

THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

COMPANY INFORMATION as at 11 January 2007

Members of the Management Committee:

R A Simpson (Chairman)
D Morris (Deputy Chairman)
T Alexander
R Hargreaves
M Owen (Treasurer)
S Priestley (Secretary)

Secretary:

S Priestley

Registered office:

Castle Street
Winchelsea
East Sussex
TN36 4EL

Registered number:

IP29677R (England)

THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE for the year ended 31 December 2006

The Management Committee presents its report together with the financial statements for the year ended 31 December 2006.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Principal Activity and Review of the year

The Winchelsea Community Post Office Association Limited ("the Association") provides a community post office service in the town of Winchelsea, East Sussex.

Although the income derived from this activity continues to be insufficient to cover the Association's operating costs, the generosity of Winchelsea's residents, through donations and fund raising events, has ensured that the Association has adequate funds to enable it to continue to operate in the foreseeable future. Accordingly the Management Committee has determined that it is appropriate to prepare these financial statements on a going concern basis.

Management Committee

The Management Committee constitutes the Association's Board of Directors. In accordance with the Association's Rules, all members of the Management Committee are required to retire from office at every Annual General Meeting but are eligible for re-election.

The members of the Management Committee at the date of this report are shown on page 1 of these financial statements.

The following served as members of the Management Committee during the year:

T Alexander	(elected to office on 18 March 2006)
D Dewhirst	(died 25 October 2006)
A Haddock	(retired from office on 18 March 2006)
R Hargreaves	
A Hill	(retired from office on 18 March 2006)
D Morris	
M Owen	(elected to office on 18 March 2006)
M Pevsner	(resigned from office on 5 December 2006)
S Priestley	(elected to office on 18 March 2006)
O Prior	(retired from office on 18 March 2006)
R A Simpson	

All members of the Management Committee are required under the Rules to be shareholders of the Association. Accordingly, each of those who held office at 31 December 2006 held one share of £10 in the Association both at 1 January 2006 (or on election if later) and at 31 December 2006. No member of the Committee held any non-beneficial interests in the shares of the Association.

THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE (continued) for the year ended 31 December 2006

Statement of Management Committee responsibilities

The Friendly and Industrial and Provident Societies Act requires the Association's Management Committee, which constitutes the Board of the Association, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of its income and expenditure for the year. In preparing those financial statements the Management Committee is 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Association's Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the Association and to ensure that the financial statements comply with the Friendly and Industrial and Provident Societies Act 1968 and the Industrial and Provident Societies Act 1965. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Audit

The members of the Association have agreed in general meeting that the Association should dispense with the requirement for audit or for an Audit Exemption Report and should prepare and submit unaudited accounts in respect of the financial year ended 31 December 2006, as permitted under Rule 50 of the Rules of the Association and by the Friendly and Industrial and Provident Societies Act 1968 (Audit Exemption) (Amendment) Order 2006. Accordingly these financial statements are unaudited. A resolution to prepare unaudited accounts for the year ending 31 December 2007 will be proposed at the forthcoming Annual General Meeting.

By order of the Management Committee

S Priestley
Secretary

11 January 2007

THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2006

	Notes	2006	2005
		£	£
Turnover	1	6,781	6,425
Cost of sales		6,257	6,024
Gross profit/(loss)		524	401
Administrative expenses		3,920	3,421
		(3,396)	(3,020)
Other operating income	2	3,971	5,520
Operating profit on ordinary activities before taxation	3	575	2,500
Tax on profit on ordinary activities	4	-	-
Profit for the financial year after taxation and retained profit for the year	10	575	2,500

THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

BALANCE SHEET at 31 December 2006

	Notes	2006	2005
		£	£
Fixed assets			
Tangible assets	5	1,126	2,252
Current assets			
Debtors	6	461	-
Cash at bank and in hand		4,217	3,658
		<u>4,678</u>	<u>3,658</u>
Creditors - amounts falling due within one year	7	-	881
		<u>4,678</u>	<u>2,777</u>
Net current assets		<u>4,678</u>	<u>2,777</u>
Total assets less current liabilities		<u>5,804</u>	<u>5,029</u>
Capital and reserves			
Called up share capital	8	2,860	2,740
Capital reserve	9	80	-
Profit and loss account	10	2,864	2,289
		<u>5,804</u>	<u>5,029</u>
Shareholders' funds		<u>5,804</u>	<u>5,029</u>

For the year ended 31 December 2006, the company is entitled to exemption from audit under section 249A(1) of the Companies Act 1985, under Sections 4(2) and 4(5) of the Friendly and Industrial and Provident Societies Act 1968, and in accordance with the Friendly and Industrial and Provident Societies Act 1968 (Audit Exemption) (Amendment) Order 2006. The disapplication of the requirement to undertake a full audit is permitted under the Association's Rules and a resolution to this effect has been passed by the members in general meeting.

