



ANNUAL REPORT & FINANCIAL STATEMENTS

Year ending 24th January 2026

Part of your everyday since 1886

Coop 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

Mr R W Read *o+x (Chair)

Mrs A Brindley o

Mr V A King *+° (Vice Chair)

Mrs S Preece *o^x+

Mr S Peale *+o

Mr S Horsham ^

Mr S Pursglove ^

Mr M Jackson *^x+

Mrs S D Peale *+o

* Member of the Remuneration Committee

+ Member of the Search Committee

O Pension Fund Trustee

x Member Relations Committee

^ Member of the Health & Safety Committee

Registered Office

8 Colehill, Tamworth, Staffordshire, B79 7HE

Registered No

2582R

Management Exec

Daniel Welsh

Chief Executive Office & Secretary

Stacey V Taylor ACMA

Deputy Chief Executive Office & Head of Finance

Glen Speak MBIE

General Manager, Funeral Services

Julie Gasper

Business Support Manager (Retired May 2025)

Auditors

Dains Audit Limited,

2 Chamberlain Square,

Paradise Circus,

Birmingham,

B3 3AX

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

Community & Charity

Tamworth Coop remains firmly committed to supporting the local communities we serve. Each year, we dedicate a significant portion of our resources to charitable giving, ensuring that meaningful funding reaches a wide range of local causes. Through our long-standing Community Dividend Fund, store-based nominations, and targeted charity partnerships, we continue to assist schools, hospices, wellbeing groups, youth organisations, and projects that make a tangible difference to people's everyday lives. This commitment reflects our co-operative values in action—championing fairness, supporting those in need, and reinvesting in the neighbourhoods that support us.



St Giles Hospice

12 Days of Christmas
£10,000
donated to St Giles Hospice



12 Days of Christmas

12 Days of Christmas
£5,000
donated to local charities

In addition to financial donations, Tamworth Co-op actively encourages community involvement among colleagues and customers through fundraising initiatives, local events, and volunteer engagement. We take pride in helping to strengthen community resilience, enhance local services, and improve the quality of life across the region. As a member-owned organisation, we view these contributions not as optional extras but as a core part of who we are. Our continued investment in local charities and community groups demonstrates our dedication to building a stronger, more connected future for everyone.

Christmas Jumper Day

£86

donated to
Save the Children

Meaningful Mincemas

£210

donated to BHF &
Macmillan



12 Days of Christmas



12 Days of Christmas



12 Days of Christmas



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Notice of Meeting
For the Period Ended 24 January 2026

The chairman presents his statement for the period.

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

22nd April 2026

(1) Admission on presentation of a Valid Pass Card

Agenda

1. To confirm the Minutes of the Annual General Meeting held on 23rd April 2025.
2. To elect scrutineers.
3. To receive the Report of the Board of Directors.
4. To receive the Annual Report and Financial Statements of the society for the 52 weeks ended 24th January 2026, 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 Audit Limited as Auditors for 2026/2027.
8. Any other business

By Order of the Board

Daniel Welsh
Secretary

Date 17 March 2026

Key performance indicators
For the Period Ended 24 January 2026

Key performance indicators

	2022	2023	2024	2025	2026
Return on capital employed.	7.9	6.0	4.9	3.2	2.2
Surplus before distribution and impairment charges as a percentage of sales.	4.5	4.3	3.7	1.0	1.7
Trading surplus after depreciation as percentage of sales.	4.6	4.0	3.3	2.2	1.5
Trading surplus before depreciation as percentage of sales.	6.7	6.0	5.8	4.8	3.9
Gearing percentage.	7.7	6.6	N/a	N/a	1.9
Interest cover (times).	322.5	291.3	N/a	N/a	N/a
Retention as percentage of sales.	3.0	3.2	2.1	0.6	0.9
Capital expenditure as a percentage of sales.	3.0	2.9	4.4	2.7	2.1
Total net assets (£000).	16,314	19,166	19,279	19,156	20,038
Represented by:					
Share capital (£000).	2,309	2,190	2,036	1,969	1,930
Reserves (£000).	14,005	16,976	17,243	17,187	18,108

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

17 March 2026.

R W Read

Mr R W Read
Chairman of the Board

Directors' Report
For the Period Ended 24 January 2026

The Directors present their report and the financial statements for the period ended 24 January 2026.

Financial review

As we reflect on the past financial year, it has once again been a turbulent period, particularly for our Food Division. The most significant challenge arose in late April 2025 when, as widely reported in the national media, the Co-operative Group was subjected to a sustained and malicious cyberattack. Members can be reassured that there were no breaches to any of our Society's own systems or data. However, the incident caused significant disruption to our Food Stores. The Society relies on the Co-operative Group for approximately 95% of the goods sold in our stores, supplied through its national distribution network. For several weeks, the Co-op Group's central systems were shut down, severely restricting deliveries and leading to reduced product availability, particularly within fresh foods.

