



The Channel Islands
co-operative
Society Limited

2013
ANNUAL REPORT AND
FINANCIAL STATEMENTS
52 week period ended 13th January 2013



Ethical trading

We are the UK's leading supermarket supporter of Fairtrade.



Guarantees a **better deal** for Third World Producers



The Channel Islands
co-operative
Society Limited

WELCOME



COLIN MACLEOD,
CHIEF EXECUTIVE

The last 12 months have been as challenging as we predicted, perhaps even more so. A combination of tough economic conditions, rising unemployment in Jersey, an extremely competitive marketplace and increasing raw material costs have certainly had their impact. Your Society can therefore report that, given these factors, our performance has been relatively sound despite a modest decrease in sales. Turnover was £159.6 million, a 0.09% decrease against a comparative 52 week period last year, with Food stores up 0.09% on LY, Homemaker down 4.5% on LY, Total Sport up 0.3% on LY and Travel, driven largely by foreign currency increases, up 15.7% on LY.

These are tough times for the retail sector as consumers rigorously search for value and think carefully about discretionary spending. We have worked very hard to keep prices down and deliver value wherever possible throughout the Society. We have also been taking managed risks to ensure we keep investing in the business which will put us in a good position when the economy turns a corner.

We have also been acknowledged for the hard work we have undertaken this year. Firstly by winning a customer service

award in Jersey and then by winning the Employer of the Year award at the Awards for Achievement in Guernsey. Both awards celebrate the efforts of a dedicated, loyal and industrious group of Society colleagues who deliver our brand and ethos every day.

2012 was the International Year of Co-operatives and we were involved in many activities, including a global event in Manchester, to celebrate the co-operative movement. Co-operatives are about people sharing in a common goal, distributing surplus fairly and having an equal say, it is about being at the heart of the community, creating legacies and having a positive impact. It is during challenging trading conditions that these principles come to the fore and make us stronger.

Finally I would like to thank you, our members, for shopping with us and giving us your feedback. We have many ways you can speak to us now and I would encourage you to keep telling us what you want from the Society. It is after all your business.

Colin Macleod, Chief Executive

CONTENTS

	Page		Page
Notice of Meetings	3	Consolidated Cash Flow Statement	21
Standing Orders for Members' Meetings	3	Statement of Accounting Policies	23
Report of the Directors	4	Notes to the Financial Statements	25
Consolidated Revenue Account	18	Board Certification and Directors' Responsibilities	34
Consolidated Balance Sheet	19	Registered Auditors' Report	35
Parent Company Balance Sheet	20	Table of Progress	36

HIGHLIGHTS

Turnover **£159.617m**

Amount returned to members **£8.649m**

Investment in local store portfolio **£9.467m**

2013
ANNUAL REPORT AND
FINANCIAL STATEMENTS



Mr Peter Roffey – President



*Mr Ben Shenton – Vice President



*Mrs Carol Champion



Mrs Tanya Dorrity



Mr Alexander Fearn



Mr Hamish Marett-Crosby
(Elected 15th May 2012)



*Mrs Jean Pritchard



*Mrs Jennie Vibert



CHIEF OPERATING OFFICER
Mr Mark Cox



CHIEF FINANCIAL OFFICER
Mr Peter Bruges
(Appointed 3rd September 2012)



CHIEF EXECUTIVE
Mr Colin Macleod



SECRETARY
Mr David Rees



CHIEF COMMERCIAL OFFICER
Mr Jim Plumley

*Retire this year, eligible for re-election

Registered Auditors

KPMG Channel Islands Limited
PO Box 453, 37 Esplanade,
St Helier, Jersey, JE4 8WQ

Bankers

The Co-operative Bank plc
Rectory House, 2 Market Street, St. Peter Port,
Guernsey, GY1 1HB

Legal Advisors

Mourant Ozannes (Advocates & Solicitors)
22 Grenville Street, Jersey, JE4 8PX

Randell & Loveridge (Advocates)
6 Court Row, Guernsey, GY1 2PD

Registered Office

57, Don Street, St Helier, Jersey, JE2 4TR.

Registered Number: 14672R.

Telephone: (01534) 879822

Facsimile: (01534) 836280

NOTICE OF MEETINGS

Notice is hereby given that the Annual Meetings of Members of the Society will be held:

Jersey

On Tuesday 14th May 2013
at Hautlieu School, Wellington Road, St Helier,
commencing at 7.30 pm.

Guernsey

On Wednesday 15th May 2013
at Beau Sejour, Amherst, St Peter Port,
commencing at 7.30 pm.

Agenda

1. To confirm the Minutes of the Annual Meetings held on 15th and 16th May 2012.
2. To receive the Board of Directors' Report for the 52 week period ended 13th January 2013.
3. To receive the audited Financial Statements for the 53 week period ended 13th January 2013, and Declaration of the Dividend.
4. To fix the remuneration of the Directors.
5. To elect two Jersey members and two Guernsey members to the Board of Directors.

Note: Rule 9.12 Meetings – Members only are entitled to vote at these meetings.

By order of the Board of Directors
D. Rees, Secretary

STANDING ORDERS FOR MEMBERS' MEETINGS

1. The order of business at every ordinary or special meeting of the Society shall be in accordance with the printed Agenda or Order of Business issued with the Notice of the Meeting.
2. Only one member shall speak at a time and he/she shall be standing and address the Chair.
3. The time allowed for making any speech, except for the Chair's address or any formal report to the meeting, shall not, except by consent of the meeting, exceed the following limits:
 - (a) Any speech and discussion - 5 minutes
 - (b) Any speech moving a resolution or amendment - 10 minutes
 - (c) A reply by the mover of any resolution - 5 minutes

An extension of the above times, not exceeding 5 minutes in any case, may be allowed by consent of the meeting.
4. No member shall be allowed to speak more than once on the same question (except a mover of a resolution to reply to the discussion) unless permission be given to explain, or the attention of the Chair be called to a point of order.
5. Whenever an amendment is made upon a motion, no second amendment shall be taken into consideration unless the first amendment is disposed of. If an amendment be carried it shall then become a substantive motion.
6. The mover of an original motion to which no amendment is submitted shall have the right to reply to the discussion on such motion. The mover of an original motion shall also have the right of reply to the discussion on any amendment, provided only one amendment is submitted. In the event of more than one amendment being submitted, the

mover of the original motion shall have the right of reply to the discussion on the first amendment. Should such first amendment be defeated, the mover of the original motion shall have the right of reply to the discussion on subsequent amendments, but should an amendment be carried the mover of such amendment shall have the right of reply to the discussion on subsequent amendments until one is carried.

Movers of amendments that are carried shall have similar rights as their predecessors having the right of reply. The mover of an original motion or of any amendment losing his right of reply shall not be debarred from taking part in subsequent discussion of the business under consideration. The right of reply should be exercised only after discussion has closed and subsequently no further debate shall be allowed on the question. No new matter shall be introduced in reply to discussion.

7. That "the question be now put" be moved on any business before the meeting at any time except when a speaker is addressing the meeting, and if seconded shall at once be put to the vote without any discussion, unless it shall appear to the meeting that such a motion is an abuse of the standing orders or an infringement of the rights of members. If the question be decided in the affirmative, the question before the meeting shall immediately be put and decided without further debate.
8. When the Chair rises to speak, members shall immediately take their seats.
9. The decision of the Chair on any point shall not be open for discussion, and it shall be his duty to observe that the standing orders are obeyed, unless any of them are suspended which can only be by the consent of 2/3rds of the members present at the meeting.

To: The members of The Channel Islands Co-operative Society Limited

The Board of Directors has pleasure in submitting for the consideration and approval of the Society's members their Annual Report and Financial Statements for the year ended 13th January 2013.

Incorporation

The Society is registered under the Industrial and Provident Societies Acts, 1965-1978 (Industrial and Provident Societies (Channel Islands) Order 1965-1978), and has its Registered Office in the Island of Jersey.

Principal Activities

The Society's principal activities within Jersey and Guernsey are Food, Furnishings and Leisure retailing, the provision of Travel Services in both private and business sectors, the provision of Financial Services to its members, the sale of petroleum, the provision of sub-Post Office services and the provision of Funeral Services (in Jersey only).

Subsidiary

The Society has one subsidiary, Offshore Leisure Limited, which is registered as a company in Jersey and has its Registered Office in the Island of Jersey.

Basis of Consolidation

The consolidated financial statements include the assets, liabilities and results of the Society and its wholly-owned subsidiary company, Offshore Leisure Limited, which was incorporated on 28th July 2000 in order to continue the trading activities of Travelmaker, the travel arm of the Society's trading activities.

Membership

At the financial year-end 13th January 2013, the Society had a membership of 116,589. The changes in membership during the year were as follows:

At 15th January 2012	113,846
New Members	3,560
Accounts Closed	(817)
At 13th January 2013	116,589
of which:	
Jersey Members	75,471
Guernsey Members	41,118
At 13th January 2013	116,589

Turnover

The Society's turnover for the 52 week period ended 13th January 2013 was £159.617 million, compared to £162.829 million for the prior period. However, the prior period was a 53 week period and, to allow comparison, the adjusted turnover for that period was £159.757 million. The Society therefore experienced a modest decrease in turnover of £140 thousand (or -0.09%) over the previous year. The Society opened two new trading units during the year: a Locale at Royal Terrace, St Peter Port in Guernsey and an En Route at St Mary in Jersey. Taken together, these contributed £2.518 million to the turnover (or 1.58%).

The adverse economic environment persisted throughout 2012 and a number of long established businesses in the Islands ceased trading with the inevitable consequence of a further increase in the numbers of unemployed. The global economic downturn aside, changes to the Tax Rules in the UK and changes in shopping patterns through greater use of the Internet greatly contributed to forcing the closure of businesses. Against this background, attaining a level of turnover comparable to the prior year was a creditable performance; particularly when consideration is taken of the closure for a number of weeks of the old Checkers stores for refurbishment by the new owner, Waitrose, during the prior year.

The Society's food stores continued to be well supported by members during the past year with overall food sales of £147.926 million, compared to a figure adjusted for a 53 week period in the prior year of £147.790 million. This was a modest, but welcome increase of £136 thousand over the previous year (or 0.09%).

