

**SWINLEY FOREST GOLF CLUB LIMITED**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2010**



# **SWINLEY FOREST GOLF CLUB LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED TO 31 DECEMBER 2010**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2010

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was the operation of Swinley Forest Golf Club

On 27 November 2008, Swinley Forest Golf Club Limited ("the company") was incorporated as a company limited by guarantee (company registration number 06759890). From 27 November 2008 to 31 December 2008 the company did not trade. On 1 January 2009, Swinley Forest Golf Club, a separate legal unincorporated entity, transferred its trade, assets and liabilities to the company. From 1 January 2009 the company has carried out trading activities as per its principal activity.

The surplus for the period, after taxation, amounted to £3,939 (2009: £55,346)

#### **DIRECTORS**

The directors who served the company during the period were as follows:

Hugh Stevenson, Chairman

Nick Chamberlin

Colin Frizzell

Richard Goodhew

Richard Opperman

Ian Perkins

Howard Rudebeck

#### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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 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 surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 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.

# SWINLEY FOREST GOLF CLUB LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2010

### DIRECTORS' RESPONSIBILITIES *(continued)*

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

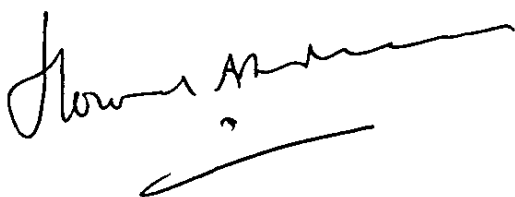
### AUDITOR

Arnold Hill & Co LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

This report was approved by the directors on 6 June 2011 and signed on their behalf by Howard Rudebeck, director



6 June 2011

# **SWINLEY FOREST GOLF CLUB LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SWINLEY FOREST GOLF CLUB LIMITED**

**YEAR ENDED 31 DECEMBER 2010**

We have audited the financial statements, which comprise the income and expenditure account, the balance sheet and the related notes, of Swinley Forest Golf Club Limited for the year ended 31 December 2010. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As is explained more fully in the Directors' Responsibilities Statement set out on pages 1 to 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its surplus for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

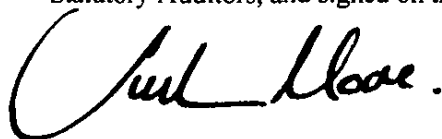
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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, 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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

This report was approved on *21 June 2011* by Arnold Hill & Co LLP, Chartered Accountants & Statutory Auditors, and signed on their behalf by Justin Moore, senior statutory auditor.



# SWINLEY FOREST GOLF CLUB LIMITED

## INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2010

		Year ending 31 Dec 10 £	Period from 27 Nov 08 to 31 Dec 09 £
	Note		
<b>INCOME</b>			
Subscriptions		547,389	526,180
Temporary Members		460,142	477,938
Rent and other income		31,189	26,574
Bar and catering (deficit)/surplus		(36,645)	1,786
		<u>1,002,075</u>	<u>1,032,478</u>
<b>EXPENDITURE</b>			
Course upkeep	2a	432,081	384,086
Clubhouse	2b	140,867	149,808
Administration	2c	413,708	389,521
Centenary costs		-	34,010
Course machinery written off		7,980	15,579
		<u>994,636</u>	<u>973,004</u>
<b>SURPLUS BEFORE TAXATION</b>	3	<u>7,439</u>	<u>59,474</u>
Tax on surplus on ordinary activities	5	3,500	4,128
<b>SURPLUS FOR THE FINANCIAL PERIOD</b>		<u>3,939</u>	<u>55,346</u>