During this period, the Society worked closely with both existing and new external suppliers to ensure that essential products remained available for our customers and members. We are extremely grateful for the support provided and for the way these businesses collaborated with us during such a difficult time. It was also a very challenging period for our food colleagues, and the resilience, commitment and positivity they demonstrated throughout was truly remarkable. We extend our sincere thanks to everyone involved.

For the 52 weeks of the financial year, total turnover reached £28,360,000, representing a reduction of 1% compared with the prior year. Sales in our Food Stores were particularly challenging, largely due to the impact of the cyberattack, which affected trading during the important summer period. Our Funeral Division performed more strongly, with overall volumes increasing by 5.7% compared with the previous year. Property income for the year totalled £738,000, an increase of 18.6% on the prior year, primarily driven by additional lettings including the completion of the 9 Colehill property in late 2024. The Society has continued to experience rising operating expenses, particularly because of increases in the National Living Wage and higher National Insurance contributions following rate and threshold changes introduced in April 2025. As a result, the Society reported a trading surplus of £433,000 compared with £622,000 in the previous year.

Below the trading line, interest received was slightly ahead of the prior year, while finance costs associated with the closed final salary pension scheme were lower. As in previous years, there were movements in the value of our investment properties and overall, these resulted in a modest increase. There was also a gain on the disposal of fixed assets following the sale of our Lichfield store, although this was largely offset by property value impairments and other exceptional charges relating to our Church Street store. Overall, the Society reported a surplus before tax of £362,000 compared with £75,000 in the prior year. Given the challenging trading environment and the events experienced during the year, the Directors are encouraged by this improvement in overall profitability.

In relation to the Final Salary Pension Scheme, which closed to future accrual in 2009, the Society continues to contribute £375,000 annually and meets the administrative costs associated with running the scheme. This remains in line with the agreed recovery plan. The financial statements now show a deficit of £89,000 compared with £1,353,000 in the previous year, reflecting the continued progress being made in addressing the scheme's liabilities.

During the year there were also changes within the Society's senior management team. Julie Gasper, who had been with the Society for over 40 years and most recently served as Business Support Manager, retired in May 2025. We thank Julie for her exceptional contribution and dedication over such a remarkable length of service and wish her a long and happy retirement. In May 2025 Helen Sharpe joined the Society as our new Human Resources Manager, bringing with her a wealth of knowledge and experience. In September 2025 Lucy Gaunt joined the Society in the newly created role of Membership and Marketing Manager. Lucy previously held a similar role within another Co-operative Society and is already making strong progress as we develop and implement our future marketing plans. We warmly welcome both Helen and Lucy to the Society and wish them every success in their roles.

Directors' Report (continued)
For the Period Ended 24 January 2026

As part of our new marketing strategy, we have incorporated the International Co-operative Alliance (ICA) logo into our updated branding, which will be used across our Food and Funeral branch locations. This widely recognised co-operative marque has already been adopted by several other independent retail societies, and we believe it complements our own identity while reinforcing our co-operative values.

Our Funeral Division conducted more funeral arrangements than in the previous year, with increased volumes driven primarily by our Tamworth Mews and Town Centre Bereavement Office. In our Halliwell's division, overall numbers were lower, reflecting reduced mortality rates within the local area. In late 2025 the Society agreed a new lease for premises on Bridge Street in Polesworth, where we plan to open a new Funeral Service office during the first quarter of 2026. This will be our first new funeral location for many years and will complement our existing strong Food Store presence in Polesworth and Dordon. The new site will also be the first to feature our updated branding, and we look forward to welcoming this location to our funeral business in early 2026.

Within our Food business we have introduced the SymphonyAI ranging platform as part of a joint initiative with several other independent co-operative societies. This system is currently being rolled out across our stores and is already beginning to deliver benefits through improved product ranging and enhanced management insight. Following a successful trial of Electronic Shelf Edge Labels at our Dordon store, and after a short delay during the proof-of-concept phase, we are now planning a full rollout across all Food Stores, with completion expected during the first half of 2026.

In October 2025 work began on a major project at our Dosthill store after Directors approved an investment of £400,000 for a full store refit. The refurbishment has delivered a completely refreshed store environment with a new look and feel, incorporating our updated branding and signage both internally and externally. As part of the refit, we have continued our commitment to improving environmental sustainability by installing energy-efficient refrigeration systems that use more environmentally friendly refrigerants with lower Global Warming Potential (GWP), reducing both energy consumption and our carbon footprint. The refurbished store has been very well received and continues to serve as an important community hub for members and customers.