The economic climate and changes in shopping patterns again proved challenging for the Society's Homemaker Stores with turnover down to £10.181 million from an adjusted turnover of £10.667 million in the previous year, a decrease of £486 thousand (or -4.55%). Total Sport performed marginally better achieving a turnover of £952 thousand, which represented a modest increase of £3 thousand over the adjusted figure of £949 thousand the previous year (or 0.32%).

Despite the economic downturn, our Travel operation continues to experience strong growth, driven by our foreign currency exchange facilities. Sales reached £16.676 million compared to an adjusted figure of £14.408 million in 2011, an increase of £2.268 million (or 15.74%).

Financial

Operating Results	52 weeks 13th January 2013 £,000	53 weeks to 15th January 2012 £,000	Difference £,000
Gross Profit	49,839	51,259	(1,420)
Expenses	(41,129)	(41,520)	391
Trading Surplus	£8,710	£9,739	£(1,029)

After adjustment to compare the 53 week prior year period to the current 52 week period, Gross Profit fell by 0.90%. The adjusted figure for expenses shows an increase of 0.96%. Management continue to focus on reducing costs wherever practicable. Despite this, costs do continue to rise, boosted by the opening of two new units during the year and to restrict the increase to under 1% is a remarkable achievement. However, Management are aware of the difficulties faced by members in these difficult times and the fall in Gross Profit reflects Management's attempts to minimise price increases whenever possible.

Pensions

The Defined Benefit Scheme operated by the Society was closed on 30 June 2009 to future accruals. Staff who were in the scheme retained the benefits that they had earned until the date of closure and the Society has agreed to meet the cost of the past service deficit in respect of these benefits.

In order to comply with the provisions of Financial Reporting Standard (FRS) 17, the Society is obliged to report this past service deficit within its Financial Statements. As of 13th January 2013 the Pension Scheme had a past service deficit of £9.299 million, a decrease of £5.754 million over the previous year.

During the intervening time, the Society had contributed £1.1 million. However, investment returns were higher than expected, decreasing the deficit by £2.201 million and market conditions improved, particularly the net rates used to value the Scheme's liabilities, further decreasing the deficit by £2.829 million.

The Fund is subject to marked fluctuations in the investment markets and the valuation was undertaken at a time when the markets were comparatively buoyant. However, further significant fluctuations in the funding of the Scheme will occur

and the Board continue to monitor the situation through quarterly updates on the funding level of the Scheme.

Creditor Payment Practice

Payment to suppliers is made in accordance with the Society's agreed Terms and Conditions for its transactions with all its suppliers, provided the said suppliers meet their obligations to the Society's satisfaction. Trade creditor-days as at 13th January 2013 was 26.96 days compared to 13.61 days as at 15th January 2012.

Capital Reserves

Members' Share Capital increased by £6.650 million (21.20%) to a total of £38.017 million compared with £31.367 million at the end of the prior year. Loan Capital balance increased by £159 thousand (0.80%) to a total of £20.073 million compared with £19.914 million at the previous balance sheet date. Inclusive of the Revaluation Reserve but excluding the Pension Scheme deficit, Reserves now amount to £65.502 million, a decrease of £2.726 million (3.99%). However, including the deficit of the Pension Scheme, reserves rose by £3.028 million (5.69%) to stand at £56.203 million.

The Society is exempt under The Banking Business (Jersey) Law, 1991, for the purpose of accepting deposits from Jersey members of the Society. These deposits are in the form of Withdrawable Shares and Loan Capital. In Guernsey, deposits in the form of Withdrawable Shares only are accepted in accordance with the Industrial and Provident Societies Act, 1965-1978 (Industrial and Provident Societies (Channel Islands) Order 1965-1978).

Dividend

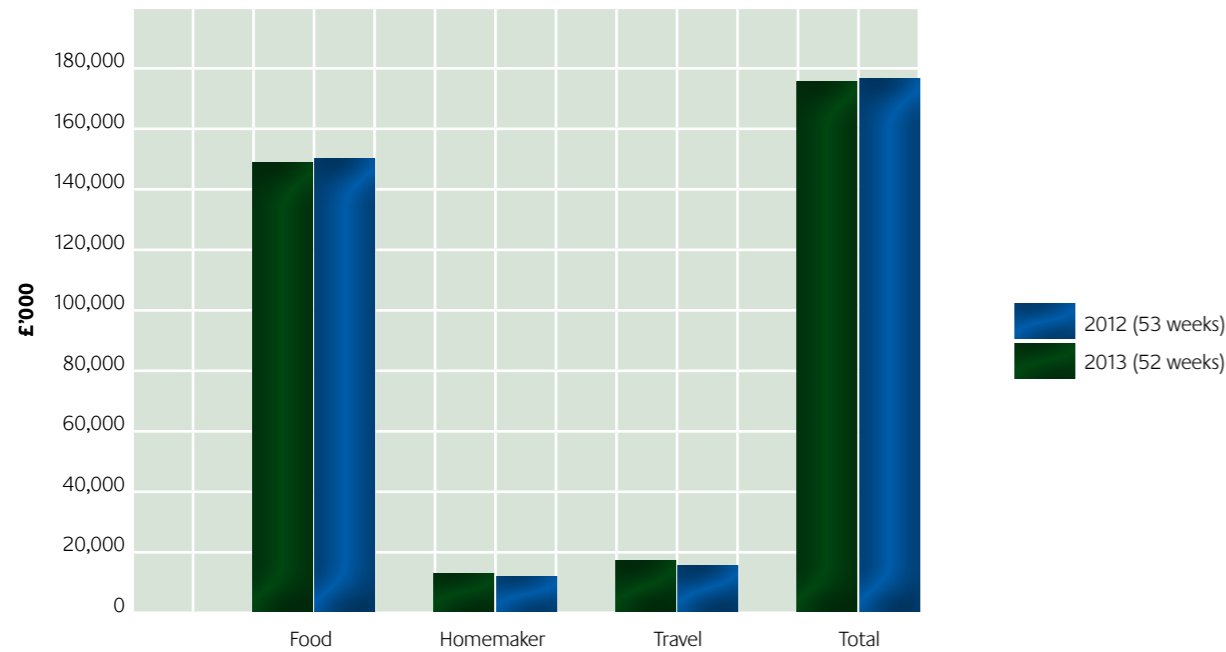
It gives the Board of Directors great pleasure once again to propose a dividend payment, at the rate of 4%, applicable to members' purchases made during the 52 week trading period ended 13th January 2013. The Dividend will be transferred to members' Share Accounts in accordance with Rule 16.1 (b). Where members elect to withdraw their dividend in the form of Dividend Vouchers, which can be exchanged for goods within all listed non-food departments, an additional 15% bonus of the dividend value is secured, providing a real saving in respect of the purchase so made.

Interest due for the period will have been credited to the Share Accounts as at 14th January 2013.

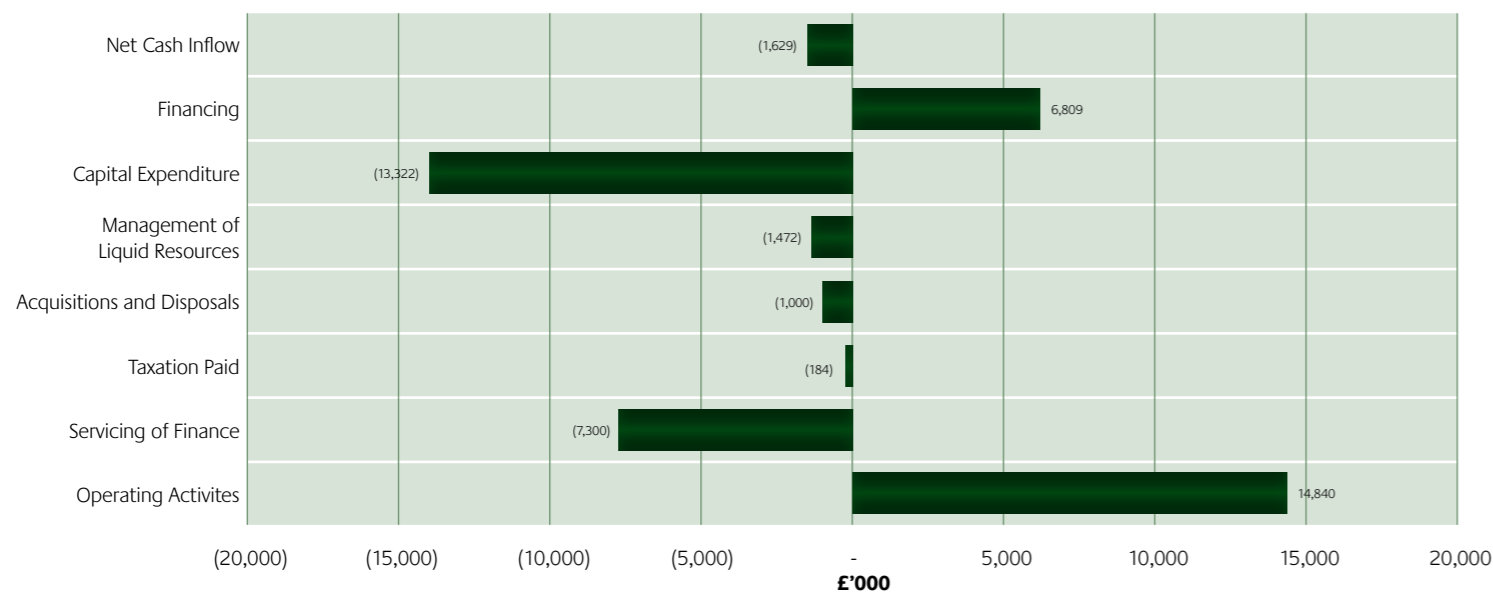
The value of Society membership is evident when it is noted that the total return to members by way of Dividend, Extra Dividend, Travel Vouchers and interest amounts to £8.649 million for 2013 and for 2012 amounted to £8.258 million.



