Registration number: 05049372

The Hurlingham Polo Association

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2019

The Hurlingham Polo Association

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The Hurlingham Polo Association

(Registration number: 05049372)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	5,751	3,146
Investments in subsidiaries	5	2	2
Listed investments	6	684,403	599,177
		690,156	602,325
Current assets			
Debtors	7	81,395	109,645
Cash at bank and in hand		488,098	547,310
		569,493	656,955
Creditors: Amounts falling due within one year	8	(113,884)	(349,358)
Net current assets		455,609	307,597
Net assets		1,145,765	909,922
Capital and reserves			
Profit and loss account		1,145,765	909,922
Total equity		1,145,765	909,922

The notes on pages 3 to 10 form an integral part of these financial statements.

(Registration number: 05049372)
Balance Sheet as at 31 December 2019

For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 28 August 2020 and signed on its behalf by:

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Mr Nicholas Winston Brian Wiles
Chairman

1 General information

The company is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:
Manor Farm
Little Coxwell
Faringdon
Oxfordshire
SN7 7LW

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.

COVID-19 and going concern

The HPA draws up an annual financial and operational plan to cover expected activities in the following year. The HPA's plan for the calendar year 2020 was drawn up and approved before the Covid-19 pandemic, which is ongoing at the date of signing these financial statements, and inevitably the planned financial and operational activities have been superseded by events.
It is currently not possible to predict how long the pandemic will last or to quantify the financial effect that it will have on the operations of the HPA and the sport of polo generally.
Against this background, the Chairman of the HPA, the Chairman of the Finance & Grants committee and the Chief Executive, with the support of the Finance & Grants committee and Stewards, have undertaken an extensive financial review and forecasting exercise based upon varied assumptions and resumption dates and consequent revisions to the programme of events including the loss of the whole 2020 polo season.
This re-forecasting exercise has resulted in a number of operational changes designed to ensure that the HPA is placed on a sound financial footing for the 2020 season and beyond irrespective of the ultimate resumption date.
In this regard, the HPA has access to significant liquid resources and these can be augmented, if necessary, by utilising some of its reserves, which have been accumulated to provide protection in times of need.
Therefore, based upon the outcome of the re-forecasting exercise and the consequent operational changes made, we have a reasonable expectation that the HPA will continue to have sufficient financial resources available to enable it to meet its liabilities as they fall due for the foreseeable future, being not less than one year from the date on which these financial statements were signed, including the provision of support to the subsidiary company, HPA Commercial Limited (see also note 10).
These financial statements have therefore been drawn up on the going concern basis, which assumes that this will be the case.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.
The financial statements contain information about The Hurlingham Polo Association as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 398 of the Companies Act from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small group.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of membership fees in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.
Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax payable and deferred tax.

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 company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the 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 are expected to apply to the reversal of the timing difference.

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, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	20% straight line

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.

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.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company 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.

3 Taxation

	2019 £	2018 £
Corporation tax	11,444	11,231
Deferred tax	-	-
	11,444	11,231

4 Tangible assets

	Office equipment £	Total £
Cost or valuation		
At 1 January 2019	29,139	29,139
Additions	4,384	4,384
At 31 December 2019	33,523	33,523
Depreciation		
At 1 January 2019	25,993	25,993
Charge for the year	1,779	1,779
At 31 December 2019	27,772	27,772
Carrying amount		
At 31 December 2019	5,751	5,751
At 31 December 2018	3,146	3,146

5 Investments

	2019 £	2018 £
Investments in subsidiaries	2	2

Subsidiaries	£
Cost or valuation	
At 1 January 2019	2
Provision	
Carrying amount	
At 31 December 2019	2
At 31 December 2018	2

Details of undertakings

Details of the investments (including principal place of business of incorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
HPA Commercial Limited	Manor Farm, Little Coxwell, Faringdon, Oxfordshire, SN7 7LW England & Wales	Ordinary	100%	100%
HPA Events Limited	Manor Farm, Little Coxwell, Faringdon, Oxfordshire, SN7 7LW England & Wales	Ordinary	100%	100%

HPA Events Limited is dormant and has never traded.