Retail crime remains a significant issue across the sector and our Society continues to be affected, although we do not report on specific incidents in detail. Nationally, the Association of Convenience Stores reported a 10.7% increase in shoplifting in its 2025 Crime Report. In June, our Wood End store was targeted when criminals drove a vehicle through the shopfront to remove the ATM. Fortunately, they left empty-handed, but the damage caused was catastrophic. Thanks to the swift response of colleagues and contractors, the store underwent extensive clean-up and repairs and was able to reopen within three days, once again serving the local community.

Towards the end of the year the Directors made the difficult decision to sell our Marks Walk store in Lichfield. The sale was completed in December to an independent symbol group operator, with colleagues transferring under TUPE legislation. The Society remains mindful of the ongoing pressures facing the retail sector and has been reviewing its store estate to ensure alignment with our long-term strategy. Unfortunately, due to the size and layout of the store, we were unable to identify a sustainable path forward for this location within our own operations.

The Society recognises the investment currently being made in Tamworth Town Centre, however, we continue to experience a sustained decline in footfall. Combined with increasing cost pressures, this has made trading conditions at our Church Street Food Store increasingly difficult. Early in the new year we began discussions with relevant stakeholders and are now considering options for the future of the Church Street Food Store and Post Office. This includes the possibility of closure, and we are currently in the early stages of consultation with affected colleagues.

Directors' Report (continued)
For the Period Ended 24 January 2026

The Society continues to operate in some of the most challenging trading conditions seen in recent years, and pressures within the Food retail sector are expected to persist. While inflationary levels have eased somewhat, the cost of food and essential goods remains high. Household budgets continue to be stretched, and levels of discretionary spending remain subdued.

Through our long-standing Community Dividend programme, the Society was delighted to support St Giles Hospice in Whittington. In December 2025 colleagues and Directors had the opportunity to see first-hand the incredible work carried out by the hospice and were proud to present a donation of £10,000 to support them. In addition, we ran a "12 Days of Christmas" campaign through which £500 was donated to twelve local charities and community organisations, each nominated by our colleagues across the business.

The Directors and Management Executive have a number of exciting plans for the year ahead, including further investment in both our Food and Funeral businesses, the launch of a new Society website and Member App, and the continued rollout of our new branding across the trading estate. In addition, the Society will celebrate its 140th anniversary this year, and we look forward to sharing further details of our plans to mark this important milestone later in the year.

We would like to sincerely thank all our colleagues for their hard work, dedication and commitment over the past year. As always, we recognise that our colleagues are our greatest asset.

Looking ahead, we remain cautiously optimistic about the future. While a number of neighbouring Co-operative societies are merging, our Society remains strong, independent and well positioned to continue serving our members and communities in the years ahead.

Directors' Report (continued)
For the Period Ended 24 January 2026

Dividend

The Board of Directors remains mindful of the importance of Dividends to our Members, but is conscious of the financial challenges facing the Society in the year ahead. The Board has therefore agreed to a 2% dividend and will endeavour to keep it at least at this level in the future

The Dividend distributed is as follows:

	Recommended 2026	Paid April 2025
Members Dividend	125,666	117,064
Waived Dividends to Charities	10,412	10,681
Dividend Vouchers not Redeemed	<u>(10,000)</u>	<u>(10,000)</u>
Total	<u>126,078</u>	<u>117,745</u>

Community Dividend 2025/2026:

The Board allocated £10,000 to St Giles Hospice to support their ongoing efforts in the community. In addition, the Society made charitable contributions amounting to £5,000 during the period, comprising £500 donations to each of 10 separate charities.

The Society has not yet made any decisions regarding the 2026/27 utilisation of community dividend.

Membership

Details of Membership are recorded below:

	Open Accounts	Suspended Accounts
Opening balance as at 25 January 2025	23,423	20,238
New Members during the year	2,349	0
Closed Accounts	(371)	-
Transfers from Suspended	74	(74)
Closing balance as at 24 January 2026	25,475	20,164

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.

Directors' Report (continued)
For the Period Ended 24 January 2026

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 24th January 2026 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 six occasions during the financial period ended 24th January 2026. 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 39.

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

The Members Relations Committee held one meeting during the year. The committee consist of Directors, current and past employees.

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.

Directors' Report (continued)
For the Period Ended 24 January 2026

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 period ended 24th January 2026 Members claimed Dividend on 19.2% of Society sales (as against 16.7% last year).

The Society recruited 2,349 (2025 – 1,865) 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 2025 was 26 against 33 in 2024, 23 in 2023 and 20 in 2022.

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 39 accidents were recorded across the Society, including 27 to employees. There were no reportable accidents. The comparative figures for the previous year were 36 accidents including 25 to Staff, there were no reportable accidents.

The average number of days lost per Full Time Equivalent Employee through sickness and absenteeism was 8.8 days against 10.6 days the previous year.