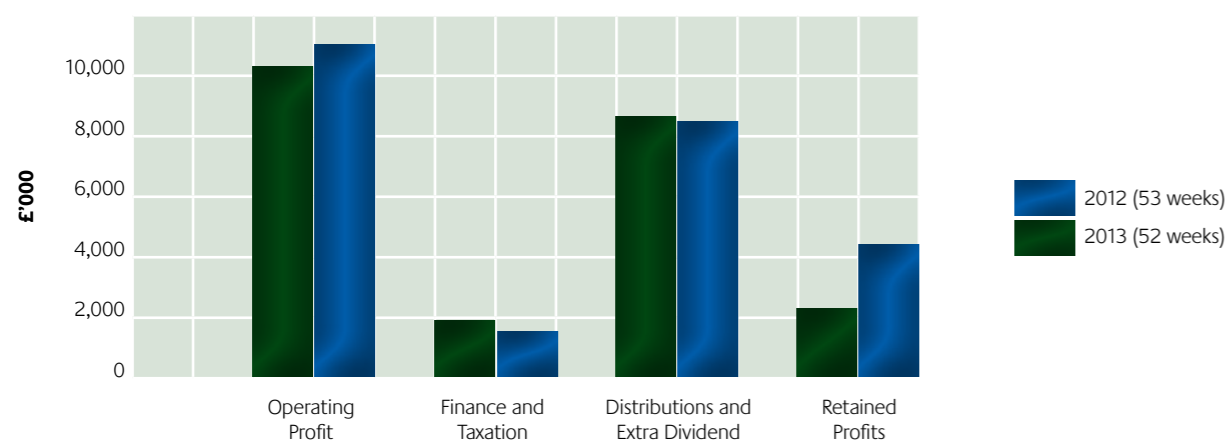
Comparison of Turnover by Division



Cash Flow Statement



Distribution of Trading Surplus



Retail Developments

Your Society continues to respond to feedback from members that more retail outlets in convenient locations are required to cater for our growing membership. These are the developments completed or in progress during the financial year:

Jersey

St Marys En Route

The Society purchased the petrol garage in St Mary's village and opened it as an En Route in February. The site was acquired from Rubis and we have continued to operate the forecourt, shop and car wash in its current form. This is an important main route between the east and west of Jersey so the site benefits from brisk passing trade as well as serving the local community.

Co-operative House

This important move to bring all our store support functions together in Jersey has already brought significant cultural benefits and greater working efficiencies. The three storey building incorporates a reception area on the ground floor and 2 light and spacious open plan floors of office space, complete with a canteen area called 'The Barcode'.

Charing Cross redevelopment

Newly revised plans for this redevelopment have been submitted to Planning after protracted and challenging discussions with the Department. This has been a long and contentious journey but we remain optimistic that we will succeed in providing a viable scheme that provides crucial investment and regeneration in this part of St Helier.

Guernsey

Royal Terrace

Our newest Locale in Guernsey was opened in September, giving us two St Peter Port stores on opposite sides of the town. The 4,000 sq ft store caters for surrounding offices, nearby residents and passers by who are heading to car parks on the outskirts of town.

Leales Yard development

We continue to work with our partners, Leales Yard Ltd, to secure a level of retailer interest in the new development.

In 2013, we have added Sion Locale in St John's, Jersey which will be open in late spring/early summer. The 1,700 sq ft store will be treated to a high quality refit and although smaller than others, will become an important part of the Locale estate in Jersey.



ST MARY'S EN ROUTE



CHARING CROSS DEVELOPMENT



CO-OPERATIVE HOUSE



ROYAL TERRACE

REPORT OF THE DIRECTORS



Community and Charity work

The Society continues to support the community in a variety of different ways.

Last year, we gave £206,496 to community and charity related projects in the Channel Islands.

Highlights:

We helped 120 charities raise money through bag packing and charity events in our stores

We supported over 235 local charities with fundraising prizes to the value of £8,390

We donated £38,000 from the Ecofund to local environmental projects and £11,000 to 19 different schools across the islands

We gave away over £16,000 to more than 30 charitable causes through the Helping Hands scheme

Our work colleagues raised £8,106 from various local events and initiatives

We gave £125,000 of discount to support David Kirsch's voucher initiative in Jersey

Examples of who we have helped:

Jersey

Jersey Women's Refuge **"The donation is a wonderful boost for our gardening project and allows us to look forward to the completion of the venture"**

Beaulieu Convent School **"Your kind donation is hugely appreciated and will be a great help in purchasing the equipment we need to enhance our playground facilities and further improve the learning experience for our girls"**



QUENNEVAIS SCHOOL - SCHOOL FUND DONATION

ST ANDREWS HELPING HANDS DONATION



SPORTS COMMISSION HELPING HANDS DONATION

Guernsey

La Mare de Carteret High School **"Thank you most sincerely for the generous donation which has enabled our PE department to purchase two table tennis tables"**

Guernsey Voluntary Service **"You and the Co-op have always been very supportive of GVS and that support carries on through to the elderly community here whose lives we endeavour to make easier"**

SAMARES SCHOOL CO-OPERATIVE EVENT



LEGO MINDSTORM ROBOTS





RECIPE GEMS WINNER

Local

Your Channel Island Co-operative is a local business, independent of the Co-operative Group in the UK. We have been operating in the Channel Islands for 94 years.

We have over 1,000 local products in our large stores which include dairy, fruit, vegetables, salad, herbs, alcohol and bakery products amongst others.

We support over 70 local producers and pay over £11 million pounds for the supply of local produce on an annual basis.

Our Junior Recipe Gems competition for island children aged between 11 and 18 years old followed the successful conclusion of Recipe Gems the previous year. The competition is designed to find the best local recipes in the islands, cooked up by budding household chefs who wish to show off their innovative skills or refresh an old family recipe. Winning local chefs were presented with prizes and appeared in the local newspaper.



WAYNE BILLIEN - GUERNSEY PRODUCER



MIKE GREENWOOD - JERSEY PRODUCER

Awards

The Society has had a distinguished year where industry awards are concerned.



1 - GUERNSEY AWARDS FOR ACHIEVEMENT

- 1) The Society was named 'Employer of the Year' at the Guernsey Awards for Achievement event which took place on Thursday 7th February 2013. The title was awarded to the Society for its holistic approach to HR, engagement, training and skills, an approach that nurtures development and has enabled colleagues to fulfil their potential. The Society benefits from low staff turnover and high numbers of long servers.



1 - GUERNSEY AWARDS FOR ACHIEVEMENT



2 - THE CHAMBER OF COMMERCE - JERSEY CUSTOMER SERVICE

- 2) We also won the Jersey Customer Service award for Best Customer Communication strategy for 2012, sponsored by The Chamber of Commerce for our approach to engaging with customers in a proactive way.



3 - TRAVELMAKER AWARD

- 3) Travelmaker was recognised as Travel Agent of the Year at the prestigious Page & Moy Travel Group Awards. The accolade was given in recognition of the great packages it offers, in conjunction with Travelsphere, through both the Guernsey Press and the JEP.



Our Ethics and Values

Our overall aim is 'to be a successful Co-operative business by serving our members as the outstanding retailer in the Islands.' We are underpinned by a set of values that cover our commitment to our membership obligations, service to our customers, our role in the community and responsibility towards our colleagues.

It is also our aim to maintain our position as the Islands' leading responsible retailer.

'To be a successful Co-operative business by serving our members as the outstanding retailer in the Islands'

Animal Welfare

We will seek to promote animal welfare and work towards progressively improving standards of animal well-being by extending ranges reaching high welfare standards, opposing animal testing and excluding fur products.

Ethical Trading

We are committed to supporting the Human Rights movement and to improve conditions in our supply chain. Therefore we continue to promote fairtrade and develop long term relationships with developing country producers and apply our sourcing code of conduct.



Environmental Impact

We recognise nature's limited capacity to generate resources and absorb waste so we commit to supporting climate change and renewable energy initiatives, reducing the carbon footprint, reducing waste and own-brand packaging, encouraging re-usable carrier bags and sourcing more locally.

Food quality, diet and health

We believe consumers should have access to high quality food that is produced and offered in a way they can trust. We do this by promoting the removal of substances of concern in foods, extending ranges that have healthy offerings and ensuring clear and honest labelling.



Our Corporate Values

- To keep control of our Society with local members and local residents as directors.
- To maintain dividends being returned to members in relation to the value of their purchases.
- To manage the Society effectively by maintaining sufficient funds within the Society to ensure future development.

Our turnover for 2012 is £159.6 million. We will return £8.6 million* to members this year

Our Service Values

- To offer our customers consistently high quality products and services in our shops and offices, giving good value at all times.
- To act at all times with honesty, integrity and within the laws and regulations of the islands.

Our mystery shopper results have increased to 89%

Our Community Values

- To play a meaningful role in the community, especially in charitable and environmental matters.
- To be non-partisan in all political, cultural and religious matters.
- To act in the best interests of the consumer.

We donated £206,496 this year to over 430 charities and projects in the Channel Islands

Our Employment Values

- To be a caring and responsible employer, encouraging the training and development of all colleagues within a working environment free of any discrimination, victimisation or harassment.
- To employ a workforce that reflects the community and values the contribution of the individual irrespective of sex, marital status, disability, sexuality, race, colour, religion, ethnic or national origin.
- To ensure that the workplace is safe and provides a healthy environment.

We completed 26,500 hours of training. Colleague turnover was 3.25% which compares favourably to the industry average. Our absence from work rate was 3.94%

* Subject to ratification

Governance

As an Industrial & Provident Society, the Channel Islands' Co-operative Society Limited is not required to adhere to the Provisions of the Combined Code. However, Co-operatives UK, the apex body for Co-operative Enterprises in the UK, with the support of Congress has issued a code for Consumer Co-operatives to which it requires voluntary compliance. This code is based on the principles contained in the combined code but it is tailored to the particular governance characteristics found in consumer co-operative societies.

The following statement outlines how the Society has complied with the principles of the code and explains in its final statement the provisions with which the Society does not comply and the reasons for non-compliance.

Members

Co-operatives are member-owned democratic organisations and the Board continues to encourage members to play their part in the governance of the business and to improve membership participation. All members are encouraged to attend the Annual Meetings, with notices being placed in all of the Society's places of business to which members have access and in the local press.