All of the activities of the company are classed as continuing

The notes on pages 7 to 13 form part of these financial statements

# SWINLEY FOREST GOLF CLUB LIMITED

## BALANCE SHEET

31 DECEMBER 2010

	Note	£	31 Dec 10 £	31 Dec 09 £
<b>FIXED ASSETS</b>				
Tangible assets	6		<u>1,713,267</u>	<u>1,383,601</u>
<b>CURRENT ASSETS</b>				
Stocks	8	27,877		23,472
Debtors	9	105,278		75,565
Cash at bank and in hand		<u>238,834</u>		<u>276,439</u>
		371,989		375,476
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>393,488</u>		<u>321,804</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(21,499)</u>	<u>53,672</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,691,768</u>	<u>1,437,273</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	11		<u>77,723</u>	<u>-</u>
			<u>1,614,045</u>	<u>1,437,273</u>
<b>RESERVES</b>				
Bonds			5,200	5,200
General reserve account			<u>1,608,845</u>	<u>1,432,073</u>
<b>MEMBERS' FUNDS</b>	15		<u>1,614,045</u>	<u>1,437,273</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. They were approved by the directors and authorised for issue on 6 June 2011, and are signed on their behalf by Hugh Stevenson, chairman and director, and Howard Rudebeck, director

*H. A. Stevenson*

*Howard Rudebeck*

6 June 2011

No. 06759890

The notes on pages 7 to 13 form part of these financial statements

# SWINLEY FOREST GOLF CLUB LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2010

	Year ending 31 Dec 10 £	Period from 27 Nov 08 to 31 Dec 09 £
NET CASH INFLOW FROM OPERATING ACTIVITIES ( <i>note 17a</i> )	191,698	191,609
TAXATION	(3,500)	(4,362)
CAPITAL EXPENDITURE ( <i>note 17b</i> )	(398,636)	(212,385)
FINANCING ( <i>note 17c</i> )	172,833	164,332
(DECREASE)/INCREASE IN CASH FROM OPERATING ACTIVITIES	(37,605)	139,194
CASH ACQUIRED ON TRANSFER OF ASSETS ( <i>note 16</i> )	-	137,245
(DECREASE)/ INCREASE IN CASH	(37,605)	276,439

The notes on pages 7 to 13 form part of these financial statements

# SWINLEY FOREST GOLF CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

#### **Income**

The income shown in the profit and loss account represents annual and temporary members' subscriptions together with the amounts earned in relation to goods and services provided in the period, exclusive of Value Added Tax

Subscriptions are recognised in the period to which they relate, and subscriptions received in advance are shown as a current liability

#### **Fixed assets**

The freehold clubhouse and buildings are stated at cost. It is intended to maintain the freehold clubhouse and buildings to a sufficiently high standard so that their residual value in current terms will be maintained. Accordingly, the Committee do not consider that any depreciation on the freehold clubhouse and buildings is necessary on the basis that any such depreciation would be immaterial to the financial statements

Other fixed assets are stated at cost less depreciation and all repairs are written off as incurred

#### **Entrance Fees**

Entrance fees payable by members on joining the club are considered to be a capital contribution and are credited direct to the General Reserve Account

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Course construction	-	25% Straight line
Course machinery and equipment	-	10% Straight line
Fixtures and fittings	-	5-20% Straight line
Course irrigation system	-	10% Straight line

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease



# SWINLEY FOREST GOLF CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 1. ACCOUNTING POLICIES *(continued)*

#### Pension costs

The company operates a defined contribution pension scheme and makes contributions to employees' personal pension arrangements. Payments are charged to the income and expenditure account in the year that they occur.

#### Corporation taxation

The company is treated by HM Revenue & Customs as a mutual body and thereby is not liable for corporation tax on any surplus from transactions with its members. The club, however, remains accountable for taxation liabilities arising from capital gains, interest, investment and rental income and any other profits other than from members' activities.

### 2a. COURSE UPKEEP EXPENDITURE

	Year to 31 Dec 10 £	Period from 27 Nov 08 to 31 Dec 09 £
Salaries - course	248,654	233,835
Petrol, water and power	13,598	12,093
Repairs and maintenance	31,051	43,209
Fertiliser, sand, seed and turf	25,776	23,340
Wildlife and sundry maintenance	22,671	20,452
Equipment hire	44,111	1,247
Staff training and other expenses	4,697	7,641
Depreciation of course construction	4,649	4,649
Depreciation of course machinery	36,874	37,620
	<u>432,081</u>	<u>384,086</u>

### 2b. CLUBHOUSE EXPENDITURE

	Year to 31 Dec 10 £	Period from 27 Nov 08 to 31 Dec 09 £
Salaries - house	27,736	23,887
Fuel, light and heat	22,612	31,569
Repairs and renewals	27,699	39,621
Cottage and bungalow expenses	4,028	2,025
Laundry and cleaning	24,131	24,422
Training costs	2,156	-
Courtesy buggy	80	1,154
House equipment	12,958	15,573
Depreciation of furniture, fixtures and fittings	19,467	11,557
	<u>140,867</u>	<u>149,808</u>