Directors' Report (continued)
For the Period Ended 24 January 2026

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 seven male and four female Directors. Senior Management is made up of three men and three women.

75.6% (2025 - 74.9%) of total Employees are women and 24.4% (2025 - 25.1%) men. 44.5% (2025 - 44.9%) of Employees are full-time and 55.5% (2025 - 55.1%) 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 Inspired Energy. The external provider behind Inspired Energy is called Smartest. The Society has joined forces with several other independent Co-operatives and secured terms for the buying of energy with Inspired Energy.

Directors' Report (continued)
For the Period Ended 24 January 2026

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.

Directors' Report (continued)
For the Period Ended 24 January 2026

Responsibilities of the Board of Director (continued)

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 £4,455,000 at 24th January 2026.

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 24 January 2026 the number of creditor days outstanding for the Society was 28.3 days (2025 - 20.3 days).

Directors' Report (continued)
For the Period Ended 24 January 2026

Internal control (continued)

(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.

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

There have been no significant events affecting the Society since the year end.

Directors' Report (continued)
For the Period Ended 24 January 2026

Auditors

The auditors, Dains Audit Limited, will be proposed for reappointment in accordance with Co-operative and Community Benefit Societies Act 2014

This report was approved by the board on 17 March 2026 and signed on its behalf.

R W Read

Mr R W Read

Chairman of the Board

Dan Welsh

Dan Welsh

Chief Executive Office

**Directors' Responsibilities Statement
For the Period Ended 24 January 2026**

The Directors are responsible for preparing the Strategic report, the Directors' report 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 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 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 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 20 to 51 are hereby signed on behalf of the Board of Directors pursuant to Section 80 of the Co-operative and Community Benefit Societies Act 2014.

R W Read

**Mr R W Read
Chairman of the Board**

Dan Welsh

**Dan Welsh
Chief Executive Officer**

17 March 2026

Directors' attendance
For the year ended 24 January 2026

Name	Year first elected	Appointment expires	Possible attendances	Actual attendances
Mr A V King	2009	2028	20	18
Mrs S Preece	2013	2026	23	22
Mr R W Read	1999	2026	25	24
Mrs S People	2011	2026	20	18
Mrs A Brindley	2015	2027	17	17
Mr S Horsham	2019	2028	22	20
Mr M Jackson	2021	2028	23	23
Mr S People	2025	2027	20	19
Mr S Pursglove	2024	2027	17	15

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

Opinion

We have audited the financial statements of Tamworth Co-operative Society Limited (the 'Society') for the period ended 24 January 2026, which comprise the revenue account, the statement of comprehensive income, the balance sheet, the statement of cash flows, the statement of changes in equity and the related notes, 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 24 January 2026 and of its profit for the period 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Directors' 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 other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Co-operative and Community Benefit Societies Act 2014

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 14, 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 the Directors determine 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 Directors either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 company 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 company, 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 company'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 (continued)

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 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 company'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. 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 Auditors' 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

Statutory Auditor
Chartered Accountants

Birmingham

16 April 2026

Tamworth Co-operative Society Limited

Revenue account

For the period ended 24 January 2026

		2026 £000	2025 £000
Gross takings	31,112	31,583	
Takings	31,112	31,583	
Less value added tax	(2,752)	(2,913)	
Turnover	4	28,360	28,670
Cost of sales	(18,875)	(18,871)	
	9,485	9,799	
Property income	738	622	
Expenses	(9,790)	(9,799)	
	(9,052)	(9,177)	
Trading surplus	11	433	622
Interest receivable and similar income	6	163	160
Other finance costs	7	(62)	(78)
Gain on disposal of fixed assets		313	1
Fair value adjustments to fixed assets	13,14	(148)	(425)
Other exceptional charges	10	(211)	-
		55	(342)
Surplus for the period before distribution		488	280
Dividends paid	8	(117)	(99)
Grants and donations	9	(9)	(106)
Surplus before taxation		362	75
Tax on surplus	12	(110)	(221)
Retained surplus/(deficit) for the period		252	(146)

All amounts relate to continuing operations

The notes on pages 21 to 41 form part of these financial statements.

Statement of Comprehensive Income
For the Year Ended 24 January 2026

	Note	2026 £000	2025 £000
Surplus/(deficit) for the financial period		252	(146)
Other comprehensive income			
Actuarial gain on defined benefit schemes		951	181
Movement on deferred tax relating to pension gains		(238)	(45)
Other comprehensive income for the period		713	136
Total comprehensive income for the period		965	(10)

The notes on pages 28 to 51 form part of these financial statements.

