>	<b>(1,136)</b>	<b>60</b>	<b>7</b>

28. Share capital

	2022 £000	2021 £000
At the start of the period	2,232	2,249
Contributions	317	172
Interest	30	30
	<b>2,579</b>	2,451
Share capital - fully paid - shares redeemed	(270)	(219)
<b>At end of period</b>	<b>2,309</b>	2,232

Share capital is non equity share capital comprising £2,308,589 (2021 - £2,232,472) shares of £1 each, attracting interest of between nil and 2.00% per annum, depending on the balance held.

The share capital is withdrawable on periods of notice varying according to the amount involved, however this requirement can be waived by the Directors under Rule 7.9(b).

Each member is entitled to one vote.

The Society rules indicate that on solvent dissolution or winding up that any remaining assets be distributed to local charitable organisations as determined at a meeting of members.

**Notes to the Financial Statements  
For the 52 weeks Ended 22 January 2022**

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**29. Commitments under operating leases**

At 22 January 2022 the Society had future minimum lease payments under non-cancellable operating leases as follows:

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Not later than 1 year	<b>21</b>	38
Later than 1 year and not later than 5 years	<b>20</b>	43
Later than 5 years	-	1
	<u><b>41</b></u>	<u>82</u>

**30. Reserves**

**Revenue reserves**

The revenue reserves represents cumulative profits or losses, including unrealised profit on the remeasurement of investment properties and fixed asset investments.

**31. Related party transactions**

As a retail co-operative society, the Society has many transactions with other Co-operative Societies. These are all commercial and at arms length. The most significant of these relates to the society's membership of the Federal Retail Trading Services (FRTS) by which purchases of stock for resale are made through the Co-operative Group Limited on terms negotiated with the third party suppliers by FRTS on behalf of its members. It is not considered that there are any related parties with the definition of FRS 102.

Other related party transactions

The total remuneration for key management personnel for the year totalled £537,000 (2021 - £524,000).

**32. Post balance sheet events**

On 4 March 2022 the society sold the former Department Store to Tamworth Borough Council.