

Registration number: 03594411

ALTONWOOD HOLDINGS LIMITED

Consolidated Financial Statements
for the Year Ended 30 April 2018

BREBNERS

Chartered Accountants & Statutory Auditor

1 Suffolk Way
Sevenoaks
Kent
TN13 1YL



ALTONWOOD HOLDINGS LIMITED

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ALTONWOOD HOLDINGS LIMITED

Company Information

Directors

Mr R O Noades
Mr S Hodsdon
Mrs N L Nugee
Ms K Noades
Ms J C Noades
Mr P G Bevis
Mr C G Honeywill
Mr I C Granne

Registered office

Streete Court
Rooks Nest Park
Godstone
Surrey
RH9 8BY

Auditors

Brebners
Chartered Accountants & Statutory Auditor
1 Suffolk Way
Sevenoaks
Kent
TN13 1YL

ALTONWOOD HOLDINGS LIMITED

Strategic Report for the Year Ended 30 April 2018

The directors present their strategic report for the year ended 30 April 2018.

Principal activity

The principal activity of the company and group is that of a leisure group which includes the management of golf clubs, venue hire and property investment.

Fair review of the business

Altonwood has continued to provide its members with excellent golf course facilities and value for money, evidenced with the healthy membership numbers through 2017 and 2018.

The group made a number of capital investments to its golf courses and club house facilities during the year, spending over £1.3 million. These investments will assist in providing members with an even better experience when visiting the Altonwood Group golf clubs.

The offering of five golf courses is still very attractive to local golfers, both members and visitors alike. The Loyalty Card continues to be a success and almost 10,000 golfers have signed up to receive discounted green fees, buggy hire and range balls. The group offers a diverse range of golf courses for complete beginners through to the most experienced of players.

The directors remain committed to maintaining firm control over all income and expenditure. Whilst many clubs are suffering due to the difficult economic climate and the increasing number of pay and play golfers, Altonwood Group remains buoyant. The group entered 2018 in a good financial shape with continuing healthy membership numbers. However, the directors must remain vigilant in order for the business to continue to attract new members and keep existing ones.

The consolidated results for the year show total turnover and gross profit at similar levels to the previous year. Profit attributable to shareholders was £521,759 (2017: £857,992).

The directors recognise the importance of the staff employed within the group and would like to thank them for all their hard work and efforts throughout the year.

Future developments

The directors intend to continue to make investments in the business to ensure the group maintains its reputation as the provider of renowned golf and leisure clubs. The directors will be investigating ways to increase the number of functions and events held at the clubs throughout the year, through additional capital and other expenditure, thus increasing overall profitability.

Financial Key Performance Indicators

The group's key financial and other performance indicators during the year were as follows:

	Unit	2018	2017
Turnover	£m	6.54	6.57
Percentage change	%	(.37)	(2.81)
Gross profit	£m	4.09	4.10
Gross profit percentage	%	62.51	62.47

ALTONWOOD HOLDINGS LIMITED

Strategic Report for the Year Ended 30 April 2018

Non-Financial Key Performance Indicators

Non-financial KPIs

The group seeks to ensure that responsible business practice is fully integrated into the management of all its operations and into the culture of all parts of its business. It believes that the consistent adoption of reasonable business practice is essential for operational excellence which in turn ensures the delivery of its core objective of sustained profitability.

In a group of this size the directors consider there are collectively numerous non-financial performance indicators but that individually none are key.

Overview

The directors are responsible for determining the level of risk acceptable to the group. This is subject to regular review. The group seeks to mitigate its risks through the application of strict limits and controls monitoring processes at operational level.

The principal activity of the group is impacted by poor weather conditions. To manage this risk, the group aims to place equal importance to non-golf revenue streams like venue hire and catering.

In accordance with the group's treasury policy, financial instruments are not entered into for speculative purposes.