Tamworth Co-operative Society Limited
Registered number:2582R

Balance Sheet
As at 24 January 2026

	Note	2026 £000	2025 £000
Fixed assets			
Tangible assets	13	9,311	9,848
Investments	15	100	100
Investment property	14	8,285	8,210
		17,696	18,158
Current assets			
Stocks	16	1,088	974
Debtors: amounts falling due after more than one year	17	154	785
Debtors: amounts falling due within one year	17	1,267	979
Cash at bank and in hand	18	4,455	3,762
		6,964	6,500
Creditors: amounts falling due within one year	19	(4,090)	(3,420)
Net current assets		2,874	3,080
Total assets less current liabilities		20,570	21,238
Provisions for liabilities			
Deferred tax	20	(443)	(729)
Net assets excluding pension liability		20,127	20,509
Pension liability		(89)	(1,353)
Net assets		20,038	19,156
Capital and reserves			
Called up share capital		1,930	1,969
Profit and Loss Account	25	18,108	17,187
		20,038	19,156

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 March 2026.

R W Read

Mr R W Read
Chairman of the board

Dan Welsh

Daniel Welsh
Chief Executive Officer

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The notes on pages 28 to 51 form part of these financial statements.

Statement of Changes in Equity
For the Period Ended 24 January 2026

	Called up share capital £000	Profit and loss account £000	Members funds £000
At 27 January 2024	2,036	17,243	19,279
Comprehensive income for the period			
Deficit for the period	-	(146)	(146)
Actuarial gains on pension scheme (net of deferred tax)	-	136	136
Other comprehensive income for the period	-	136	136
Total comprehensive income for the period	-	(10)	(10)
Contributions by and distributions to owners			
Share interest paid	-	(46)	(46)
Shares issued during the period	152	-	152
Shares redeemed during the period	(219)	-	(219)
Total transactions with owners	(67)	(46)	(113)
At 25 January 2025	1,969	17,187	19,156
Comprehensive income for the period			
Surplus for the period	-	252	252
Actuarial gains on pension scheme (net of deferred tax)	-	713	713
Total comprehensive income for the period	-	713	713
Total comprehensive income for the period	-	965	965
Contributions by and distributions to owners			
Share interest paid	-	(44)	(44)
Shares issued during the period	201	-	201
Shares redeemed during the period	(240)	-	(240)
Total transactions with owners	(39)	(44)	(83)
At 24 January 2026	1,930	18,108	20,038

The notes on pages 28 to 51 form part of these financial statements.

Statement of Cash Flows
For the Period Ended 24 January 2026

	2026	2025
	£000	£000
Cash flows from operating activities		
Surplus/(deficit) for the financial period	252	(146)
Adjustments for:		
Dividends and grants paid	126	205
Exceptional costs	211	-
Depreciation of tangible assets	687	764
Fair value adjustments to fixed assets	(63)	425
Profit on disposal of tangible assets	(313)	(1)
Pension charge	62	78
Interest received	(162)	(160)
Taxation charge	110	221
Increase in stocks	(114)	(17)
(Increase)/decrease in debtors	(322)	34
Increase in creditors	288	7
Employer contribution to defined benefit scheme	(375)	(375)
Corporation tax (paid)/received	(14)	7
Net cash generated from operating activities	373	1,042
Cash flows from investing activities		
Purchase of tangible fixed assets	(578)	(124)
Sale of tangible fixed assets	575	1
Purchase of investment properties	(12)	(654)
Purchase of unlisted and other investments	-	(4)
Sale of unlisted and other investments	-	4
Interest received	162	160
Net cash from investing activities	147	(617)

Statement of Cash Flows (continued)
For the Period Ended 24 January 2026

	24 January 2026 £000	26 January 2025 £000
Cash flows from financing activities		
Movement in ordinary shares	(39)	(67)
Dividends and grants paid	(126)	(205)
Interest paid on share capital	(44)	(45)
Net cash used in financing activities	(209)	(317)
Net increase in cash and cash equivalents	311	108
Cash and cash equivalents at beginning of period	3,762	3,654
Cash and cash equivalents at the end of period	4,073	3,762
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	4,455	3,762
Bank overdrafts	(382)	-
	4,073	3,762

Analysis of Net Debt
For the Period Ended 24 January 2026

	At 27 January 2025 £000	Cash flows £000	At 24 January 2026 £000
Cash at bank and in hand	3,762	693	4,455
Bank overdrafts	-	(382)	(382)
	<u>3,762</u>	<u>311</u>	<u>4,073</u>

The notes on pages 28 to 51 form part of these financial statements.

Notes to the Financial Statements
For the Period Ended 24 January 2026

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 8 Colehill, Tamworth, Staffordshire, B79 7HE.

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 24 January 2026 with the comparative figures for the 52 week period ended 25 January 2025.

2.4 Gross takings

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

Notes to the Financial Statements
For the Period Ended 24 January 2026

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.

2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Notes to the Financial Statements
For the Period Ended 24 January 2026

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model 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

2.10 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 they 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 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.

