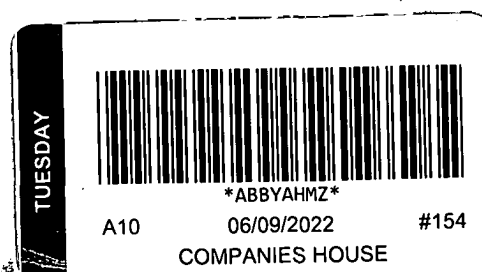


Registered number: 00573221

CARLTON CLUB (LONDON) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



CARLTON CLUB (LONDON) LIMITED

COMPANY INFORMATION

DIRECTORS

John East
Sir Anthony Garrett CBE
Stuart Goldsmith
George Kynoch OBE
Sir Alistair MacKechnie (resigned 31 August 2021)
David Curtin

COMPANY SECRETARY

Simon Robinson LVO

REGISTERED NUMBER

00573221

REGISTERED OFFICE

69 St James's Street
London
SW1A 1PJ

INDEPENDENT AUDITORS

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

CARLTON CLUB (LONDON) LIMITED

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CARLTON CLUB (LONDON) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

INTRODUCTION

The principal activity of the company continued to be that of the provision of services to the members of the Carlton Club. The company will continue to provide such services for the foreseeable future.

BUSINESS REVIEW

2021 has been an unusual and challenging year. The Club was closed on 16th December 2020 and remained closed until 11th April 2021. The Macmillan Bar Terrace re-opened on Monday 12th April 2021 for outside drinking and dining.

From Monday 17th May, the Club's dining rooms and indoor bars re-opened, subject to the rule of a maximum of six guests. On 19th July, all COVID 19 restrictions were lifted.

The closure in the first quarter of the year and COVID 19 restriction rules affected trading revenues. However, with the help of the government's furlough scheme, National Lockdown Grant and a six-month Business Rates holiday followed by 66% Business Rates Relief for the second half of the year, the Club achieved an operating surplus of £226,000, compared to an operating loss of £206,000 in 2020.

PRINCIPAL RISKS AND UNCERTAINTIES

The Club has prepared cash flow forecasts for the next 12 months based on the assumption that there are no more serious outbreaks of Coronavirus and no more lockdown restrictions. Therefore, the Club remains open as usual. Based on the forecasts, the Club adopts the going concern basis in preparing the accounts.

Global equity markets have fluctuated during the year and will probably continue to do so. However, the Directors consider that the value of the Club's investment portfolio, together with its cash reserves, is sufficient to justify adopting the going concern basis in preparing the accounts.

Membership risk - The main key performance indicator is the membership numbers of the Club. Membership tariffs are reviewed on a regular basis to ensure that both the price and suitability of the tariffs are appropriate for the member base of the Club. Retention of members and their support whilst the Club has been closed has been a key factor in the Club not facing considerably higher losses in 2021.

Interest rate risk - The Club has no bank loans and therefore is not exposed to interest rate risk from the perspective of borrowings. As part of the Treasury management of the Club and in order to secure the most favourable interest rates, all surplus cash is deposited on a business saving account.

Credit risk - the Club also recognises that credit risk and liquidity could pose a potential threat to the company and therefore specific credit terms are stated on all invoices. The Club then follows appropriate procedures when monies are not received and provides against any irrecoverable balances in the unlikely event that amounts are doubtful.

CARLTON CLUB (LONDON) LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Foreign exchange risk - The Club is exposed to foreign currency fluctuations but this is in relation to membership income only, whereby the member is based overseas and as this represents an insignificant risk to the business, no hedging or forward contract agreements are deemed necessary. Fluctuations in foreign currency will affect decisions to purchase wines especially from Europe.

Energy crisis - gas and electricity wholesale prices reached new highs in September 2021. Since the Russian invasion of Ukraine, the prices in energy markets have risen dramatically. The Club has fixed contracts with Gazprom for gas and Scottish Power for electricity until 30th September 2022. Both Gazprom and Scottish Power are sizeable organisations with sound hedging strategies, and we do not expect these contracts to be opened up.

FINANCIAL KEY PERFORMANCE INDICATORS

Income for 2021 was £3,112k compared to £2,435k for 2020.

The Operating surplus for 2021 was £226k, compared to a loss of £206k in 2020.

This report was approved by the board on
on its behalf by.

29/3/22

and signed


Stuart Goldsmith
Director

CARLTON CLUB (LONDON) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 Company and of the surplus or deficit of the Company for that period.

In preparing these financial statements, the directors are required to:

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

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

RESULTS AND DIVIDENDS

The surplus for the year, after taxation, amounted to £280,000 (2020 - deficit £110,000).