# SWINLEY FOREST GOLF CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 2c. ADMINISTRATION EXPENDITURE

	Year to 31 Dec 10	Period from 27 Nov 08 to 31 Dec 09
	£	£
Salaries - administration	83,628	79,806
Salaries - proshop and starter	42,534	40,949
Staff pension contributions	52,575	46,746
Rent	92,000	97,000
Rates	63,099	55,476
Insurance	13,518	14,704
Printing, stationery, telephone and postage	11,226	9,032
Publications, subscriptions and licence fees	3,280	3,239
Other administration expenses	4,156	3,783
Irrecoverable VAT	30,856	22,778
Legal and professional fees	7,553	7,344
Accountancy fees	1,600	685
Auditors remuneration	2,450	2,200
Bank charges	5,233	5,779
	<u>413,708</u>	<u>389,521</u>

### 3. SURPLUS BEFORE TAXATION

The surplus before taxation is stated after charging

	Year to 31 Dec 10	Period from 27 Nov 08 to 31 Dec 09
	£	£
Directors' remuneration	-	-
Staff pension contributions	52,575	46,746
Depreciation of owned fixed assets	49,430	53,826
Depreciation of fixed assets held under hire purchase agreements	11,560	-
Loss on course machinery written off	7,980	15,579
Auditor's fees	2,450	2,200
Operating lease costs		
- Land and buildings	<u>92,000</u>	<u>92,000</u>

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year to 31 Dec 10	Period from 27 Nov 08 to 31 Dec 09
	£	£
Finance charges	32,235	-
Other interest and similar charges	<u>5,955</u>	<u>-</u>
	<u>38,190</u>	<u>-</u>

# SWINLEY FOREST GOLF CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 5. TAXATION ON ORDINARY ACTIVITIES

#### Analysis of charge in the period

	Year to 31 Dec 10 £	Period from 27 Nov 08 to 31 Dec 09 £
Current tax		
Under provision in the prior year	-	326
UK Corporation tax based on the results for the year at 21%	3,500	3,802
	<u>3,500</u>	<u>4,128</u>

### 6. TANGIBLE FIXED ASSETS

	Freehold land, clubhouse and buildings £	Course machinery £	Furniture, fixtures & fittings £	Course construction £	Total £
<b>COST</b>					
At 1 January 2010	1,159,624	215,683	41,044	15,007	1,431,358
Additions	48,900	105,709	68,482	188,895	411,986
Disposals	-	(29,784)	-	-	(29,784)
<b>At 31 December 2010</b>	<u>1,208,524</u>	<u>291,608</u>	<u>109,526</u>	<u>203,902</u>	<u>1,813,560</u>
<b>DEPRECIATION</b>					
At 1 January 2010	-	31,551	11,557	4,649	47,757
Charge for the period	-	36,874	19,467	4,649	60,990
Released on disposal	-	(8,454)	-	-	(8,454)
<b>At 31 December 2010</b>	<u>-</u>	<u>59,971</u>	<u>31,024</u>	<u>9,298</u>	<u>100,293</u>
<b>NET BOOK VALUE</b>					
<b>At 31 December 2010</b>	<u>1,208,524</u>	<u>231,637</u>	<u>78,502</u>	<u>194,604</u>	<u>1,713,267</u>
At 31 December 2009	<u>1,159,624</u>	<u>184,132</u>	<u>29,487</u>	<u>10,358</u>	<u>1,383,601</u>

Included within the net book value of £1,713,267 is £90,305 (2009 £nil) relating to assets held under hire purchase agreements. The depreciation charged in respect of such assets amounted to £11,560 (2009 £nil).