Notes to the Financial Statements
For the Period Ended 24 January 2026

2. Accounting policies (continued)

2.12 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.

2.13 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 profit or loss.

2.14 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 Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.15 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.

2.16 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.

2.17 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.

Notes to the Financial Statements
For the Period Ended 24 January 2026

2. Accounting policies (continued)

2.18 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

2.19 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.

2.20 Finance costs

Finance costs are charged to profit or loss 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.

Notes to the Financial Statements
For the Period Ended 24 January 2026

2. Accounting policies (continued)

2.21 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.

2.22 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.

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'.

Notes to the Financial Statements
For the Period Ended 24 January 2026

2. Accounting policies (continued)

2.22 Pensions (continued)

The cost of the defined benefit plan, recognised in profit or loss 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'.

2.23 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.24 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.25 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 profit and loss 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.

2.26 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss 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.

Notes to the Financial Statements
For the Period Ended 24 January 2026

2. Accounting policies (continued)

2.26 Current and deferred taxation (continued)

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.

2.27 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 or 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.

Notes to the Financial Statements
For the Period Ended 24 January 2026

3. Judgments in applying accounting policies (continued)

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 22, 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 2022 has been used by the actuary in valuing the pensions liability at 24 January 2026. 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.

5. Auditors' remuneration

	2026	2025
	£000	£000
Fees payable to the Society's auditors for the audit of the Society's financial statements	27	26
Fees payable to the Society's auditor in respect of:		
Other services relating to taxation	8	7
	<u>8</u>	<u>7</u>

6. Interest receivable and similar income

	2026	2025
	£000	£000
Bank interest receivable	160	156
Other interest receivable	2	4
	<u>162</u>	<u>160</u>

Notes to the Financial Statements
For the Period Ended 24 January 2026

7. Other finance costs

	2026 £000	2025 £000
Net interest on net defined benefit liability	62	78
	<u>62</u>	<u>78</u>
	<u><u>62</u></u>	<u><u>78</u></u>

8. Dividends paid

	2026 £000	2025 £000
Dividends to members	117	97
Waived dividend given to charity	-	11
Dividend vouchers not redeemed by members from prior years	-	(10)
	<u>117</u>	<u>98</u>
	<u><u>117</u></u>	<u><u>98</u></u>

9. Grants and donations

	2026 £000	2025 £000
Employee related	9	106
	<u>9</u>	<u>106</u>
	<u><u>9</u></u>	<u><u>106</u></u>

Notes to the Financial Statements
For the Period Ended 24 January 2026

10. Employees

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

	2026 £000	2025 £000
Wages and salaries	5,214	5,186
Social security costs	550	381
Cost of defined contribution scheme	216	176
	<u>5,980</u>	<u>5,743</u>

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

	24 January 2026 No.	26 January 2025 No.
Full time	76	81
Part time	188	199
	<u>264</u>	<u>280</u>

Notes to the Financial Statements
For the Period Ended 24 January 2026

Management executive remuneration

	2026 £000	2025 £000
The total remuneration of the management executive was as follows:		
Salaries	357	424
Bonus	63	67
Taxable benefits	1	5
Pension contributions	27	20
	<u>448</u>	<u>516</u>

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

	2026 £000	2025 £000
Salary	140	142
Bonus	15	40
Pension contributions	19	7
	<u>174</u>	<u>189</u>

11. Trading surplus

The trading surplus is stated after charging:

	2026 £000	2025 £000
Depreciation of tangible assets	686	764
Impairment of tangible fixed assets	211	-
Defined contribution pension cost	216	176
Operating lease rentals - other operating leases	4	(17)
Directors' fees	<u>44</u>	<u>42</u>

Notes to the Financial Statements
For the Period Ended 24 January 2026

12. Taxation

	2026 £000	2025 £000
Corporation tax		
Current tax on profits for the year	-	19
Adjustments in respect of previous periods	3	-
Total current tax	3	19
Deferred tax		
Origination and reversal of timing differences	107	202
Total deferred tax	107	202
Taxation on surplus	110	221

Notes to the Financial Statements
For the Period Ended 24 January 2026

12. Taxation (continued)

Factors affecting tax charge for the period

The tax assessed for the period is higher than (2025 - higher than) the effective rate of corporation tax in the UK of 25% (2025 - 25%). The differences are explained below:

	2026	2025
	£000	£000
Surplus before tax	363	75
Surplus multiplied by standard rate of corporation tax in the UK of 25% (2025 - 25%)	91	19
Effects of:		
Expenses not deductible for tax purposes	4	115
Fixed asset differences	-	76
Adjustments to tax charge in respect of prior periods	3	-
Other timing differences	(7)	(4)
Non-taxable income	(27)	(11)
Capital gains	46	26
Total tax charge for the period	110	221

Factors that may affect future tax charges

The rate of tax applied to the reported surplus is 25% (2025 - 25%). The rate of tax as introduced in the Finance Bill 2021 changed from 1 April 2023 from 19.00% to 25.00%.