HPA Commercial Limited

HPA Commercial Limited changed its name from HPA Licensing Limited on 14 October 2019.

Until 31 December 2018 the principal activity of HPA Commercial Limited was brand licensing. Since 1 January 2019 HPA Commercial Limited has also been responsible for all the commercial activities formerly carried on by The HPA.

The loss for the financial period of HPA Commercial Limited was £84,139 (2018: £34,691) and the aggregate amount of capital and reserves at the end of the period was (£664,757) (2018: (£580,618)).

6 Listed investments

	Financial assets at fair value through profit and loss £	Total £
Non-current financial assets		
Cost or valuation		
At 1 January 2019	599,177	599,177
Fair value adjustments	71,422	71,422
Additions	35,042	35,042
Disposals	(21,238)	(21,238)
At 31 December 2019	684,403	684,403
Carrying amount		
At 31 December 2019	684,403	684,403

Included within the total investment balance of £684,403 (2018: £599,177) is a cash balance of £8,794 (2018: £16,130). The aggregate cost of the listed investments held is £557,447 (2018: £536,434).

7 Debtors

	2019 £	2018 £
Trade debtors	42,588	52,982
Prepayments	6,295	55,011
Other debtors	32,512	1,652
	81,395	109,645

8 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Trade creditors	23,079	66,102
Taxation and social security	19,760	22,572
Other creditors	71,045	260,684
	113,884	349,358

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £7,516 (2018 - £7,516).

10 Related party transactions

During the period rent of £12,000 (2018: £7,500) was paid to the Chief Executive, D J B Woodd, for the premises used by the Association for administrative purposes. 20% of this rent was recharged to HPA Commercial Ltd for their use of the premises. At the balance sheet date a creditor of £11,184 (2018: £Nil) was owed to D J B Woodd by the company.
In order to optimise operational efficiency and maximise the exploitation of the Hurlingham brand, the company has updated its trading structure by the creation of two wholly owned subsidiary companies, being:
HPA Commercial Limited (formerly HPA Licensing Limited).
HPA Events Limited
HPA Commercial Limited commenced trading in 2015 and HPA Events Limited has remained dormant. During the period since its incorporation, The Hurlingham Polo Association has provided funding to HPA Commercial Limited ("HPAC") to cover the working capital requirements of the company and this amounted to £517,624 at 31 December 2019.
Since 1 January 2019 HPAC has continued to trade in accordance with its agreed business plan and a number of franchise agreements, which will generate income for the company. have now been finalised and signed. Other such agreements are under negotiation and are expected to be agreed within the foreseeable future.
Since 1 January 2019 the HPAC has taken over the management of the commercial side of the business.
The HPA has been providing the cash required to meet HPAC's working capital and the directors of the company have provided assurances that such further funds that may be necessary in order to meet its liabilities as they fall due will be forthcoming from the HPA. In addition the HPA has indicated that it will not seek repayment of any amounts already advanced unless HPAC would remain solvent following such repayment.
Because the generation of financial returns by HPA Commercial Limited cannot be predicted with any certainty the amount advanced up to 31 December 2018 by The Hurlingham Polo Association has been provided for in full, £57,025 of this was recovered for the year ended 31 December 2019.
HPA Events Limited as a wholly owned subsidiary is a dormant company and a creditor balance of £1 is payable to this company at the year end. This represents the share capital acquired by the Hurlingham Polo Association.

11 Controlling party

The company is under the common control of its members, and therefore there is no single individual or party that can, or does, have overall control of The Hurlingham Polo Association.
The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.
The income and property of the company shall be applied solely towards the promotion of its stated objectives and no part thereof shall be paid or transferred directly or indirectly, by way of dividend or otherwise to the members of the company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.