The Board

The Board is responsible for setting the Society's objectives and strategy, monitoring delivery by Management of that strategy and identifying the management risks. The Board also has a duty to ensure that the Society operates as a bona fide co-operative and adheres to the values and principles unique to such organisations. Certain duties and responsibilities are the sole preserve of the Board and these include all matters concerning determination and general operation of the Society's Rules, all aspects of membership policy, approval of all capital funding arrangements and approval of property acquisitions and disposals.

The Board meets on a regular basis throughout the year. At its meetings, it receives reports from Management on trading and other matters, reviews the financial performance of the Society both for the period and cumulatively for the year and considers papers presented for decision or information. Decisions made are actioned as appropriate by Management. The Board has delegated the day to day management of the Society's activities to the Chief Executive and his Management Team, who are responsible for the execution of the strategy within the framework set by the Board.

The Society's Secretary can only be appointed or removed by the Board and is independent of the Management Structure. All Directors have access to the advice and services of the Secretary at all times. In addition, external professional advice may be taken if requested by at least three Directors.

Board Elections

In May 2012, elections for four vacancies arising as a result of rotational retirement took place. There were seven candidates for the vacancies. Mrs T Dorrity, Mr A Fearn, Mr H Marett-Crosby and Mr P Roffey were duly elected for a two-year term of office. Mr P Grainger retired from the Board.

Board Balance and Independence

All Directors are non-executive and hold the following occupations:

Mr P Roffey	Freelance Writer
Mr B Shenton	Investment Advisor
Mrs C Champion	Nutritional Therapist
Mrs T Dorrity	Homemaker
Mr A Fearn	Head of Client Administration – Corporate Trust Services
Mr H Marett-Crosby (Elected 15 May 2012)	Freelance Journalist & Writer
Mr P Grainger (Retired 15 May 2012)	Retired Planning Consultant
Mrs J Pritchard	Cook
Mrs J Vibert	Personal Assistant

With the exception of the Chief Executive Officer, no members of the Management Executive hold any significant directorships. The Chief Executive Officer has been nominated as a Director of Jersey Pharmacy Services Limited and is a Director of Community Savings Limited.

The Secretary maintains a Register of Directors' and Management Executives' interests in order to ensure that they do not participate in any decision where they may have an interest. The Rules of the Society provide that members are debarred from becoming Directors in circumstances where specific interests in other organisations are held.

The Chairman

The President of the Society is elected by the Board at the first Board Meeting each year following the Annual Meeting of Members. The President acts as Chairman at all Board Meetings. No employee of the Society may become a Director and therefore the Chairman is independent of management.

In accordance with Society Rules, Mr Peter Roffey was elected Chairman of Directors' Meetings and President of the Society. Mr Ben Shenton was elected Vice-President.

Board Skills

All Directors are required to undertake training annually. In addition, newly appointed Directors are required to undertake initial induction training and such further training as being necessary in order to address any skill shortages.

Board Remuneration

The Board's Remuneration was fixed by the members at their Annual Meeting held in 2008. Provision was made for the remuneration to be increased annually in line with the increase agreed between the Co-operative Employees' Association and the National Association of Co-operative Officials, subject to a review by members five years after the date of the passing of the resolution.

Board Skills and Performance Evaluation

Although a formal board skills audit is not carried out, the Board undertakes an informal review on an annual basis and identifies training needs for the Board collectively. The Secretary is then directed to arrange training to meet the needs so identified.

On an annual basis, the Board evaluates its performance in respect of Corporate Governance; the areas of non-compliance are contained with this report.

Board Committees

All of the Directors sit as Members of the Audit Committee. The work of the Audit Committee includes the appointment of the Society's external Auditors and a review of their work, the review of the Society's system of internal control and its effectiveness, the review of the integrity of the Society's financial statements and a review of the work of the internal auditor and risk function.

The Committee has the opportunity to meet the external auditors and also the Society's Head of Internal Audit without the presence of Management during the year.

Management

During the Period under review Mr Gregory (Greg) Zambon, Chief Financial Officer retired. The Board thank Greg for his dedication and service over a period of 30 years to the Society. He was a valued member of the Executive Management Team during a period when the Society grew from a relatively small business to one of the largest private sector employers in the Channel Islands.

Mr Peter Bruges was appointed as Chief Financial Officer on 3rd September 2013 in succession to Greg. Peter has many years of experience in senior financial roles in major corporations.

Internal Control

The Board is ultimately responsible for the Society's system of internal control and for reviewing its effectiveness. Set out below is a review of the Society's system of internal control. It should be noted that such a system is designed to manage rather than eliminate the risk of failure to achieve the Society's objectives and can provide only reasonable and not absolute assurance against material mis-statement or loss.

The Society has adopted an internal control framework which contains the following key elements:

1. An organisational structure with clearly defined lines of responsibility, delegations of authority and reporting requirements.
2. Policies for expenditure, with set authorisation levels.
3. A comprehensive system of financial reporting. Actual results together with budget comparisons and prior year comparisons are reported regularly to the Board throughout the year.

4. The Board review and approve the annual 3-year rolling budget and plans for the Society.
5. A 'whistle-blowing' policy and procedure for the reporting and resolution of suspected fraudulent activities.
6. An internal audit function charged with reviewing the Society's systems of internal control.

The Board and the Strategic Management have primary responsibility for identifying and controlling the key risks facing the Society. The Society operates a risk management process that aims to identify the key risks. These risks are considered at Senior Management level and are reviewed by the Audit Committee. Action is taken to mitigate the risks identified.

Society control procedures are designed to ensure accurate accounting for financial transactions and to limit the potential exposure to loss of assets or fraud. Measures taken include physical controls, segregation of duties and review by Management, Internal Audit and the External Auditors.

Board Meetings

Ten scheduled meetings of the Board were held during the year. Each individual Director's attendance was as follows:

	Meetings Attended 2012	Meetings Entitled to Attend
Mr P Roffey (President)	10	10
Mr B Shenton	10	10
Mrs C Champion	10	10
Mrs T Dorrity	10	10
Mr A Fearn	9	10
Mr P Grainger	4	4
Mr H Marett-Crosby	6	6
Mrs J Pritchard	10	10
Mrs J Vibert	10	10

Compliance Statement

The Society does not comply with the following sections of the Corporate Governance Code of Best Practice issued in May 2005:

A 2.6 Remuneration Report

The fees of elected directors are reported in accordance with this provision of the Code. However, the remuneration packages of the Chief Executive and members of the Executive Management are not reported due to the nature of the employment market in the Channel Islands, which may give rise to difficulties in recruiting and retaining staff.

B 1.4 Committees of the Board

The Code requires that the Board should establish Committees to work on specialist aspects of their work. The Society's Board believe that it is best placed to consider all matters identified within the Code as requiring a Committee. Ad-hoc sub-committees are occasionally set up in order to deal with specific matters where it may not be practicable to convene the full Board in between the scheduled Board Meetings.

B 2.2 Refreshing the Board

Although the Society has recently amended its Rules to provide for the regular renewal of the Board by introducing an age rule, the Board considered that the recommended age of sixty-eight years contained within the code was too low and substituted an age limit of seventy-one years on standing for election.

B 2.4 The Search Committee

The Board have not established a Search Committee. However, the Board have formulated plans for succession for Members of the Management Executive. All matters that would ordinarily be undertaken by a Search Committee are a function of the main Board.

B. 4.3 Length of Service and Independence of the Chairman

The Code provides that the term of office of the Chairman should be no longer than three years. However, the Board believe that the Chairman should be the person best suited to the Role and in the best position to exercise the duties of the office. The Chairman is subject to election on an annual basis but there is no limit on the number of times the Chairman may be re-elected. As with all other Directors of the Society, the Chairman is an independent non-executive director in the first instance.

B7 Board Skills and Performance Evaluation

A formal system of evaluation has not been implemented, either in respect of the Board as a whole or for individual Directors. The Board consider that the main measures of a Board's effectiveness are the Society's trading performance and the standing of the Society within the Community. The Board are of the opinion that this is best judged by the members.

D.1.2 Internal Report

The Board do not provide a half-yearly interim printed statement of trading activities. However a half yearly trading report is posted on the Society's website.

D3 Internal Control and Risk

An internal audit function charged with reviewing the Society's system of internal control has been set up. However, the review of the effectiveness of internal controls will take some considerable time to complete. Although significant progress continues to be made, not all areas have yet been reviewed and the Board have therefore been unable to review the system of internal control to the full extent required by the Code.

Summary

The general trading conditions have been the toughest we have seen for retailers in a generation. This has been coupled with an extremely keen competitive environment following the entry of Waitrose into the local market and the expansion in the number of Iceland Stores. However, the Society's sales have continued to hold up very well and the Society has continued to seek opportunities for expansion and diversification.

Commercial opportunities have been more plentiful and more keenly priced during a challenging economic period than during a boom. Because of our caution over the years in not

overextending ourselves and taking on too much debt we have been in a position to benefit from that and to secure a better infrastructure, which will stand us in good stead when trading conditions eventually improve.

None of what we have achieved would have been possible without the hard work and loyalty of our Management and Staff. They have produced a remarkable performance given the current challenges and we unreservedly thank them for all of their efforts in making the Society successful.

We also thank our members and customers for their continued loyalty and support in a very bleak economic environment.