Deferred taxes at the balance sheet date have been measured using these tax rates and are 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 Period Ended 24 January 2026

13. 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
Cost or valuation						
At 27 January 2025	9,612	2	1,406	5,795	-	16,815
Additions	-	-	-	501	77	578
Disposals	(245)	-	-	(597)	-	(842)
At 24 January 2026	9,367	2	1,406	5,699	77	16,551
Depreciation						
At 27 January 2025	2,037	2	843	4,085	-	6,967
Charge for the period on owned assets	122	-	120	445	-	687
Disposals	(129)	-	-	(496)	-	(625)
Impairment charge	168	-	-	43	-	211
At 24 January 2026	2,198	2	963	4,077	-	7,240
Net book value						
At 24 January 2026	7,169	-	443	1,622	77	9,311
At 26 January 2025	7,575	-	563	1,710	-	9,848

The original cost of freehold land included in the above figures, which is not depreciated is £2,743,000 (2025 - £2,743,000).

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.

Notes to the Financial Statements
For the Period Ended 24 January 2026

14. Investment property

	Freehold investment property £000
Valuation	
At 27 January 2025	8,210
Additions at cost	12
Surplus on revaluation	63
At 24 January 2026	8,285

The 2026 valuations were made by Peter J Hicks FRICS of Peter J Hicks & Co. Chartered Surveyors, on an open market value basis.

15. Fixed asset investments

	Unlisted investments £000
Cost	
At 27 January 2025	100
At 24 January 2026	100

Unlisted investments principally relate to shares in Co-op Group Limited.

Notes to the Financial Statements
For the Period Ended 24 January 2026

16. Stocks

	2026 £000	2025 £000
Finished goods and goods for resale	1,088	974
	<u>1,088</u>	<u>974</u>
	<u><u>1,088</u></u>	<u><u>974</u></u>

17. Debtors

	2026 £000	2025 £000
Due after more than one year		
Deferred tax asset (note 20)	154	785
	<u>154</u>	<u>785</u>
	<u><u>154</u></u>	<u><u>785</u></u>

	2026 £000	2025 £000
Due within one year		
Trade debtors	914	840
Other debtors	203	-
Prepayments and accrued income	150	139
	<u>1,267</u>	<u>979</u>
	<u><u>1,267</u></u>	<u><u>979</u></u>

Notes to the Financial Statements
For the Period Ended 24 January 2026

18. Cash and cash equivalents

	2026 £000	2025 £000
Cash at bank and in hand	4,455	3,762
Less: bank overdrafts	(382)	-
	<u>4,073</u>	<u>3,762</u>

19. Creditors: Amounts falling due within one year

	2026 £000	2025 £000
Bank overdrafts	382	-
Trade creditors	2,126	1,567
Corporation tax	5	19
Other taxation and social security	115	203
Other creditors	41	139
Dividends Payable	50	43
Accruals	1,371	1,449
	<u>4,090</u>	<u>3,420</u>

20. Deferred taxation

	2026 £000	2025 £000
At beginning of year	56	303
Charged to revenue account	(107)	(202)
Charged to other comprehensive income	(238)	(45)
At end of year	<u>(289)</u>	<u>56</u>

Notes to the Financial Statements
For the Period Ended 24 January 2026

20. Deferred taxation (continued)

The deferred tax balance is made up as follows:

	2026	2025
	£000	£000
Accelerated capital allowances	(472)	(469)
Pension deficit	22	338
Other timing difference	10	9
Property gains and losses	132	178
Losses and other deductions	19	-
	<u>(289)</u>	<u>56</u>
Comprising:		
Asset - due after one year	154	785
Liability	(443)	(729)
	<u>(289)</u>	<u>56</u>

21. Capital commitments

At 24 January 2026 the Society had capital commitments as follows:

	2026	2025
	£000	£000
Contracted for but not provided in these financial statements	249	-
	<u>249</u>	<u>-</u>

Notes to the Financial Statements
For the Period Ended 24 January 2026

22. 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 £216,000 (2025 - £176,000) .

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 (2025 - £375,000).

A full actuarial valuation was carried out as at 31 March 2022 and updated to 24 January 2026 using the Projected Unit method, by an independent qualified actuary.