DIRECTORS

The directors who served during the year were:

John East
Sir Anthony Garrett CBE
Stuart Goldsmith
George Kynoch OBE
Sir Alistair Mackechnie (resigned 31 August 2021)
David Curtin

POLITICAL CONTRIBUTIONS

During the year the company made no political donations.

CARLTON CLUB (LONDON) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 Company'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 Company's auditors are aware of that information.

AUDITORS

The auditors, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on
signed on its behalf.

29 March 2022

and



Simon Robinson LVO
Secretary

CARLTON CLUB (LONDON) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARLTON CLUB (LONDON) LIMITED

OPINION

We have audited the financial statements of Carlton Club (London) Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, 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 Company's affairs as at 31 December 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Company 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 Company'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.

CARLTON CLUB (LONDON) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARLTON CLUB (LONDON) LIMITED (CONTINUED)

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 COMPANIES ACT 2006

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 year 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 Company 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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS'

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

CARLTON CLUB (LONDON) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARLTON CLUB (LONDON) LIMITED
(CONTINUED)**

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.

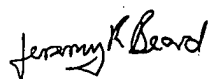
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting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

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted above materiality;
- Challenging assumptions and judgements made by management in their critical accounting estimates

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 Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jeremy Beard (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP

10 Queen Street Place
London
EC4R 1AG
Date: 30 March 2022

CARLTON CLUB (LONDON) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
Income	4	3,112	2,435
Direct costs		(491)	(288)
GROSS SURPLUS		2,621	2,147
Administrative expenses		(2,725)	(2,866)
Other income	5	330	513
OPERATING SURPLUS/(DEFICIT)	6	226	(206)
Surplus on disposal of investments		-	28
Income from fixed asset investments		14	10
Fair value movements		57	82
Loss on disposal of fixed assets		(3)	-
Interest receivable and similar income		-	1
Interest payable and similar expenses	9	(3)	(2)
SURPLUS/(DEFICIT) BEFORE TAX		291	(87)
Tax on surplus/(deficit)	10	(11)	(23)
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		280	(110)
Other comprehensive income for the year			
Total comprehensive income for the year		280	(110)

there was no other comprehensive income for 2021 (2020: £NIL).

The notes on pages 13 to 23 form part of these financial statements.

CARLTON CLUB (LONDON) LIMITED
REGISTERED NUMBER:00573221

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
FIXED ASSETS			
Tangible assets	11	2,458	2,724
Fixed asset investments	12	1,385	1,228
		<u>3,843</u>	<u>3,952</u>
CURRENT ASSETS			
Stocks	13	821	798
Debtors: amounts falling due within one year	14	300	147
Bank and cash balances		732	520
		<u>1,853</u>	<u>1,465</u>
Creditors: amounts falling due within one year	15	(760)	(772)
		<u>1,093</u>	<u>693</u>
NET CURRENT ASSETS			
		<u>1,093</u>	<u>693</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>4,936</u>	<u>4,645</u>
Creditors: amounts falling due after more than one year	16	(583)	(583)
PROVISIONS FOR LIABILITIES			
Deferred tax	17	(49)	(38)
		<u>(49)</u>	<u>(38)</u>
NET ASSETS			
		<u>4,304</u>	<u>4,024</u>
CAPITAL AND RESERVES			
Called up share capital	19	169	169
Profit and loss account	18	4,135	3,855
		<u>4,304</u>	<u>4,024</u>

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


Stuart Goldsmith
 Director

The notes on pages 13 to 23 form part of these financial statements.

CARLTON CLUB (LONDON) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Income and expenditure account	Total equity
	£000	£000	£000
At 1 January 2020	169	3,965	4,134
Deficit for the year	-	(110)	(110)
At 1 January 2021	169	3,855	4,024
Surplus for the year	-	280	280
At 31 December 2021	<u>169</u>	<u>4,135</u>	<u>4,304</u>

The notes on pages 13 to 23 form part of these financial statements.