Signed on behalf of the Board of Directors

P Roffey, President

C Macleod, Chief Executive

D Rees, Secretary

7th April 2013

FINANCIAL RESULTS - CONTENTS

Consolidated Revenue Account	Page 18	Statement of Accounting Policies	Page 23
Consolidated Balance Sheet	Page 19	Notes to the Financial Statements	Page 25
Parent Company Balance Sheet	Page 20	Board Certification and Directors' Responsibilities	Page 34
Consolidated Cash Flow Statement	Page 21	Registered Auditors' Report	Page 35
		Table of Progress	Page 36

For the 52 weeks to 13th January 2013

Group	Notes	52 weeks to 13th January 2013		53 weeks to 15th January 2012	
		£'000	£'000	£'000	£'000
Turnover	1		159,617		162,829
Less Cost of Sales			(109,778)		(111,570)
Gross Profit			49,839		51,259
Less Expenses	2	38,443		38,823	
Extra Dividend and Travel Vouchers	3	2,686	(41,129)	2,697	(41,520)
Trading Surplus			8,710		9,739
Other Operating Income	4		1,515		1,572
Operating Profit			10,225		11,311
Investment Income	5	270		260	
Less Interest and Other Finance Costs		(2,063)	(1,793)	(1,901)	(1,641)
(Loss) / Profit on disposals	6		8,432		9,670
			(89)		250
Surplus Before Taxation			8,343		9,920
Taxation	7		(163)		(131)
Surplus Before Distribution			8,180		9,789
Share Interest		513		428	
Dividend (Ratified)		5,450	(5,963)	5,133	(5,561)
Surplus for year after Distribution			2,217		4,228
Share of operating profit in Associate undertaking	10		135		135
Surplus for year transferred to Reserves			2,352		4,363
	14				
Statement of Total Recognised Gains and Losses					
Surplus for the year after distribution			2,217		4,228
Movement on Revaluation Reserve			(4,219)		(2,197)
Total Actuarial Gains / (Losses)			5,030		(8,435)
Total Gains / (Losses) Recognised since last annual report			3,028		(6,404)
Note of historical cost profits					
Surplus before taxation			8,343		9,920
Depreciation charge on the revaluation element of freehold buildings			107		117
Historical cost profit on ordinary activities before taxation			8,450		10,037
Historical cost profit for the year retained after taxation and distribution			2,324		4,345

The Society will be recommending a distribution of £5,154,000 to its members for the period to 13th January 2013 as detailed in Note 20 on page 33. In accordance with FRS 21, this has not been accrued for in these financial statements.

All gains and losses recognised during the year relate to continuing activities.

The accounting policies and notes on pages 23 to 33 inclusive form part of these financial statements.

As at 13th January 2013

	Notes	As at 13th January 2013		As at 15th January 2012	
		£'000	£'000	£'000	£'000
Fixed Assets	8		113,470		107,431
Intangible Assets	9		1,630		676
Investments	10		1,483		1,483
			116,583		109,590
Current Assets					
Stocks		12,872		12,182	
Debtors and Prepayments	11	8,669		8,125	
Short Term Deposits		13,542		16,557	
Cash at Bank and in hand		3,656		2,270	
		38,739		39,134	
Less Current Liabilities (which fall due within one year)					
Creditors	12	15,363		11,793	
Taxation		169		190	
Share Interest		513		428	
Loans	13	20,073		19,914	
		36,118		32,325	
Net Current Assets			2,621		6,809
Total Assets less Current Liabilities			119,204		116,399
Liabilities which fall due after more than one year	12		(15,685)		(16,804)
Net Assets excluding Pension Fund deficit			103,519		99,595
Pension Fund deficit	17		(9,299)		(15,053)
Net Assets including Pension Fund deficit			94,220		84,542
Capital and Reserves:					
Share Capital			38,017		31,367
Reserves - General					
- Revaluation	14		34,500		33,000
- Revenue	14		7,271		11,490
	14		14,432		8,685
Total Shareholders' Funds	15		94,220		84,542

The accounting policies and notes on pages 23 to 33 inclusive form part of these financial statements.

As at 13th January 2013

		As at 13th January 2013		As at 15th January 2012	
	Notes	£'000	£'000	£'000	£'000
Fixed Assets	8		113,417		107,370
Intangible Assets	9		1,630		676
Investments	10		1,983		1,983
			117,030		110,029
Society Loan	11		42		42
Current Assets					
Stocks		12,872		12,182	
Debtors and Prepayments	11	7,500		6,840	
Short Term Deposits		13,542		16,557	
Cash at Bank and in hand		3,241		1,845	
		37,155		37,424	
Less Current Liabilities (which fall due within one year)					
Creditors	12	14,816		10,754	
Taxation		169		190	
Share Interest		513		428	
Loans	13	20,073		19,914	
		35,571		31,286	
Net Current Assets			1,584		6,138
Total Assets less Current Liabilities			118,656		116,209
Liabilities which fall due after more than one year	12		(15,685)		(16,804)
Net Assets excluding Pension Fund deficit			102,971		99,405
Pension Fund deficit	17		(9,299)		(15,053)
Net Assets including Pension Fund deficit			93,672		84,352
Capital and Reserves:					
Share Capital			38,017		31,367
Reserves - General	14		34,500		33,000
- Revaluation	14		7,271		11,490
- Revenue	14		13,884		8,495
Total Shareholders' Funds	15		93,672		84,352

The accounting policies and notes on pages 23 to 33 inclusive form part of these financial statements.

For the 52 weeks to 13th January 2013

	52 weeks to 13th January 2013		53 weeks to 15th January 2012	
	£'000	£'000	£'000	£'000
Net cash inflow from operating activities		14,840		10,971
Returns on investments and servicing of finance (Note 2)		(7,300)		(7,084)
Taxation		(184)		(181)
Capital expenditure (Note 2)		(13,322)		(7,961)
Acquisitions and disposals (Note 2)		(1,000)		-
		(6,966)		(4,255)
Management of liquid resources (Note 2)		(1,472)		(726)
Financing (Note 2)		6,809		5,081
(Decrease) / Increase in cash		(1,629)		100
Reconciliation of operating profit to net cash inflow from operating activities				
Operating profit		10,225		11,311
Depreciation, Goodwill and impairment charges		3,332		3,504
(Increase) in stocks		(690)		(578)
(Increase) / Decrease in debtors		(544)		1,740
Increase / (Decrease) in creditors		3,617		(3,906)
Net movement in pension scheme expenses		(1,100)		(1,100)
Net cash inflow from operating activities		14,840		10,971
Reconciliation of net cash flow to movement in net funds (Note 3)				
(Decrease) / Increase in cash in the period	(1,629)		100	
Cash utilised to decrease liquid resources	1,472		726	
Change in net funds	(157)		826	
Net funds /(debt) at beginning of period	553		(273)	
Net funds at end of period	396		553	

The accounting policies and notes on pages 23 to 33 inclusive form part of these financial statements.



Note 1 - MAJOR NON-CASH TRANSACTIONS

There were no major transactions entered into during the year other than disclosed within the Cash Flow Statement.

	2013		2012	
	£'000	£'000	£'000	£'000
Note 2 - GROSS CASH FLOWS				
Returns on investments and servicing of finance				
Investment income	135		125	
Interest paid	(2,115)		(2,211)	
Income from Associate	135		135	
Dividends paid	(5,455)		(5,133)	
		(7,300)		(7,084)
Capital expenditure				
Payments to acquire tangible fixed assets	(13,513)		(8,456)	
Receipts from sales of tangible fixed assets	191		495	
		(13,322)		(7,961)
Acquisitions and disposals				
Purchase cost of intangible asset in period	(1,000)		-	
		(1,000)		-
Management of liquid resources				
(Decrease) in bank loans	(1,472)		(726)	
		(1,472)		(726)
Financing				
Increase in Share Capital	6,650		5,170	
Increase / (Decrease) in members Loans	159		(89)	
		6,809		5,081

Note 3 - ANALYSIS OF CHANGES IN NET FUNDS / (DEBT)

	As at	Cash flows	As at	Cash flows
	15th Jan	52 weeks	13th Jan	53 weeks
	2012	13th Jan	2013	15th Jan
	2012	2013	2012	2012
	£'000	£'000	£'000	£'000
Cash at bank and in hand	2,270	1,386	3,656	(4,382)
Short term deposits	16,557	(3,015)	13,542	4,482
	18,827	(1,629)	17,198	100
Short term borrowings	(1,470)	353	(1,117)	(922)
Debt due after more than one year	(16,804)	1,119	(15,685)	1,648
Net funds	553	(157)	396	826

The accounting policies and notes on pages 23 to 33 inclusive form part of these financial statements

Basis of Accounting

The financial statements set out on pages 18 to 33 inclusive, have been prepared under the historical cost convention, as modified by the revaluation of freehold and investment properties, in accordance with U.K. accounting standards.

Basis of Consolidation

The consolidated financial statements include the assets, liabilities and results of the Society and its wholly owned subsidiary company Offshore Leisure Limited ('the Group'), which was formed on 28th July 2000, in order to continue with the trading activities of Travelmaker, the travel arm of the Society's trading activities.

Associate Undertaking

In July 2007, the Society acquired 25% of the issued share capital of a new venture, Jersey Pharmacy Services Limited ('JPSL'); a Jersey registered company with Jersey resident shareholders. JPSL's principal activity is the provision of retail pharmacy and prescription services in the Channel Islands. JPSL consists of five pharmacies in Jersey and two in Guernsey. As the Society holds significant influence over the JPSL, the assets and profits attributable to the activities of JPSL are accounted for within the financial statements of the Society using the equity method.

Accounting Date

The financial statements are made up for the fifty-two weeks ended 13th January 2013 with comparative figures for the fifty-three weeks ended 15th January 2012.

Turnover

Turnover represents cash transactions and goods and services charged to customers during the accounting period, which fall within the Group's ordinary activities. Turnover arising from the travel activities of the subsidiary company, Offshore Leisure Limited, represents the sales value of deposits and the final balances paid by our customers prior to departure. Travel turnover consists of the gross sales value generated from the sale of non-agency services. The Society acts at all stages of the travel transaction with the customer including the supply of air tickets, insurance, hotel bookings and related services. The Society considers itself to be acting in the capacity of an Agent for accounting purposes as required under the Application Notes of Financial Reporting Standard (FRS) 5, Reporting the Substance of Transactions. Where the Society acts as an Agent with customers and receives a commission for the provision of travel goods and services, it does not recognise the sale and reports the element of commission only. The effect of the policy is reported in Note 1 on page 25.

Other Incomes and Investment Income

Other Operating Incomes and Investment Income are credited to the Society on an accrued basis, less any related charges.

Taxation

Full provision has been made for the estimated amount of liability in accordance with Jersey and Guernsey Income Tax law. Deferred tax is recognised, in respect of all material timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard (FRS) 19, Deferred Tax. Deferred tax assets are recognised to the extent that, on the basis of the available evidence, it is regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. The calculation of the deferred tax asset or liability is based on the taxation rates that are expected to apply in the periods in which the timing differences are expected to reverse based on taxation rates and laws that have been enacted or substantively enacted at the balance sheet date.