Liquidity risk

The group ensures that liquidity is maintained by monitoring the cash balances on a daily basis to ensure it retains flexibility in the management of cash flow.

Credit risk

The group places its cash with creditworthy institutions and performs ongoing credit evaluation of its debtors financial condition. The carrying amount of cash and debtors represents the maximum credit risk to which the company is exposed. All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary.

Interest rate risk

The group is exposed to interest rate risk on bank overdrafts. Interest rates are regularly monitored by the directors.

Foreign currency risk

As the group only deals in sterling, it is not exposed to foreign currency risk.

Market risk

The group is exposed to market risk as there are nearby golf courses as competitors. The group regularly monitors its prices and services offered to maintain its customer base.

Operational risk

Operational risk is caused by failures in business processes, systems or physical infrastructure that support them that have the potential to result in financial loss or reputation damage. This includes errors, omissions, systems failure, lack of resources or physical assets and deliberate acts of fraud.

The directors impose continuing self assessment and appraisals along with continually seeking to improve its operating efficiencies and standards.


ALTONWOOD HOLDINGS LIMITED

Strategic Report for the Year Ended 30 April 2018

Risk Summary

The directors continuously monitor and respond to changes in the group's risk environment, so ensuring that the group remains well placed to address operational, reputational, financial and business risks in a timely and appropriate manner.

Approved by the Board on 2/01/19 and signed on its behalf by:



Mr S Hodsdon
Director

ALTONWOOD HOLDINGS LIMITED

Directors' Report for the Year Ended 30 April 2018

The directors present their report and the audited financial statements for the year ended 30 April 2018.

Directors

The directors who held office during the year were as follows:

Mr R O Noades

Mr S Hodsdon

Mrs N L Nugee

Ms K Noades

Ms J C Noades

Mr P G Bevis

Mr C G Honeywill

Mr I C Granne

Dividends

Particulars of dividends paid in the year are detailed in note 24 to the financial statements.

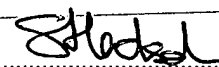
Disclosure of information in the Strategic Report

The group has chosen in accordance with Section 414C(11) Companies Act 2006 to set out in the group's strategic report information required by Schedule 7 of the large and medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of financial risk management, exposure and future developments.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 02/01/19 and signed on its behalf by:



Mr S Hodsdon
Director

ALTONWOOD HOLDINGS LIMITED

Statement of Directors' Responsibilities

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.

ALTONWOOD HOLDINGS LIMITED

Independent Auditor's Report to the Members of Altonwood Holdings Limited

Opinion

We have audited the financial statements of Altonwood Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2018, which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated Statement of Financial Position, Statement of Financial Position, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, 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 group's and the parent company's affairs as at 30 April 2018 and of the group's profit 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

ALTONWOOD HOLDINGS LIMITED

Independent Auditor's Report to the Members of Altonwood Holdings Limited

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Statement of Directors' Responsibilities [set out on page 6], 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

ALTONWOOD HOLDINGS LIMITED

Independent Auditor's Report to the Members of Altonwood Holdings Limited

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Martin Widdowson (Senior Statutory Auditor)
For and on behalf of

Brebners, Statutory Auditor
1. Suffolk Way
Sevenoaks
Kent
TN13 1YL

Date:

9/1/2019

ALTONWOOD HOLDINGS LIMITED

Consolidated Statement of Income and Retained Earnings for the Year Ended 30 April 2018

	Note	2018 £	2017 £
Turnover	3	6,541,211	6,565,464
Cost of sales		<u>(2,450,980)</u>	<u>(2,464,188)</u>
Gross profit		4,090,231	4,101,276
Administrative expenses		<u>(3,315,379)</u>	<u>(3,036,269)</u>
Operating profit	5	774,852	1,065,007
Other interest receivable and similar income	6	8,201	742
Interest payable and similar charges	7	<u>(123,946)</u>	<u>(133,726)</u>
		<u>(115,745)</u>	<u>(132,984)</u>
Profit before tax		659,107	932,023
Taxation	11	<u>(137,348)</u>	<u>(78,691)</u>
Profit for the financial year		521,759	853,332
Profit/(loss) attributable to:			
Owners of the company		521,759	853,332
Retained earnings brought forward		14,910,091	14,158,799
Dividends paid		<u>(102,040)</u>	<u>(102,040)</u>
Retained earnings carried forward		15,329,810	14,910,091

The notes on pages 14 to 30 form an integral part of these financial statements.