No members have required the company to obtain an audit of its financial statements for the year in question in accordance with section 249B(2) of the Companies Act 1985.

THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

BALANCE SHEET (continued) at 31 December 2006

The directors acknowledge their responsibility for:

- (a) ensuring the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit or loss for the financial year in accordance with Section 226A, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These financial statements were approved by the Management Committee on 11 January 2007 and are signed on its behalf by:

R A Simpson
Chairman

M N Owen
Treasurer

S Priestley
Secretary

THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

NOTES ON THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

1. Accounting policies

Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and in compliance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

Turnover represents income received from Post Office Limited for provision of a range of post office services. Approximately 90% of this income is fixed, in accordance with contractual terms agreed with Post Office Limited. The remaining income varies from month to month depending on the number of transactions processed and is received at the end of the month following that in which it is earned. However, this variable income is recognised in the financial statements on an "as received" basis since there is no material variation in the amount received from month to month.

Tangible fixed assets

Depreciation is provided in order to write off each asset over its estimated useful life. Fixtures and fittings are depreciated at an annual rate of 25%.

Leasing commitments

Rents payable under operating leases are charged to profit and loss account as incurred.

2. Other operating income

	2006	2005
	£	£
Donations received	3,471	-
Grants received	500	5,520
	<u>3,971</u>	<u>5,520</u>

3. Operating profit on ordinary activities before taxation

The operating profit is stated after charging:

Depreciation - owned assets	<u>1,126</u>	<u>1,126</u>
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No members of the Management Committee received any emoluments in respect of their services to the company during the year ended 31 December 2006 (2005 - nil).

4. Taxation

No liability to UK Corporation tax arose in the year ended 31 December 2006 nor in the year ended 31 December 2005.

THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

**NOTES ON THE FINANCIAL STATEMENTS (continued)
for the year ended 31 December 2006**

5. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2006	4,504
Additions	-
	<hr/>
At 31 December 2006	4,504
	<hr/>
Depreciation	
At 1 January 2006	2,252
Charge for the year	1,126
	<hr/>
At 31 December 2006	3,378
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Net book value	
At 31 December 2006	1,126
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At 31 December 2005	2,252
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6. Debtors

	2006 £	2005 £
Prepayments and accrued income	133	-
Other debtors	328	-
	<hr/>	<hr/>
	461	-
	<hr/>	<hr/>

7. Creditors - amounts falling due within one year

	2006 £	2005 £
Other creditors	-	881
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THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

NOTES ON THE FINANCIAL STATEMENTS (continued) for the year ended 31 December 2006

	2006 £	2005 £
8. Called up share capital		
Authorised, allotted, called up and fully paid: 286 shares of £10 (2005 - 274 shares of £10)	<u>2,860</u>	<u>2,740</u>
Movements in share capital during the year were as follows:		£
At 1 January 2006		2,740
Issued for cash to new members		200
Forfeited shares on death of members (note 9)		<u>(80)</u>
At 31 December 2006		<u>2,860</u>
9. Capital reserve		£
At 1 January 2006		-
Forfeited shares on death of members (note 8)		<u>80</u>
At 31 December 2006		<u>80</u>
10. Profit and loss account		£
At 1 January 2006		2,289
Retained profit for the year		<u>575</u>
At 31 December 2006		<u>2,864</u>
11. Lease commitments		
The company is committed to the following payments in respect of operating leases within one year of the balance sheet date:		
	2006 £	2005 £
Land and buildings - expiring within one year	<u>-</u>	<u>1,800</u>

THE WINCHELSEA COMMUNITY POST OFFICE ASSOCIATION LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2006

	2006		2005	
	£	£	£	£
Sales		6,781		6,425
Cost of sales				
Wages - permanent and substitutes		6,257		6,024
Gross profit		<u>524</u>		<u>401</u>
Other costs				
Depreciation	1,126		1,126	
Rent and shared service costs	1,800		1,350	
Accountancy fees	118		881	
Insurance	208		-	
Safe repair	137		-	
Telephone	17		13	
Hall hire	27		-	
Stationery and copying	25		25	
Staff advertising	82		-	
FSA registration fee	45		60	
Signage	21		-	
Building maintenance, less grant receivable	314		-	
		<u>3,920</u>		<u>3,455</u>
Trading loss		(3,396)		(3,054)
Other operating income				
Donations	3,471		5,520	
Grant	500		-	
		<u>3,971</u>		<u>5,520</u>
Operating profit		<u>575</u>		<u>2,466</u>
Finance costs				
Bank charges		-		34
Operating profit/(loss)		<u>575</u>		<u>2,500</u>

This page does not form part of the statutory financial statements