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**Report of the Directors and  
Financial Statements  
For The Year Ended 31 December 2012  
for  
Iona Community Trading Ltd**

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**Iona Community Trading Ltd (Registered number: SC156678)**

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For The Year Ended 31 December 2012**

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**Iona Community Trading Ltd**  
**Company Information**  
**For The Year Ended 31 December 2012**

<b>DIRECTORS:</b>	Ms E Paterson Rev M C Smith Ms R Burgess R Young
<b>SECRETARY:</b>	R Swinfen
<b>REGISTERED OFFICE:</b>	4th Floor Savoy House 140 Sauchiehall Street Glasgow G2 3DH
<b>REGISTERED NUMBER:</b>	SC156678 (Scotland)
<b>AUDITORS:</b>	Atkinson Donnelly LLP Chartered Accountants Registered Auditors 1 Cambuslang Court Cambuslang Glasgow G32 8FH
<b>SOLICITORS:</b>	Anderson Strathearn 48 Castle Street Edinburgh EH2 3LX

**Iona Community Trading Ltd (Registered number: SC156678)**

**Report of the Directors  
For The Year Ended 31 December 2012**

The directors present their report with the financial statements of the company for the year ended 31 December 2012.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of retailing books and crafts.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report.

Ms E Paterson  
Rev M C Smith  
Ms R Burgess  
R Young

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

The company made donations totalling £20,000 to its parent company, Iona Community, a charitable company.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Atkinson Donnelly LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Iona Community Trading Ltd (Registered number: SC156678)

**Report of the Directors  
For The Year Ended 31 December 2012**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



.....  
Rev M C Smith - Director

Date: 20/03/2013

**Report of the Independent Auditors to the Members of  
Iona Community Trading Ltd**

We have audited the financial statements of Iona Community Trading Ltd for the year ended 31 December 2012 on pages six to ten. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note twelve to the financial statements.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of  
Iona Community Trading Ltd**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors.

*Fiona Struthers*

Fiona Struthers (Senior Statutory Auditor)  
Atkinson Donnelly LLP Atkinson Donnelly LLP  
Chartered Accountants  
Registered Auditors  
1 Cambuslang Court  
Cambuslang  
Glasgow  
G32 8FH

Date: ..... *20/3/13* .....

**Iona Community Trading Ltd (Registered number: SC156678)**

**Profit and Loss Account  
For The Year Ended 31 December 2012**

	Notes	31.12.12 £	31.12.11 £
<b>TURNOVER</b>		267,369	269,647
Cost of sales		<u>151,113</u>	<u>161,647</u>
<b>GROSS PROFIT</b>		116,256	108,000
Administrative expenses		<u>103,671</u>	<u>106,272</u>
<b>OPERATING PROFIT</b>	2	12,585	1,728
Interest payable and similar charges		<u>1,250</u>	<u>1,250</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		11,335	478
Tax on profit on ordinary activities	3	<u>517</u>	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>10,818</u></u>	<u><u>478</u></u>

The notes form part of these financial statements



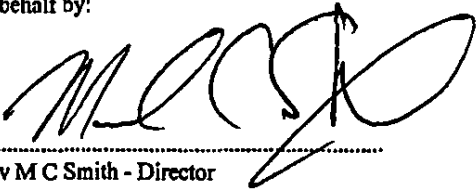
Iona Community Trading Ltd (Registered number: SC156678)

Balance Sheet  
31 December 2012

	Notes	31.12.12 £	£	31.12.11 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		1,019		825
<b>CURRENT ASSETS</b>					
Stocks		96,562		87,443	
Debtors	5	-		78	
Cash at bank and in hand		9,328		4,733	
		<u>105,890</u>		<u>92,254</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	6	44,675		41,663	
<b>NET CURRENT ASSETS</b>			<u>61,215</u>		<u>50,591</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>62,234</u>		<u>51,416</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		50,000		50,000
<b>NET ASSETS</b>			<u>12,234</u>		<u>1,416</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		100		100
Profit and loss account	9		12,134		1,316
<b>SHAREHOLDERS' FUNDS</b>			<u>12,234</u>		<u>1,416</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 20/03/2013 and were signed on its behalf by:

  
Rev M C Smith - Director

The notes form part of these financial statements

**Notes to the Financial Statements  
For The Year Ended 31 December 2012**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on cost
Computer equipment	- 20% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**2. OPERATING PROFIT**

The operating profit is stated after charging:

	31.12.12	31.12.11
	£	£
Depreciation - owned assets	461	843
Auditors' remuneration	1,600	1,780
Pension costs	1,942	1,831
	<u>      </u>	<u>      </u>
Directors' remuneration and other benefits etc	-	-
	<u>      </u>	<u>      </u>

**3. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	31.12.12	31.12.11
	£	£
Current tax:		
UK corporation tax	517	-
	<u>      </u>	<u>      </u>
Tax on profit on ordinary activities	517	-
	<u>      </u>	<u>      </u>

Notes to the Financial Statements - continued  
For The Year Ended 31 December 2012

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2012	1,650	2,715	4,365
Additions	-	655	655
At 31 December 2012	1,650	3,370	5,020
<b>DEPRECIATION</b>			
At 1 January 2012	825	2,715	3,540
Charge for year	330	131	461
At 31 December 2012	1,155	2,846	4,001
<b>NET BOOK VALUE</b>			
At 31 December 2012	495	524	1,019
At 31 December 2011	825	-	825

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.12 £	31.12.11 £
Other debtors	-	78

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.12 £	31.12.11 £
Due to parent undertaking	40,556	39,829
Trade creditors	142	272
Tax	517	-
VAT	2,681	1,305
Accrued expenses	779	257
	44,675	41,663

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.12 £	31.12.11 £
Due to parent undertaking	50,000	50,000

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.12 £	31.12.11 £
100	Ordinary	£1	100	100

**Iona Community Trading Ltd (Registered number: SC156678)**

**Notes to the Financial Statements - continued  
For The Year Ended 31 December 2012**

**9. RESERVES**

	<b>Profit and loss account £</b>
At 1 January 2012	<b>1,316</b>
Profit for the year	<b>10,818</b>
At 31 December 2012	<b><u>12,134</u></b>

**10. ULTIMATE PARENT COMPANY**

The company's ultimate parent undertaking and controlling party, by virtue of holding directly 100 per cent of the issued ordinary share capital, is The Iona Community, a company limited by guarantee.

**11. RELATED PARTY DISCLOSURES**

During the year Iona Community Trading Limited made a donation of £20,000 (2011 - £38,500) to The Iona Community, the ultimate parent company.

Iona Community Trading Limited purchased items of stock to the value of £33,530 in the year from The Iona Community, the ultimate parent company.

**12. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**13. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Iona Community, a charitable company limited by guarantee.

**Iona Community Trading Ltd (Registered number: SC156678)**

**Trading and Profit and Loss Account  
For The Year Ended 31 December 2012**

	31.12.12		31.12.11	
	£	£	£	£
<b>Sales</b>		<b>267,369</b>		<b>269,647</b>
<b>Cost of sales</b>				
Purchases		<u>151,113</u>		<u>161,647</u>
<b>GROSS PROFIT</b>		<b>116,256</b>		<b>108,000</b>
<b>Expenditure</b>				
Relocation & removal costs	-		174	
Rent	14,000		12,250	
Insurance	2,267		1,335	
Light and heat	1,571		-	
Wages	13,169		14,958	
Pensions	1,942		1,831	
Voluntary staff costs	4,325		3,434	
Telephone	175		135	
Post and stationery	2,413		1,568	
Travelling	155		115	
Management charges	32,809		25,507	
Repairs and renewals	5,144		495	
Sundry expenses	1		95	
Auditors' remuneration	1,600		1,780	
Donations	<u>20,000</u>		<u>38,500</u>	
		<u>99,571</u>		<u>102,177</u>
		<b>16,685</b>		<b>5,823</b>
<b>Finance costs</b>				
Bank charges	3,639		3,252	
Loan interest	<u>1,250</u>		<u>1,250</u>	
		<u>4,889</u>		<u>4,502</u>
		<b>11,796</b>		<b>1,321</b>
<b>Depreciation</b>				
Plant and machinery	330		-	
Fixtures and fittings	<u>131</u>		<u>843</u>	
		<u>461</u>		<u>843</u>
<b>NET PROFIT</b>		<u><u>11,335</u></u>		<u><u>478</u></u>

This page does not form part of the statutory financial statements