ALTONWOOD HOLDINGS LIMITED

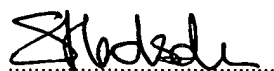
Consolidated Statement of Financial Position as at 30 April 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	29,172,346	28,041,746
Investment property	13	2,501,071	2,145,000
		<u>31,673,417</u>	<u>30,186,746</u>
Current assets			
Stocks	15	195,048	191,417
Debtors	16	1,114,629	924,598
Cash at bank and in hand		202,767	455,155
		<u>1,512,444</u>	<u>1,571,170</u>
Creditors: Amounts falling due within one year	18	<u>(4,658,232)</u>	<u>(3,589,514)</u>
Net current liabilities		<u>(3,145,788)</u>	<u>(2,018,344)</u>
Total assets less current liabilities		28,527,629	28,168,402
Creditors: Amounts falling due after more than one year	18	(3,939,139)	(4,019,917)
Provisions for liabilities	20	<u>(69,632)</u>	<u>(49,346)</u>
Net assets		<u>24,518,858</u>	<u>24,099,139</u>
Capital and reserves			
Called up share capital	22	9,189,048	9,189,048
Profit and loss account	23	15,329,810	14,910,091
Equity attributable to owners of the company		<u>24,518,858</u>	<u>24,099,139</u>
Total equity		<u>24,518,858</u>	<u>24,099,139</u>

Approved and authorised by the Board on 02/01/19 and signed on its behalf by:



Mr R O Noades
Director



Mr S Hodsdon
Director

Company registration number: 03594411

The notes on pages 14 to 30 form an integral part of these financial statements.

ALTONWOOD HOLDINGS LIMITED

Statement of Financial Position as at 30 April 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	14	13,140,526	13,140,526
Current assets			
Debtors	16	27,224	25,685
Cash at bank and in hand		-	8
		<u>27,224</u>	<u>25,693</u>
Creditors: Amounts falling due within one year	18	<u>(689,329)</u>	<u>(679,626)</u>
Net current liabilities		<u>(662,105)</u>	<u>(653,933)</u>
Net assets		<u><u>12,478,421</u></u>	<u><u>12,486,593</u></u>
Capital and reserves			
Called up share capital	22	9,189,048	9,189,048
Other reserves		3,214,874	3,214,874
Profit and loss account		<u>74,499</u>	<u>82,671</u>
Total equity		<u><u>12,478,421</u></u>	<u><u>12,486,593</u></u>

The company made a profit after tax for the financial year of £93,868 (2017 - profit of £96,099).

Approved and authorised by the Board on 02/01/19 and signed on its behalf by:



Mr R O Noades
Director



Mr S Hodsdon
Director

ALTONWOOD HOLDINGS LIMITED

Consolidated Statement of Cash Flows for the Year Ended 30 April 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Profit for the year		521,759	853,332
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	215,618	198,511
Changes in fair value of investment property	13	-	(8,207)
Profit on disposal of tangible assets	4	(31,750)	(8,157)
Finance income	6	(8,201)	(742)
Finance costs	7	123,946	133,726
Income tax expense	11	137,348	78,691
		958,720	1,247,154
Working capital adjustments			
(Increase)/decrease in stocks	15	(3,631)	7,873
Increase in trade debtors	16	(198,600)	(178,671)
Increase in trade creditors	18	231,944	82,436
Decrease in provisions	20	-	(121,865)
Cash generated from operations		988,433	1,036,927
Income taxes paid	11	(159,913)	(269,996)
Net cash flow from operating activities		828,520	766,931
Cash flows from investing activities			
Interest received		8,201	742
Acquisitions of tangible assets		(1,346,217)	(577,640)
Proceeds from sale of tangible assets		31,750	119,021
Acquisition of investment properties	13	(356,071)	(111,123)
Change in fair value of investment properties		-	(8,207)
Net cash flows from investing activities		(1,662,337)	(577,207)
Cash flows from financing activities			
Interest paid	7	(103,174)	(133,726)
Proceeds from bank borrowing draw downs		906,892	-
Repayment of bank borrowing		(262,397)	(239,506)
Repayment of other borrowing		(90,000)	90,000
Payments to finance lease creditors		(53,245)	-
Dividends paid		(126,495)	(102,040)
Net cash flows from financing activities		271,581	(385,272)
Net decrease in cash and cash equivalents		(562,236)	(195,548)
Cash and cash equivalents at 1 May		(13,487)	182,061
Cash and cash equivalents at 30 April		(575,723)	(13,487)

The notes on pages 14 to 30 form an integral part of these financial statements.

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

1 GENERAL INFORMATION

The company is a incorporated in England and Wales.

The address of its registered office is:

Streete Court
Rooks Nest Park
Godstone
Surrey
RH9 8BY

The principal activity of the company and group is that of a leisure group which includes the management of golf clubs, venue hire and property investment.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except any items disclosed in the accounting policies as being shown at fair value and are presented in sterling, which is the functional currency of the entity.

Summary of disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined by FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- a) Disclosure in respect of each class of share capital has not been presented.
- b) No cash flow statement has been presented for the company.
- c) Disclosures in respect of financial instruments have not been presented.
- d) No disclosure has been given for the aggregate remuneration of key management personnel..

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 April 2018.

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Income Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Revenue recognition

Turnover comprises amounts receivable for goods and services net of value added tax. Intra-group sales and transactions are eliminated on consolidation.

Membership turnover is recognised when the monthly subscriptions become due from the members at the beginning of the month. Shop, bar and catering turnover is recognised when the customers take delivery of the goods. Rental income is recognised when the rent becomes due at the quarter end dates. Venue hire turnover is recognised on the date of the event.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% straight line
Fixtures, fittings and equipment	25% straight line
Motor vehicles	25% straight line
Freehold buildings	2% straight line

Freehold land is not depreciated.

Freehold buildings are depreciated over their economic useful life at cost less estimated residual value. The estimated residual value is such that no material annual depreciation charge arises.

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Inventories

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance costs in the Income Statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Assets held under hire purchase contracts are capitalised at the lesser of fair value or present value of minimum lease payments in the statement of financial position. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. A corresponding liability is recognised at the same value in the statement of financial position. The asset is then depreciated over its useful life.

The minimum lease payments are apportioned between the finance charge recognised in the income statement and the reduction of the outstanding liability using the effective interest method. The finance charge in each period is allocated so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

3 REVENUE

The analysis of the group's revenue for the year from continuing operations is as follows:

	2018 £	2017 £
Sale of goods and services	6,370,511	6,493,273
Rental income from investment property	128,838	29,400
Other revenue	41,862	42,791
	<u>6,541,211</u>	<u>6,565,464</u>

4 OTHER GAINS AND LOSSES

The analysis of the group's other gains and losses for the year is as follows:

	2018 £	2017 £
Gain (loss) on disposal of property, plant and equipment	31,750	8,157
Gain (loss) on investment properties	-	8,207
	<u>31,750</u>	<u>16,364</u>

5 OPERATING PROFIT

Arrived at after charging/(crediting)

	2018 £	2017 £
Depreciation expense	215,618	198,511
Operating lease expense - plant and machinery	3,939	5,253
Profit on disposal of property, plant and equipment	<u>(31,750)</u>	<u>(8,157)</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