### 7. CAPITAL COMMITMENTS

As at 31 December 2010, the capital commitments of the club in relation to the ongoing irrigation project were as follows:

	31 Dec 10 £	31 Dec 09 £
Contracted but not provided for in the accounts	<u>183,631</u>	<u>-</u>

# SWINLEY FOREST GOLF CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 8. STOCKS

	31 Dec 10	31 Dec 09
	£	£
Course stock	14,400	9,550
Clubhouse stock	13,477	13,922
	<u>27,877</u>	<u>23,472</u>

### 9. DEBTORS

	31 Dec 10	31 Dec 09
	£	£
Trade debtors	11,240	10,577
Other debtors	94,038	64,988
	<u>105,278</u>	<u>75,565</u>

Other debtors include £23,000 (2009 £nil) relating to a rental deposit due after more than one year

### 10. CREDITORS: Amounts falling due within one year

	31 Dec 10	31 Dec 09
	£	£
Trade creditors	99,285	64,371
Corporation tax	3,500	3,801
Other taxation and social security	28,306	31,370
Hire purchase agreements	12,567	-
Other creditors	249,830	222,262
	<u>393,488</u>	<u>321,804</u>

### 11. CREDITORS: Amounts falling due after more than one year

	31 Dec 10	31 Dec 09
	£	£
Hire purchase agreements	<u>77,723</u>	<u>-</u>

### 12. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	31 Dec 10	31 Dec 09
	£	£
Amounts payable within 1 year	12,567	-
Amounts payable in the second to fifth years inclusive	60,193	-
Amounts payable in greater than five years	17,530	-
	<u>90,290</u>	<u>-</u>

# SWINLEY FOREST GOLF CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 13. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2010 the company had annual commitments under operating leases as set out below

	2010		2009	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which				
Are subject to review within 2 to 5 years	92,000	-	92,000	-
Expire within 2 to 5 years	-	32,235	-	-
	<u>92,000</u>	<u>32,235</u>	<u>92,000</u>	<u>-</u>

### 14. RELATED PARTY TRANSACTIONS

Directors of the company, who are also members of the club, have all paid their membership subscriptions during the year and owe the club £nil at 31 December 2010 (2009 £nil)

No transactions with other related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

### 15. RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS

	Year to 31 Dec 10 £	Period from 27 Nov 08 to 31 Dec 09 £
Surplus for the period	3,939	55,346
Entrance fees	172,833	164,332
Transfer of net assets ( <i>note 16</i> )	-	1,217,595
Opening Members' Funds	<u>1,437,273</u>	<u>-</u>
Closing members' Funds	<u>1,614,045</u>	<u>1,437,273</u>

On 1 January 2009, Swinley Forest Golf Club, a separate legal unincorporated entity, transferred all of its assets and liabilities to the company. The net assets transferred across to the company totalled £1,217,595, this balance being made up of a general reserve account of £1,212,395 and bonds of £5,200

The bonds in issue of £5,200 are in units of £100. The bonds are subject to the conditions set out in the company's Memorandum & Articles

# SWINLEY FOREST GOLF CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 16. TRANSFER OF ASSETS

Swinley Forest Golf Club, a separate legal unincorporated entity, transferred the following assets/(liabilities) to the company on 1 January 2009

	£
Fixed assets at written down value	1,240,621
Stocks	22,794
Debtors	51,807
Creditors	(234,872)
Cash	137,245
Net assets transferred	<u>1,217,595</u>

### 17. NOTES TO THE CASH FLOW STATEMENT

#### (a) RECONCILIATION OF SURPLUS BEFORE TAXATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year to 31 Dec 10	Period from 27 Nov 08 to 31 Dec 09
	£	£
Surplus before taxation	7,439	59,474
Depreciation	60,990	53,826
Loss on disposal of course machinery	7,980	15,579
Increase in stocks	(4,405)	(678)
Increase in debtors	(29,713)	(23,758)
Increase in creditors	149,407	87,166
Net cash inflow from operating activities	<u>191,698</u>	<u>191,609</u>

#### (b) CAPITAL EXPENDITURE

	Year to 31 Dec 10	Period from 27 Nov 08 to 31 Dec 09
	£	£
Payments to acquire tangible fixed assets	(411,986)	(212,385)
Receipts from the disposal of fixed assets	13,350	-
Net cash outflow from financing	<u>(398,636)</u>	<u>(212,385)</u>

#### (c) FINANCING

	Year to 31 Dec 10	Period from 27 Nov 08 to 31 Dec 09
	£	£
Entrance Fees	<u>172,833</u>	<u>164,332</u>