Dividend

For the financial period ended 8th January 2006 the Society adopted the requirements of Financial Reporting Standards (FRS) 21, Events After The Balance Sheet Date. As a consequence Society Dividend may only be recognised as a liability when it has been declared and ratified in the same accounting period. Previous practice was to provide for the Dividend in the Revenue Account and request that this be ratified at the next Members' Meeting. This practice is no longer permissible and the Dividend that would otherwise have been provided in the Revenue Account is reported in Note 20 on page 33.

Stocks

Stocks have been valued at the lower of cost or net realisable value.

Depreciation

Depreciation on freehold buildings, excluding land values, is provided on a straight line basis on carrying values, as follows:

Freehold Buildings – 2% p.a.

Depreciation is provided on all tangible fixed assets, on a straight line basis on original cost at rates sufficient to write off their value over their estimated useful life, as follows:

Fixtures, Fittings and Plant – between 10% and 20% p.a.

Refrigeration and Electrical – between 12.5% and 20% p.a.

Motor Vehicles – 12.5% p.a.

Computer Hardware – 20% p.a.

Computer Software – 33.33% p.a.

TV and Rental Equipment – 25% p.a.

Costs incurred on Leasehold Buildings are amortised over the remainder of the unexpired lease.

Depreciation is not provided for on Society Freehold Land and Buildings held for investment purposes.



Expenditure

All expenditure is accounted for on an accruals basis.

Operating Lease

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight-line basis over the term of the lease.

Goodwill

Purchased Goodwill is capitalised and amortised against profits over the shorter of its useful economic life or 20 years. Goodwill is subject to an impairment review in accordance with FRS11, Impairment of Fixed Assets and Goodwill.

Lease Premium

A lease premium paid is treated as an intangible asset and amortised on a straight line basis over the life of the lease.

Related Party Disclosures

- i) The Society, as a matter of policy enters into negotiations with all third party suppliers of goods and services, on an arm's length basis adopting the code of Best Practice in all such issues. The Society has been and still remains a member of the Co-operative Retail Trading Group ('CRTG'), an organisation that negotiates all buying terms for both the retail buying group, CRTG, and the Co-operative Group ('CWS') Limited. All buying terms are negotiated with third party suppliers by CWS on behalf of all CRTG members, and all members of the buying group benefit from the advantageous terms that such a major group can offer. In the financial period to 13th January 2013, total purchases from CWS net of discounts, Dividends and rebates received, amounted to £31,090,652 (2012: £31,364,624) and the creditor due to them at that date was £821,309 (2012: £479,619). As at 13th January 2013, the amounts owed to the Society in respect of rebates from CRTG was £3,468,934 (2012: £3,126,793).
- ii) The Society placed all of its insurance requirements for the past financial year with the Co-operative Insurance Society ('CIS'), a wholly owned subsidiary of CWS. The terms are reviewed annually and tenders are periodically invited from reputable insurers in addition to CIS.
- iii) At present all Society banking services are provided by the Co-operative Bank Plc. At the 13th January 2013 the Society had current account balances and short term deposits of £17,198,000 (2012: £18,827,000) with the Co-operative Bank Plc. In the financial year to 13th January 2013, the Society earned interest of £120,787 (2012: £122,725) and the debtor due to the Society at that date was £Nil (2012: £5,038). Also as at 13th January 2013 the Society had two loan rate Swap borrowing facilities totalling £16,802,000 (2012: £18,274,000), which it had drawn upon and £7,100,000 (2012: £7,100,000) that was undrawn. During the financial year, the Society was charged interest of £1,054,468 (2012: £1,277,974) and the creditor due at year end was £24,075 (2012: £89,939).

- iv) The Society has provided a guarantee for Community Savings Ltd (CSL) as disclosed in Note 16. The Society's CEO has been appointed as a Director of CSL. The provision of a guarantee has been made on the basis of corporate social responsibility and the Society receives no pecuniary benefit in return.

Tangible Fixed Assets

The Society has undertaken professional valuations of its property portfolio since January 1992.

The Society continues to obtain a professional valuation of all property upon its acquisition, the basis of all such valuations is detailed in Note 8 on page 26. Experience has shown that the Society's property has not depreciated in value due to a policy of regular maintenance so as to reinstate the fabric of the buildings where necessary.

The Society recognises the difference between the professional valuation and the carrying value of its property portfolio within a Revaluation Reserve, and any permanent diminutions in the Revenue Account and depreciates the Building element in accordance with Financial Reporting Standard (FRS) 15, Tangible Fixed Assets.

The Society's investment properties are accounted for at open market value in accordance with the Statement of Standard Accounting Practice (SSAP) 19, Accounting for Investment Properties.

Pensions

The Society operates an Employees' Superannuation Scheme, membership to which has been taken up by the majority of those employees who are eligible to join the Scheme. The Scheme assets are invested externally whilst administered by the Trustees to the Scheme. Contributions made by the Society are assessed on the advice of a qualified Actuary, and are charged through the Revenue Account as incurred.

Actuarial valuations are undertaken every three years. Details regarding the most recent valuations are reported in Note 17 on page 30. The Society has adopted the requirements of Financial Reporting Standard (FRS) 17, Retirement Benefits and recognised its effect in the Society's financial statements. The effect on the financial statements of adoption of FRS 17 is reported in Note 17 on pages 30 to 32 inclusive.

Foreign Currencies

Where the Group transacts business in a foreign currency, such transactions are translated at the exchange rate ruling at the date of the transaction, or the contracted forward rate, where applicable. Foreign currency balances are translated to sterling at the exchange rate ruling on the Balance Sheet date. Exchange rate gains and losses that arise are recorded in Other Operating Incomes.

Financial Instruments

The Board regularly reviews the Group's liquidity and capital position through the careful monitoring of its debtors, creditors and cash resources and the forward projection of its likely requirement for a rolling period of at least three years, based upon factors prevailing at the time. Negotiations to enter into financial instruments are entered into in good time so as to limit the Group's borrowing exposure, minimise risk and to seek advantageous market rates of interest.

	2013	2012
Notes	£'000	£'000
1 Turnover		
Gross turnover from Group ordinary activities	176,293	177,514
Less gross agency turnover from Subsidiary travel activities	(16,676)	(14,685)
	159,617	162,829
2 Expenses		
Personnel (see below)	22,996	23,189
Occupancy Costs	5,486	5,433
Depreciation	3,286	3,453
Goodwill Amortisation and Impairment	46	51
Audit Fee	71	73
Directors' Fees	92	94
Other Expenses	5,366	5,430
Special Contribution and Expenses paid to Pension Fund	1,100	1,100
	38,443	38,823
	Number	Number
Directors' Fees		
Directors' fees fall within the following ranges		
Between £15,700 and £16,200 p.a.	1	1
Between £13,000 and £13,500 p.a.	1	1
Between £10,450 and £10,800 p.a.	6	6
Personnel		
The costs in respect of employees were:		
Salaries, wages and other emoluments	24,096	24,289
Pension costs (note 17) - normal contributions	(1,100)	(1,100)
- current service costs	-	-
- gain on curtailment	-	-
	22,996	23,189
Average numbers employed by the Society were:		
Full Time	563	574
Part Time (Full-time equivalent)	253	252
	816	826
3. Extra Dividend and Travel Vouchers		
Represents the value of stamps issued to members in exchange for which cash or goods may be obtained upon presentation of the appropriately completed stamp card. In addition it includes amounts redeemed in the form of Travel and Dividend Bonus Vouchers.		
4. Other Operating Income		
Sundry Income	250	331
Rental Income	1,265	1,241
	1,515	1,572
5. Interest and Other Finance Costs		
Members' Loan Interest Expense	580	588
Bank Interest Expense	1,055	1,278
Net Cost / (Return) on Pension Scheme Liabilities	376	(18)
Stamp Club Interest	52	53
	2,063	1,901
6. (Loss) / Profit on Disposals		
Net (Loss) / Profit on disposal of fixed assets not acquired for resale	(89)	250
7. Taxation		
Provision for Income Tax	190	269
Adjustments in respect of prior years	(27)	(138)
	163	131

8. Fixed Asset Schedule

Group	Land & Buildings			Equipment & Motor Vehicles	Total
	Freehold £'000	Leasehold £'000	Investment £'000		
Cost and Valuation at 15th January 2012	81,582	1,982	17,078	32,266	132,908
Movement in revaluation reserve	(3,961)	-	(258)	-	(4,219)
Additions in year at cost	77,621 10,100	1,982 12	16,820 -	32,266 3,712	128,689 13,824
Less Disposals	87,721 -	1,994 -	16,820 -	35,978 (528)	142,513 (528)
Cost and Valuation at 13th January 2013	87,721	1,994	16,820	35,450	141,985
Depreciation at 15th January 2012	948	329	-	24,200	25,477
Less Disposals	-	-	-	(248)	(248)
Depreciation charge for period	948 940	329 65	-	23,952 2,281	25,229 3,286
Depreciation at 13th January 2013	1,888	394	-	26,233	28,515
Net Book Value at 13th January 2013	85,833	1,600	16,820	9,217	113,470
Net Book Value at 15th January 2012	80,634	1,653	17,078	8,066	107,431
Parent					
Cost and Valuation at 15th January 2012	81,582	1,982	17,078	31,671	132,313
Movement in revaluation reserve	(3,961)	-	(258)	-	(4,219)
Additions in year at cost	77,621 10,100	1,982 12	16,820 -	31,671 3,705	13,817 128,094
Less Disposals	87,721 -	1,994 -	16,820 -	35,376 (528)	141,911 (528)
Cost and Valuation at 13th January 2013	87,721	1,994	16,820	34,848	141,383
Depreciation at 15th January 2012	948	329	-	23,666	24,943
Less Disposals	-	-	-	(248)	(248)
Depreciation charge for period	948 940	329 65	-	23,418 2,266	24,695 3,271
Depreciation at 13th January 2013	1,888	394	-	25,684	27,966
Net Book Value at 13th January 2013	85,833	1,600	16,820	9,164	113,417
Net Book Value at 15th January 2012	80,634	1,653	17,078	8,005	107,370

The Society has authorised total Capital Expenditure in the sum of £4,123,807 in the year (2012 £8,353,784), of which the sum of £1,040,758 (2012 £2,629,413) is contracted for and for which no provision is made within these financial statements.