6 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2018 £	2017 £
Interest income on bank deposits	-	742
Other finance income	8,201	-
	<u>8,201</u>	<u>742</u>

7 INTEREST PAYABLE AND SIMILAR EXPENSES

	2018 £	2017 £
Interest on bank overdrafts and borrowings	100,421	100,095
Interest on obligations under finance leases and hire purchase contracts	7,465	7,570
Interest expense on other finance liabilities	16,060	26,061
	<u>123,946</u>	<u>133,726</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

8 STAFF COSTS

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 £	2017 £
Wages and salaries	2,525,595	2,411,788
Social security costs	212,606	195,276
Pension costs, defined contribution scheme	36,505	74,439
Other employee expense	25,184	21,581
	<u>2,799,890</u>	<u>2,703,084</u>

The average number of persons employed by the group during the year, analysed by category, was as follows:

	2018 No.	2017 No.
Green-keeping and course management	42	46
Administration and support	16	11
Food & Beverage	112	105
Kitchen	26	24
Pro-shop and reception	23	21
Directors	5	5
	<u>224</u>	<u>212</u>

9 DIRECTORS' REMUNERATION

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	<u>644,361</u>	<u>546,142</u>

In respect of the highest paid director:

	2018 £	2017 £
Remuneration	<u>328,027</u>	<u>314,234</u>

10 AUDITORS' REMUNERATION

	2018 £	2017 £
Audit of these financial statements	<u>50,000</u>	<u>51,000</u>
Other fees to auditors		
All other non-audit services	<u>12,000</u>	<u>8,838</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

11 TAXATION

Tax charged/(credited) in the income statement

	2018 £	2017 £
Current taxation		
UK corporation tax	106,572	159,921
UK corporation tax adjustment to prior periods	1,919	-
	<u>108,491</u>	<u>159,921</u>
Deferred taxation		
Arising from origination and reversal of timing differences	28,857	(81,230)
	<u>28,857</u>	<u>(81,230)</u>
Tax expense in the income statement	<u>137,348</u>	<u>78,691</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2017 - lower than the standard rate of corporation tax in the UK) of 19% (2017 - 19.92%).

The differences are reconciled below:

	2018 £	2017 £
Profit before tax	<u>659,107</u>	<u>932,023</u>
Corporation tax at standard rate	125,230	185,659
Effect of expenses not deductible in determining taxable profit (tax loss)	4,252	5,250
Increase in UK and foreign current tax from adjustment for prior periods	1,919	-
Tax decrease from effect of capital allowances and depreciation	(22,910)	(29,141)
Tax decrease from effect of unrelieved tax losses carried forward	-	(207)
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>28,857</u>	<u>(82,870)</u>
Total tax charge	<u>137,348</u>	<u>78,691</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

Deferred tax

Group

Deferred tax assets and liabilities

	Asset £	Liability £
2018		
Capital allowances	5,006	33,077
Fair value adjustments	<u>91,560</u>	<u>36,555</u>
	<u>96,566</u>	<u>69,632</u>
2017		
Capital allowances	13,577	10,425
Fair value adjustments	<u>91,560</u>	<u>38,921</u>
	<u>105,137</u>	<u>49,346</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

12 TANGIBLE ASSETS

Group

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 May 2017	27,414,375	779,296	83,928	1,519,240	29,796,839
Additions	1,073,682	168,347	6,308	97,880	1,346,217
Disposals	-	-	-	(18,000)	(18,000)
At 30 April 2018	<u>28,488,057</u>	<u>947,643</u>	<u>90,236</u>	<u>1,599,120</u>	<u>31,125,056</u>
Depreciation					
At 1 May 2017	-	650,984	75,151	1,028,958	1,755,093
Charge for the year	-	64,040	5,910	145,667	215,617
Eliminated on disposal	-	-	-	(18,000)	(18,000)
At 30 April 2018	<u>-</u>	<u>715,024</u>	<u>81,061</u>	<u>1,156,625</u>	<u>1,952,710</u>
Carrying amount					
At 30 April 2018	<u>28,488,057</u>	<u>232,619</u>	<u>9,175</u>	<u>442,495</u>	<u>29,172,346</u>
At 30 April 2017	<u>27,414,375</u>	<u>128,312</u>	<u>8,777</u>	<u>490,282</u>	<u>28,041,746</u>