CARLTON CLUB (LONDON) LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £000	2020 £000
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/(deficit) for the financial year	280	(110)
Adjustments for:		
Depreciation of tangible assets	374	408
Profit on disposal of investment	-	(28)
Loss on disposal of tangible assets	3	-
Interest paid	3	2
Interest received	(14)	(11)
Taxation charge	11	23
(Increase) in stocks	(23)	(14)
(Increase)/decrease in debtors	(153)	126
(Decrease) in creditors	(11)	(101)
Net fair value (gains) recognised in P&L	(57)	(82)
Corporation tax (paid)	(1)	(1)
NET CASH GENERATED FROM OPERATING ACTIVITIES	412	212
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(111)	(309)
Purchase of listed investments	(100)	(100)
Sale of listed investments	-	250
Interest received	-	1
Income from investments	14	10
NET CASH FROM INVESTING ACTIVITIES	(197)	(148)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(3)	(2)
NET CASH USED IN FINANCING ACTIVITIES	(3)	(2)
NET INCREASE IN CASH AND CASH EQUIVALENTS	212	62
Cash and cash equivalents at beginning of year	520	458
Cash and cash equivalents at the end of year	732	520
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	732	520
	732	520

CARLTON CLUB (LONDON) LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	At 1 January 2021 £000	Cash flows £000	At 31 December 2021 £000
Cash at bank and in hand	520	212	732
Loan from Carlton Club due after one year	(583)		(583)
	<u>(63)</u>	<u>212</u>	<u>149</u>

The notes on pages 13 to 23 form part of these financial statements.

CARLTON CLUB (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. GENERAL INFORMATION

Carlton Club (London) Limited is a limited company incorporated in England;

The registered office is 69 St James's Street, London, SW1A 1PJ.

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 Company's accounting policies.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

In assessing the Club's ability to continue as a going concern, the Board has considered the Club's liquidity position and reviewed cash flow forecasts for the foreseeable future. In addition to its cash reserves, it has an investment portfolio to draw upon and a leasehold property, with no external debt or security.

The Club has prepared cash flow forecasts for the next 12 months based on the assumption that there are no more serious outbreaks of Coronavirus and that there are no more lockdown restrictions and therefore that the Club remains open as usual. Based on the forecasts, the Board continues to adopt the going concern basis in preparing the accounts.

2.3 INCOME

Income comprises amounts recognised by the company in respect of subscriptions receivable from members, catering and accommodation sales and other income from the provision of services to members of the Carlton Club.

2.4 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.5 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.

The Company 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 Company. 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:

Long-term leasehold property	- Over the remaining term of the lease
Leasehold Improvements	- Over 5 - 30 years
Furniture, fittings and equipment- (except antiques and fine art)	Over 3 - 20 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

No depreciation is provided on antiques and fine art. It is the company's practice to maintain these assets in a continual state of sound repair and to extend and make improvements thereto from time to time. Accordingly, the board considers that the lives of these assets are so long and residual values are so high that their depreciation is insignificant.

Any permanent diminution in the value of such assets is charged to the Statement of Comprehensive Income. Repairs and renewals of furniture and fittings are charged to the Statement of Comprehensive Income in the year incurred.

2.6 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.7 VALUATION OF INVESTMENTS

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised within profit or loss in the Statement of Comprehensive Income for the period.

2.8 STOCKS

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete or slow-moving stock.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.9 DEBTORS

Short term debtors are measured at transaction price, less any impairment.

2.10 CASH AND CASH EQUIVALENTS

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

2.11 FINANCIAL INSTRUMENTS

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

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 Income Statement.

2.12 CREDITORS

Short term creditors are measured at the transaction price.

2.13 PENSIONS

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.14 TAXATION

Taxation arises on investment income and profit on the sale of fixed assets. There is no taxation on trading profits, nor any relief for trading losses. No deferred tax is provided on the potential gains of the disposal of antiques and works of art due to the complexity of assessing such liability.

CARLTON CLUB (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from these estimates. The directors consider the following items to be areas subject to estimation and judgement.

Tangible Fixed Assets

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively.

4. INCOME

An analysis of income by class of business is as follows:

	2021 £000	2020 £000
Subscriptions	1,426	1,469
Accommodation	327	192
Food, Liquor and Tobacco Sales	1,228	699
Other Income	131	75
	<u>3,112</u>	<u>2,435</u>

All income arose within the United Kingdom.

5. OTHER OPERATING INCOME

	2021 £000	2020 £000
Government Grant: Coronavirus Job Retention Scheme	286	513
National Lockdown Grant	44	31
	<u>330</u>	<u>513</u>

6. OPERATING SURPLUS

The operating surplus is stated after charging:

	2021 £000	2020 £000
Depreciation of tangible fixed assets	374	408
Defined contribution pension cost	57	63

CARLTON CLUB (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. AUDITORS' REMUNERATION

	2021 £000	2020 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	19	18
Fees payable to the Company's auditor and its associates for non-audit work	2	2

8. EMPLOYEES

Staff costs were as follows:

	2021 £000	2020 £000
Wages and salaries	1,505	1,676
Social security costs	139	137
Cost of defined contribution scheme	57	63
	<u>1,701</u>	<u>1,876</u>

The average monthly number of employees during the year was as follows:

	2021 No.	2020 No.
Catering	31	35
Porters	4	5
Administration	6	6
House Keeping	5	7
	<u>46</u>	<u>53</u>

Six (2020: seven) people are considered to be key management personnel (SA Winter left in March 2021; her salary has been included in remuneration for the 1st quarter). Total remuneration in respect of key management personnel is £483,000 (2020 - £433,000).