The Society's Property Manager, a Fellow of the Royal Institution of Chartered Surveyors, has undertaken the most recent full valuation of the Society's properties as at 9th January 2011. In accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual, those properties primarily occupied by the Society were valued on the basis of existing use value, whilst those properties held as investments or for future development were valued on the basis of open market value. Properties which have been purchased, or their use has substantially changed since this date, have subsequently been revalued.

Market valuations are undertaken each three and five year periods, with the latter valuation being reviewed by an external assessor. The Society's Property Manager will conduct a full valuation in the period ending 12th January 2014.

Based on the valuation at 9th January 2011, the cumulative valuation shows an excess over cost, in aggregate of £1,279,838 amended since that date for disposals and interim revaluations.

9. Intangible Assets - Group and Parent

	2013 £'000	2012 £'000
Cost at beginning of period	1,221	1,221
Addition in period	1,000	-
Cost at end of period	2,221	1,221
Amortisation at beginning of period	545	494
Amortisation charge for the period	46	47
Goodwill impairment in period	-	4
Amortisation at end of period	591	545
Net Book Value at end of period	1,630	676
Net Book Value at beginning of period	676	727

On 31 December 2012, the Society acquired a 10 year lease on the Queens Road Pharmacy, Guernsey, for a premium of £1,000,000.

10. Investments

Unquoted Co-operative Group (C.W.S.): 105 Shares at £5 each
 Unquoted wholly owned subsidiary: (Offshore Leisure Limited.) 500,000 Ordinary Shares at £1 each
 Unquoted investment in Associate undertaking: 50 Ordinary Shares £1 each
 Share of operating profit in Associate undertaking
 Unquoted - Industrial Common Ownership Fund Plc:
 10,000 ordinary shares £1 each
 Unquoted - Toymaster Limited: 4,000 Ordinary shares £1 each

	Group		Parent	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
	1	1	1	1
	-	-	500	500
	1,333	1,333	1,333	1,333
	135	135	135	135
	10	10	10	10
	4	4	4	4
	1,483	1,483	1,983	1,983

In the opinion of the Directors there has been no permanent diminution in the value of the above investments as at the period end or subsequently.

The Society holds a pre-emptive right ("the right") to acquire additional shares in Jersey Pharmacy Services Limited ("JPSL") in the event that any other shareholder offers for sale their existing shareholding. If each remaining shareholder takes up "the right" such shares will be distributable to the remaining shareholders pro-rata to their current shareholding.

11. Debtors and Prepayments

Trade debtors
 Sundry accounts, prepayments and accrued interest

	Group		Parent	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
	6,977	6,388	5,811	5,104
	1,692	1,737	1,689	1,736
	8,669	8,125	7,500	6,840

No provision for bad and doubtful debts have been made to 13th January 2013 or 15th January 2012.

Society Loan

The Society Loan detailed within the Parent Company Balance Sheet is with the Society's subsidiary company Offshore Leisure Limited and is unsecured, interest free with a repayment date in excess of one year.

12. Creditors

	Group		Parent	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Liabilities which fall due within one year				
Trade creditors	8,111	4,166	6,560	2,458
Accrued loan interest	314	321	314	321
Non-trade creditors and expense accruals	5,821	5,836	5,688	5,708
Property loans	1,117	1,470	1,117	1,470
Offshore Leisure Limited - inter company balance	-	-	1,137	797
	15,363	11,793	14,816	10,754

	Group		Parent	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Liabilities which fall due after more than one year				
Property and loans	15,685	16,804	15,685	16,804
Total	15,685	16,804	15,685	16,804

Property loans are secured against Society assets, arising in Jersey, by an unregistered charge and are repayable on or before 2018 and 2023 (£19 million). The loan repayments were fixed interest only, until 2011 and are now repayable by capital and interest.

13. Loans

	Group		Parent	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Loan accounts - repayable one month	20,073	19,914	20,073	19,914

The rate of interest payable on Loan Accounts is between 0.10% and 3.00% in accordance with Rule 16.1 (a) of the Society.

14. Reserves

Group	General £'000	Revaluation £'000	Revenue £'000	Total £'000
	Balance as at start of period	33,000	11,490	8,685
Movement in Revaluation reserve in period	-	(4,219)	-	(4,219)
Realisation of prior year share of profits in Associate	-	-	(135)	(135)
Surplus for period transferred to reserves	-	-	2,352	2,352
Actuarial pension gain for period	-	-	5,030	5,030
Allocation to General Reserves	1,500	-	(1,500)	-
Balance as at end of period	34,500	7,271	14,432	56,203

Parent	General £'000	Revaluation £'000	Revenue £'000	Total £'000
	Balance as at start of period	33,000	11,490	8,495
Movement in Revaluation reserve in period	-	(4,219)	-	(4,219)
Realisation of prior year share of profits in Associate	-	-	(135)	(135)
Surplus for period transferred to reserves	-	-	1,994	1,994
Actuarial pension gain for period	-	-	5,030	5,030
Allocation to General Reserves	1,500	-	(1,500)	-
Balance as at end of period	34,500	7,271	13,884	55,655

15. Reconciliation of movements in Shareholders' Funds

	Group		Parent	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Surplus for the financial period	8,180	9,789	7,822	9,496
Distributions	(5,963)	(5,561)	(5,963)	(5,561)
Share of operating profit in Associate undertaking	135	135	135	135
Realisation of prior year share of profits in Associate	(135)	(135)	(135)	(135)
Movement in Revaluation Reserve	(4,219)	(2,197)	(4,219)	(2,197)
Net movement to Share Capital Accounts	6,650	5,170	6,650	5,170
Actuarial Gain / (Loss) for the year	5,030	(8,435)	5,030	(8,435)
	9,678	(1,234)	9,320	(1,527)
Opening Shareholders' Funds	84,542	85,776	84,352	85,879
Closing Shareholders' Funds	94,220	84,542	93,672	84,352

- (i) Share capital attracts interest at a rate of between 0.10% and 2.50% per annum.
- (ii) Share capital is withdrawable upon demand, subject to the terms of Rule 7 of the Society's Rules.
- (iii) Each member is entitled to one vote.
- (iv) Members' rights upon winding up are as stated in the Society's Rules.



16. Contingent Liabilities

Indemnities are held in favour of 'Customs and Excise Immigration and Nationality, Guernsey' in respect of Duty in the sum of £200,000 (2012: £200,000) for which no provision has been made within the Financial Statements.

The Society has undertaken to provide two guarantees in the sum of £700,000 and £550,000 in favour of the Co-operative Bank Plc in respect of loans advanced to Jersey Pharmacy Services Limited ('JPSL'). The loans to JPSL are secured against Society property arising in Jersey. The guarantees are secured on the entire issued share capital of JPSL. It is not anticipated that the guarantees will be called upon.

The Society also undertook to guarantee a leasehold arrangement with an annual rental of £128,000 and a term of 21 years on behalf of JPSL which is cross guaranteed by JPSL in favour of the Society. It is not anticipated that this further guarantee will be called upon.

A Parental guarantee in favour of RBS Worldpay in the sum of £200,000 (2012: £200,000) has been entered into in respect of exposure to credit card transactions entered into with Offshore Leisure Limited. It is not anticipated that this guarantee will be called upon.

The Society has agreed to act as guarantor for a period of three years commencing 1 March 2012 in respect of the operating costs of Community Savings Limited ('CSL'), a credit union established in Jersey, subject to a maximum of one year's operating expenses. The maximum budgeted operational expenditure in any single year is £128,300. The Society would only be liable to pay this sum in the event that CSL was unable to settle its debts. CSL provides the Society with financial information on a regular basis.

17. Accounting for Pensions

As previously reported The Board of Directors ('the Board') continue to monitor the funding requirements of the Society's Pension Scheme ('the Scheme'), and continues to financially support the Scheme in order to meet the past service deficit until such time as the liability is eradicated. The level of such financial support is reported below.

The Channel Islands Co-operative Society Employees' Superannuation Scheme is a defined benefit scheme, which since 30th June 2009 is closed to future accruals of service. The assets of this scheme are held in a separate trustee administered fund.

During the year the Society made contributions to the Scheme totalling £1,100,000 (2012: £1,100,000) of which the sum of £1,100,000 was a special contribution (2012: £1,100,000). Special contributions to the Scheme are monitored by and are subject to the advice of the Scheme's Actuary.

The last full valuation was at 30th June 2010. In order to comply with the requirements of Financial Reporting Standard (FRS) 17, Retirement Benefits, this valuation has been updated annually using the projected unit method. A full valuation is due in the period ended 30th June 2013.

The amounts recognised in the Balance Sheet are as follows:

	13/01/2013 £'000	15/01/2012 £'000
Fair value of scheme assets	36,297	32,228
Present value of funded obligations	(45,596)	(47,281)
	(9,299)	(15,053)
Liability recognised on Balance Sheet	(9,299)	(15,053)
Net pension liability	(9,299)	(15,053)
Amounts in the Balance Sheet		
Liabilities	(9,299)	(15,053)
Net pension liability	(9,299)	(15,053)

The amounts recognised in the Revenue Account are as follows:

	13/01/2013 £'000	15/01/2012 £'000
Interest on obligation	2,154	2,147
Expected return on Scheme assets	(1,778)	(2,165)
Expense recognised in the Revenue Account	376	(18)
Actual return on Scheme assets	3,979	556

Changes in the present value of the defined benefit obligations are as follows:

	13/01/2013 £'000	15/01/2012 £'000
Defined benefit obligations as at the start of the period	47,281	39,766
Interest cost	2,154	2,147
Actuarial (Gains) / Losses*	(2,829)	6,826
Benefits paid	(1,010)	(1,458)
Defined benefit obligations as at the end of the period	45,596	47,281

* Includes changes to the actuarial assumptions as detailed on page 32.