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2018 £	2017 £
Equipment	<u>204,382</u>	<u>277,924</u>

Contractual commitments for the acquisition of property, plant and equipment

Contractual commitments for the acquisition of tangible assets were as follows:

	2018 £	2017 £
Land and buildings	<u>-</u>	<u>330,000</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

13 INVESTMENT PROPERTIES

Group

	2018 £
At 1 May 2017	2,145,000
Additions	<u>356,071</u>
At 30 April 2018	<u><u>2,501,071</u></u>

The investment properties are reflected at fair value as estimated by the directors at an amount of £2,501,071.

14 INVESTMENTS

Company

	2018 £	2017 £
Investments in subsidiaries	<u>13,140,526</u>	<u>13,140,526</u>
Subsidiaries		£
Cost or valuation		
At 1 May 2017		19,317,949
Provision		
At 1 May 2017		<u>6,177,423</u>
Carrying amount		
At 30 April 2018		<u><u>13,140,526</u></u>
At 30 April 2017		<u><u>13,140,526</u></u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

DETAILS OF UNDERTAKINGS

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	
		2018	2017
SUBSIDIARY UNDERTAKINGS			
Altonwood Limited	Ordinary	100%	100%
Country & Metropolitan Investments Limited	Ordinary	100%	100%
Noood Limited	Ordinary	100%	100%
Noood London Limited	Ordinary	100%	100%
Streete Court Leisure Limited	Ordinary	100%	100%
Surrey National Golf Club Limited	Ordinary	100%	100%
The Addington Golf Club Limited	Ordinary	100%	100%
The Novello Collection Limited	Ordinary	100%	100%
The Novello Wool Shop Limited	Ordinary	100%	100%
Westerham Golf Club Limited	Ordinary	100%	100%
Woldingham Golf Club Limited	Ordinary	100%	100%
Zinckirk Properties Limited	Ordinary	100%	100%

Altonwood Limited is a direct investment of the company. The other subsidiaries are direct investments of Altonwood Limited.

All subsidiaries are included in the consolidated accounts.

15 STOCKS

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Other inventories	<u>195,048</u>	<u>191,417</u>	<u>-</u>	<u>-</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

16 DEBTORS

		Group		Company	
	Note	2018 £	2017 £	2018 £	2017 £
Trade debtors		66,354	9,058	-	-
Amounts owed by related parties	26	-	-	27,224	25,685
Other debtors		600,157	484,476	-	-
Prepayments		351,552	325,929	-	-
Deferred tax assets	11	96,566	105,137	-	-
		<u>1,114,629</u>	<u>924,600</u>	<u>27,224</u>	<u>25,685</u>

17 CASH AND CASH EQUIVALENTS

		Group		Company	
		2018 £	2017 £	2018 £	2017 £
Cash on hand		7,789	5,563	-	-
Cash at bank		<u>194,978</u>	<u>449,590</u>	<u>-</u>	<u>8</u>
		202,767	455,153	-	8
Bank overdrafts		<u>(778,490)</u>	<u>(468,640)</u>	<u>(3,665)</u>	<u>-</u>
Cash and cash equivalents in statement of cash flows		<u>(575,723)</u>	<u>(13,487)</u>	<u>(3,665)</u>	<u>8</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