Reconciliation of present value of plan liabilities:

	2026	2025
	£000	£000
At the beginning of the year	14,147	15,019
Interest cost	725	695
Actuarial gains	(790)	(520)
Benefits paid	(957)	(1,047)
At the end of the year	13,125	14,147

Reconciliation of present value of plan assets:

	2026	2025
	£000	£000
At the beginning of the year	12,794	13,188
Interest income	663	617
Actuarial gains	161	(339)
Contributions	375	375
Benefits paid	(957)	(1,047)
At the end of the year	13,036	12,794

Notes to the Financial Statements
For the Period Ended 24 January 2026

22. Pension commitments (continued)

	2026 £000	2025 £000
Fair value of plan assets	13,036	12,794
Present value of plan liabilities	(13,125)	(14,147)
Net pension scheme liability	(89)	(1,353)

The amounts recognised in profit or loss are as follows:

	2026 £000	2025 £000
Interest on obligation	(62)	(78)
Total	(62)	(78)

The cumulative amount of actuarial gains and losses recognised in the Statement of comprehensive income was £4,952,000 (2025 - £4,001,000).

The Society expects to contribute £375,000 to its Defined benefit pension scheme in 2027.

	2026 £000	2025 £000
Analysis of actuarial loss recognised in Other Comprehensive Income		
Actual return less interest income included in net interest income	161	(339)
Experience gains and losses arising on the scheme liabilities	407	53
Changes in assumptions underlying the present value of the scheme liabilities	383	467
	951	181

Notes to the Financial Statements
For the Period Ended 24 January 2026

22. Pension commitments (continued)

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2026	2025
	%	%
Discount rate	5.30	5.30
Revaluation in deferment	2.10	2.40
Future pension increases	2.90	2.40
Inflation assumption (CPI)	2.10	2.20
Mortality rates		
- for a male aged 65 now	86.0	86.0
- at 65 for a male aged 45 now	87.0	87.0
- for a female aged 65 now	88.6	88.6
- at 65 for a female member aged 45 now	89.7	89.7

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

Defined benefit pension schemes

	2026	2025	2024	2023	2022
	£000	£000	£000	£000	£000
Defined benefit obligation	(13,125)	(14,147)	(15,019)	(15,629)	(22,882)
Scheme assets	13,036	12,794	13,188	12,922	16,956
Deficit	(89)	(1,353)	(1,831)	(2,707)	(5,926)
Experience adjustments on scheme liabilities	790	520	371	6,813	(358)
Experience adjustments on scheme assets	161	(339)	(779)	(3,843)	1,382
	951	181	(408)	2,970	1,024

Notes to the Financial Statements
For the Period Ended 24 January 2026

23. Share capital

	2026	2025
	£000	£000
At the start of the period	1,969	2,036
Contributions	333	106
Interest	44	46
	2,346	2,188
Share capital - fully paid - shares redeemed	(240)	(219)
At end of period	2,106	1,969

Share capital is non equity share capital comprising £1,929,976 (2024 - £1,968,536) shares of £1 each, attracting interest of between nil and 3.75% 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.

24. Commitments under operating leases

At 24 January 2026 the Society had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2026	2025
	£000	£000
Not later than 1 year	31	17
Later than 1 year and not later than 5 years	62	33
	93	50

Notes to the Financial Statements
For the Period Ended 24 January 2026

25. Reserves

Revenue reserves

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

26. 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 £448,000 (2025 - £565,000).

FOOD STORES

Tamworth
1-5 Church Street,
Tamworth, B79 7DH

Bolehall
107 Amington Road,
Bolehall, B77 3LN

Dosthill
69 High Street,
Dosthill, B77 1LG

Dordon
Whitehouse Road,
Dordon, B78 1QE

Glascote
148 Glascote Road,
Glascote, B77 2AF

Kingsbury
109 Tamworth Road,
Kingsbury, B78 2NH

Polesworth
17 High Street,
Polesworth, B78 1DX

Rosliston
Main Street,
Rosliston, DE12 8JW

Stretton
James Brindley Way,
Stretton, DE13 0LB

Whittington
Main Street,
Whittington, WS14 9JR

Wood End
Tamworth Road,
Wood End, CV9 2QQ

FUNERAL HOMES

Tamworth
The Mews, Upper
Gungate, B79 7HZ

Uttoxeter
34 High Street,
Uttoxeter, ST14 7HT

Woodville
107 Granville Street,
Woodville, DE11 7HJ

Heath Hayes
68-72 Hednesford Road,
Heath Hayes, WS12 3EA

Pelsall
63 Norton Road,
Pelsall, WS3 4NR

Great Wyrley
164 Walsall Road,
Great Wyrley, WS6 6NQ

Coseley
20 Castle Street,
Coseley, WV14 9DP

Polesworth
33a Bridge Street,
Polesworth, B78 1DR

POST OFFICES

Tamworth
1-5 Church Street,
Tamworth, B79 7DH

Dordon
Whitehouse Road,
Dordon, B78 1QE

Rosliston
Main Street,
Rosliston, DE12 8JW

Wood End
Tamworth Road,
Wood End, CV9 2QQ

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