Changes in the fair value of the Scheme assets are as follows:

	13/01/2013 £'000	15/01/2012 £'000
Fair value of Scheme assets as at the start of the period	32,228	32,030
Expected return	1,778	2,165
Actuarial Gains / (Losses)	2,201	(1,609)
Contributions by employer	1,100	1,100
Benefits paid	(1,010)	(1,458)
Fair value of Scheme assets as at the end of the period	36,297	32,228

Analysis of amounts recognised in the Statement of Total Recognised Gains & Losses:

	13/01/2013 £'000	15/01/2012 £'000
Total Actuarial Gains / (Losses)	5,030	(8,435)
Total Gains / (Losses) recognised in the Statement of Total Recognised Gains & Losses	5,030	(8,435)
Cumulative amount of Loss recognised in the Statement of Total Recognised Gains & Losses	(18,862)	(23,892)

The major categories of Scheme assets as a percentage of the total Scheme assets are as follows:

	13/01/2013	15/01/2012
	%	%
Equities	64	64
Gilts	22	21
Corporate Bonds	13	13
Cash	1	2

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

	13/01/2013	15/01/2012
	%	%
Discount rate	4.9	4.6
Expected return on Scheme assets at end of period (for following year)	5.6	5.5
Rate of increase in deferment whilst in employment with the Society	3.5	3.4
Rate of increase in deferred pensions who have left employment with the Society	3.3	3.2
Rate of increase in pensions payment	3.3	3.2
Inflation rate	3.5	3.4

The assumptions used by the Actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

Mortality Assumptions

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member aged 65 will live on average until the age of 89 if they are male and until 91 if female. For a member currently aged 40 the assumptions are that if they attain age 65 they will live on average until 92 if they are male and until 94 if female.

Description of the basis used to determine the expected rate of return on assets

The Employer adopts a building block approach in determining the expected rate of return on the Scheme's assets. Historic markets are studied and assets with high volatility are assumed to generate higher returns consistent with widely accepted capital market principles.

Each different asset class is given a different expected rate of return. The overall rate of return is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Scheme at the disclosure year end.

Amounts for the current and previous periods are as follows:	13/01/2013	15/01/2012	09/01/2011	10/01/2010	11/01/2009
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	45,596	47,281	39,766	39,451	29,841
Scheme assets	36,297	32,228	32,030	28,677	22,191
Deficit	(9,299)	(15,053)	(7,736)	(10,774)	(7,650)
Experience Gains / (Losses) on Scheme assets	2,201	(1,609)	930	3,804	(4,128)
Experience Gains / (Losses) on Scheme liabilities	671	386	1,266	(2,889)	(769)
Change in assumptions underlying the present value of Scheme liabilities	2,158	(7,212)	(118)	(9,319)	2,667
Total Experience Gains / (Losses) on Scheme liabilities	2,829	(6,826)	1,148	(12,208)	1,898

Defined Contribution Pension Scheme

Effective from 30th June 2009, the Society operates a Defined Contribution Scheme ('DC Scheme'); the assets of which are held separately from those of the Society within an independently administered Fund. Pension contributions made by the Society during the year are in the sum of £1,020,759 (2012 £1,000,570). Contributions due at the year end are paid up to date and no sums remain outstanding to the DC Scheme by the Society.

18. Financial Instruments

The Group's overall objective in the management of financial instruments is laid out in the section dealing with Accounting Policies on page 24. The Group has made use of the exemption available under Financial Reporting Standard (FRS) 13, Derivatives and Other Financial Instruments Disclosures, in respect of the detail pertaining to short term debtors and creditors, and excluded their effect on the disclosures.

Interest rate profile of financial liabilities

	Group 2013	Group 2012
	£'000	£'000
Members' loans	20,073	19,914
Property loans - floating rate	16,802	18,274
	36,875	38,188

The members' loans attract interest rates as detailed in Note 13.

The floating rate liabilities bear interest at rates which are linked to the London Interbank Offer Rate (LIBOR).

Two Property Loan Swaps with an initial notional value of £10 million and £9 million respectively were entered into during 2008 to mitigate and therefore manage the Society's exposure to interest rate fluctuations. The fair value of the Swaps at 13th January 2013, based upon the difference between the floating interest rate due to be received by the Society less the fixed interest due to be paid by the Society over the period that the Swaps are contracted for, were £2,022,437 and £1,584,666 (2012 £2,212,387 and £1,795,862). All amounts are against the Society as a liability.

Maturity profile of financial liabilities (excluding interest)

	Group 2013	Group 2012
	£'000	£'000
On demand	20,073	19,914
Repayable in less than one year	1,117	1,470
Between one and two years	1,508	1,492
Between three and six years	6,662	6,192
Repayable over more than six years	7,515	9,120
	36,875	38,188

19. Commitments under Operating Leases

As at 13th January 2013 the minimum annual commitments of the Society under non-cancellable operating leases in respect of Land & Buildings were as follows:

	2013	2012
	£'000	£'000
Within one year	-	-
Within two to five years	8	7
After five years	1,142	977
Total annual commitments	1,150	984

	2013	2012
	£'000	£'000
Amounts paid during year included in expenses	1,056	952

20. Post Balance Sheet Events

The Society has yet to recommend a distribution of £5,154,000 to its members for the period to 13th January 2013. The recommendation to accept this distribution will be, it is envisaged, ratified at the Annual General Meetings of Members on the 14th and 15th May 2013. Provision for this sum has not been made within these financial statements in line with the requirements of FRS 21.

21. Ultimate Controlling Party

In the opinion of the Directors there is no ultimate controlling party as there is no single individual party who is able to exercise majority control.

The Financial Statements and Notes on pages 18 to 33 are hereby signed on behalf of the Board of Directors pursuant to Section 3 (5) (C) of the Friendly and Industrial and Provident Societies Act 1968.

P. Roffey, President

B. Shenton, Director

D. Rees, Secretary

Statement of Directors' Responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable law and UK Accounting Standards. The Directors are required to prepare the financial statements for each financial year which 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 and apply them consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at anytime the financial position of the Society and enable them to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965 – 1978 (Industrial and Provident Societies (Channel Islands) Order 1965 – 1978). 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.

Website

The financial statements are published on www.channelislands.coop, which is a website maintained by the Society. The maintenance and integrity of the www.channelislands.coop website is the responsibility of the Directors; the work carried out by auditors does not involve consideration of these matters and accordingly, KPMG Channel Islands Limited accepts no responsibility for any changes that may have occurred to the financial statements or our audit report since 10th April 2013. KPMG Channel Islands Limited has carried out no procedures of any nature subsequent to 10th April 2013 which in any way extends this date. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The Directors shall remain responsible for establishing and controlling the process for doing so, and for ensuring that the financial statements are complete and unaltered in any way.

Going Concern

After making all appropriate enquiries the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Group and Parent financial statements.

Auditor's report to the members of The Channel Islands' Co-operative Society Limited

We have audited the group and parent financial statements ('the financial statements') of The Channel Islands' Co-operative Society Limited ('the Society') for the period ended 13 January 2013 which comprise the Consolidated Revenue Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated and Parent Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards.

This report is made solely to the Society's members, as a body, in accordance with the Industrial and Provident Societies Acts 1965-1978 (Industrial and Provident Societies (Channel Islands) Order 1965-1978). Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 34, 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 Ethical Standards for Auditors.

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 group's and parent'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 Annual Report 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 group's and parent's affairs as at 13th January 2013 and of the group's profit for the period then ended;
- have been properly prepared in accordance with UK Accounting Standards; and
- have been prepared in accordance with the requirements of the Industrial and Provident Societies Acts 1965-1978 (Industrial and Provident Societies (Channel Islands) Order 1965-1978).

KPMG Channel Islands Limited
Registered Auditors, 37 Esplanade, St Helier, Jersey

10th April 2013

TABLE OF PROGRESS (UNAUDITED)

YEAR	Membership 000's	Share Capital £'000	Loan Accounts £'000	Reserve Fund £'000	Short term Deposits and Investments £'000	Note 1 Turnover £'000
Inaugural Year 1956	6	77	33	11	11	403
Five Yearly Figures						
1965	13	237	126	111	11	962
1970	20	183	310	200	116	1,942
1975	29	242	653	500	200	5,224
1980	42	1,078	4,757	1,500	3,529	14,187
1985	53	1,867	8,552	2,600	4,755	26,160
1990	65	3,340	5,569	7,000	4,270	36,617
1995	76	4,632	4,108	12,500	1,762	50,479
2000	84	7,138	4,630	17,500	1,486	65,791
2005	94	11,123	6,533	23,000	890	104,349
Last Five Years						
2008	102	12,704	6,119	27,000	3,892	134,745
2009	105	13,615	6,180	28,500	3,384	149,693
2010	108	18,919	19,755	30,000	11,368	158,504
2011	110	26,197	20,003	31,500	13,558	165,873
2012	114	31,367	19,914	33,000	18,040	177,514
Current Year 2013	116	38,017	20,073	34,500	15,025	176,293

CHARTED PROGRESS FOR LAST FIVE YEARS

	Surplus before Distributions and Members Benefits £'000	Members Benefits and Distributions £'000	Fixed and Intangible Assets and Investments £'000	Net Assets £'000	Capital Expenditure £'000
2008 - restated	11,181	6,278	80,030	68,334	3,930
2009	13,612	6,665	94,639	63,622	27,534
2010	14,995	7,226	99,822	67,927	9,449
2011	11,411	7,806	107,257	85,776	6,419
2012	12,486	8,258	109,590	84,542	8,279
Current Year 2013	10,866	8,649	116,583	94,220	13,824

The figures relating to Fixed Assets and Investments include an adjustment for the revaluation, to market value, of Land and Buildings during the years 2009, 2011, 2012 and 2013.



Our world,
your world,
everyone's
world...

... together we can make
a difference

Your Co-operative is leading the way on social and environmental responsibilities.

Successful business and ethics can co-exist, with the help of our members, we have proved it here in the Channel Islands and on a national level across the whole Co-operative movement.

Just some of our initiatives:

- Taking a Stand on the Environment
- Ecological Sustainability
- Investing in the Local Community
- Supporting Local Charities
- Raising Living Standards for Fairtrade Producers
- Improving Animal Welfare
- Reducing our Carbon Footprint
- Implementing Honest Labelling

WINNER OF
THE JERSEY
ENVIRONMENTAL
AWARD 2009





Grand Marché **locale** **enroute** **homemaker** **travelmaker** **totalsport** funeral care

A Society incorporated under the Industrial and Provident Societies Act 1965-1978