CARLTON CLUB (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £000	2020 £000
Bank interest and other charges payable	3	2
	<u>3</u>	<u>2</u>

10. TAXATION

	2021 £000	2020 £000
CORPORATION TAX		
Current tax on profits for the year		1
		<u>1</u>
TOTAL CURRENT TAX		<u>1</u>
DEFERRED TAX		
Origination and reversal of timing differences	11	22
TOTAL DEFERRED TAX	<u>11</u>	<u>22</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>11</u>	<u>23</u>

CARLTON CLUB (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. TAXATION (CONTINUED)**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £000	2020 £000
Profit/(loss) on ordinary activities before tax	291	(86)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	55	(17)
EFFECTS OF:		
Expenses not deductible for tax purposes	612	600
Income not taxable for tax purposes	(665)	(581)
Other timing differences leading to an increase (decrease) in taxation	9	21
TOTAL TAX CHARGE FOR THE YEAR	11	23

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

CARLTON CLUB (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £000	Other fixed assets £000	Total £000
COST OR VALUATION			
At 1 January 2021	3,587	2,806	6,393
Additions	37	74	111
Disposals	(4)	-	(4)
At 31 December 2021	3,620	2,880	6,500
DEPRECIATION			
At 1 January 2021	2,479	1,190	3,669
Charge for the year on owned assets	243	131	374
Disposals	(1)	-	(1)
At 31 December 2021	2,721	1,321	4,042
NET BOOK VALUE			
At 31 December 2021	899	1,559	2,458
At 31 December 2020	1,108	1,616	2,724

12. FIXED ASSET INVESTMENTS

	Listed investments £000
VALUATION	
At 1 January 2021	1,228
Additions	100
Revaluations	57
At 31 December 2021	1,385

CARLTON CLUB (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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13. STOCKS

	2021 £000	2020 £000
Finished goods and goods for resale	821	798
	<u>821</u>	<u>798</u>

14. DEBTORS

	2021 £000	2020 £000
Trade debtors	74	3
Other debtors	9	29
Prepayments and accrued income	217	115
	<u>300</u>	<u>147</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £000	2020 £000
Trade creditors	240	141
Corporation tax	1	1
Other taxation and social security	163	276
Other creditors	75	23
Accruals and deferred income	282	331
	<u>760</u>	<u>772</u>

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

	2021 £000	2020 £000
Amounts owed to The Carlton Club	583	583
	<u>583</u>	<u>583</u>

CARLTON CLUB (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. DEFERRED TAXATION

	2021 £000
At beginning of year	(38)
Charged to profit or loss	(11)
AT END OF YEAR	(49)

The provision for deferred taxation is made up as follows:

	2021 £000	2020 £000
Corporation tax (charge)/loss relating to fair value movement on investments	(49)	(38)
	(49)	(38)

18. RESERVES**Income and expenditure account**

Income and expenditure account includes all current and prior period retained surplus and deficits.

19. SHARE CAPITAL

	2021 £000	2020 £000
ALLOTTED, CALLED UP AND FULLY PAID		
168,700 (2020 - 168,700) Authorised Share Capital shares of £1.00 each	169	169

20. PENSION COMMITMENTS

A defined contribution pension scheme is in operation for all employees subject to certain criteria. The assets of the scheme are held separately from those of the company in independently administered trusts. The amount charged against profits represent the contribution payable to the scheme in respect of the accounting period.

The pension charge for the year was £57,000 (2020: £63,000). Accrued pension payments totalled £8,502 (2020: £8,631).

CARLTON CLUB (LONDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

During the period the company expensed rental costs of £56,000 (2020: £61,000) to the statement of comprehensive income in respect of operating lease commitments.

22. RELATED PARTY TRANSACTIONS

Included within creditors is £583,000 (2020: £583,000) in relation to a loan from Carlton Club. No interest is payable on this balance.

23. CONTROLLING PARTY

The share capital of Carlton Club (London) Limited is 99.985% owned by Carlton Trustees (London) Limited whose capital is held in trust for the members of the Carlton Club. There is, therefore, no ultimate controlling party.