18 CREDITORS

		Group		Company	
	Note	2018 £	2017 £	2018 £	2017 £
Due within one year					
Loans and borrowings	19	1,717,578	784,929	3,665	-
Trade creditors		736,594	566,747	-	-
Amounts due to related parties	26	-	-	504,866	474,373
Social security and other taxes		238,694	305,620	-	-
Outstanding defined contribution pension costs		1,590	11,924	-	-
Other payables		243,764	263,123	168,787	168,787
Accruals		1,611,511	1,472,793	12,000	12,000
Corporation tax liability	11	108,490	159,912	-	-
Dividends payable	24	11	24,466	11	24,466
		<u>4,658,232</u>	<u>3,589,514</u>	<u>689,329</u>	<u>679,626</u>
Due after one year					
Loans and borrowings	19	3,939,139	3,949,917	-	-
Other non-current financial liabilities		-	70,000	-	-
		<u>3,939,139</u>	<u>4,019,917</u>	<u>-</u>	<u>-</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

19 LOANS AND BORROWINGS

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Current loans and borrowings				
Bank borrowings	854,318	239,508	-	-
Bank overdrafts	778,490	468,640	3,665	-
Hire purchase and finance lease liabilities	84,770	76,781	-	-
	<u>1,717,578</u>	<u>784,929</u>	<u>3,665</u>	<u>-</u>
	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Non-current loans and borrowings				
Bank borrowings	3,559,719	3,524,716	-	-
Hire purchase and finance lease liabilities	129,420	175,201	-	-
Other borrowings	250,000	250,000	-	-
	<u>3,939,139</u>	<u>3,949,917</u>	<u>-</u>	<u>-</u>

Non-current loans and borrowings include an amount of £2,700,018 (2017: £2,816,684) due greater than 5 years from the balance sheet date.

Other borrowings amounting to £250,000 (2017: £250,000) are secured by a fixed charge over a leasehold property owned by the group and company.

Bank borrowings and overdrafts are secured by a fixed charge over certain freehold properties owned by the group and by a fixed and floating charge over the other assets and undertakings of the group.

Finance lease liabilities are secured on the assets concerned.

20 DEFERRED TAX AND OTHER PROVISIONS

Group

	Deferred tax £	Total £
At 1 May 2017	49,346	49,346
Additional provisions	20,286	20,286
At 30 April 2018	<u>69,632</u>	<u>69,632</u>

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

21 PENSION AND OTHER SCHEMES

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £36,505 (2017 - £74,439).

Contributions totalling £1,590 (2017 - £11,924) were payable to the scheme at the end of the year and are included in creditors.

22 SHARE CAPITAL

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	<u>9,189,048</u>	<u>9,189,048</u>	<u>9,189,048</u>	<u>9,189,048</u>

23 RESERVES

Profit and loss account - This reserve records retained earnings and accumulated losses.

24 DIVIDENDS

Dividends paid

	2018	2017
	£	£
Dividend of £0.0111 (2017 - £0.0111) per each ordinary share	<u>102,040</u>	<u>102,040</u>

25 CONTINGENCIES

Group

The parent company has guaranteed jointly with other subsidiary undertakings the bank borrowings of the group as shown in note 19.

ALTONWOOD HOLDINGS LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2018

26 RELATED PARTY TRANSACTIONS

Transactions with directors

At 30 April 2018 an amount of £3,960 (2017: £198,530) was due from a director. During the year an amount of £94,459 was advanced to the director and £291,869 was repaid. Interest of £2,840 (2017: £5,361) has been charged, there are no set terms in place.

Summary of transactions with entities with joint control or significant interest

At 30 April 2018 an amount of £374,664 (2017: £20,778) was due from a company that is considered to be related by virtue of being a significant shareholder in Altonwood Holdings Limited.

Summary of transactions with subsidiaries

Exemption has been taken under FRS 102, paragraph 33.1A not to disclose transactions and balances with group companies that are wholly owned within the group.