

# **BROOMIEKNOWE GOLF CLUB LIMITED**

(By Guarantee)  
Company Number 029688 (Scotland)

Registered Office  
36 Golf Course Road, Bonnyrigg, Midlothian

## **Annual Report and Financial Statements**

**FOR THE YEAR ENDED 31 DECEMBER 2006**

### **Captain**

R T Watson

### **Vice Captain**

J T Donaldson

### **Hon Secretary**

J D Fisher

### **Hon Treasurer**

S R Bruce

### **Greens Convener**

W I Turnbull

D Stewart

### **House Convener**

D Williams

K Wilson (Entertainment)

W Faughnan

J Wilson

### **Fixtures Convener**

A K Ritchie

M Alderton

E Bradley

S Beck (Match Secretary)

### **Junior Convener**

D Fairbairn

**THE FIFTY FIFTH ANNUAL GENERAL MEETING of the Club will be held in the Clubhouse on  
Thursday 5 April 2007 at 8.00pm**

### **AGENDA**

- 1 Notice of Meeting
- 2 Minute of the Fifty fourth Annual General Meeting held on 6 April 2006
- 3 Minute of Extra-ordinary General Meeting held on 26 October 2006
- 4 Minute of Extra ordinary General Meeting held on 7 November 2006
- 5 Captain's Report (appended)
- 6 Accounts for the year to 31 December 2006
- 7 Election of Captain and Officials
- 8 Election of Council
- 9 Appointment of Auditors
- 10 AOCB

J D Fisher  
Hon Secretary  
Bonnyrigg  
1 March 2007

TUESDAY



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04/09/2007

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COMPANIES HOUSE

## Report of the Directors

The directors present their report and accounts for the year ended 31 December 2006

### Captain's Report – Rae Watson

It is heartening to report that considerable progress is being made to reduce previous deficits. The Directors have worked within tightly controlled budgets as far as expenditure is concerned. Overall, the Club has seen a positive movement of £26,588 before application of Corporation Tax to the accounts. The Club has this year also ensured that expenditure of a capital nature has not impacted on our bottom line in regard to new purchases made on a capital expenditure basis. This is the last year that Centenary expenditure is included in the accounts and as such will lessen any future impact on the balance sheet. Our Treasurer will take the opportunity to fully expand on our progress at our forthcoming AGM.

The increase in annual subscriptions agreed by the membership at the EGM held in October 2006, together with reductions in the size of discounted annual subscriptions offered to veteran members and the introduction of 5 day members, will all impact favourably on the Club's finances.

Our Centenary celebrations concluded with a highly successful dance at the Brunton Hall in Musselburgh. The event was well attended and my thanks go to all who made the night such a great success. My thanks also go to members of the Centenary Committee who, over the past few years, have given of their time generously.

Council is actively pursuing the sale of the practice ground. During the year, meetings have been held with CALA, planning officers in Midlothian Council and local Councillors. Letters outlining the Club's case for the sale of the ground have also been sent to all Midlothian Councillors. A Public Enquiry will be held in May and the Club will give written and oral evidence in support of disposal of the land and reinvestment of the proceeds in new Clubhouse facilities.

The golf course has once again been in very good order. Feedback from both members and visitors has been extremely positive and we are indebted to Hamish Brough and his staff for their sterling work during the year. Considerable work goes into running and managing competitions and the championship and these were ably organised by Alistair Ritchie and Mike Alderton with the assistance of Mark Patchett, the Club Professional. Again, my thanks to all.

It is my sad duty to record the passing of the following members: Past Captain Stuart McKay, Ian Hume, Ronnie M Jack, Alexander J Davidson, Mrs Elizabeth A Mathieson and J Y McLean.

We have kept members well informed of discussions at Council meetings via the Captain's Bulletin. My thanks go to Jim Donaldson, Vice Captain for all his work preparing Bulletins. Comments from members indicate that they feel much better informed of developments throughout the year. The introduction of the Bulletin is also the reason why we have decided not to post detailed Convenors' reports with the accounts this year although we will make copies available to members at the AGM.

Last year saw the completion of major repairs and refurbishments to the greenkeeper's house and to the flat in the Clubhouse. A new cupola above the office area and a new gas boiler for the Clubhouse were also installed. This year will see improvements made to the members' bar and a new gas boiler for the flat.

During this past year, Junior members have made good progress. Though we have a membership of 100 juniors only around a quarter have handicaps. David Fairbairn has made a massive contribution to our Junior section over the past 8 years and will now switch his attentions to his new role as President of the Summer League. Our grateful thanks go to David for all his hard work.

The Applecross Edinburgh Summer Golf League 2006 season was unfortunately not a very successful campaign for the Club. We were drawn in a very difficult section, and for one reason or another unable to field our strongest team as often as we would have liked. This was reflected in the results.

**Report of the Directors (Continued)**Captain's Report (Continued)

During the summer we finished in 4<sup>th</sup> place in the Lothian's Four Man Team tournament and were narrowly beaten in the Semi Finals of the Midlothian Interclub by the eventual winners Harburn

I would like to thank all the players who have played and represented Broomieknowe Golf Club. They have shown excellent commitment and enthusiasm to play when called upon.

It has been a privilege to be Captain during 2006 and I look forward with even more enthusiasm to my second year in office. My Council has been unstinting in its efforts and support during the year, and we look forward to serving and representing the Club to the best of our ability in the coming year.

Three Council members are standing down at the AGM: Stuart Beck and Keith Wilson – retiring by rotation, and Greens Convener Ian Turnbull who is standing down having served in the role since 2002. Alistair Ritchie very kindly agreed to be co-opted on to Council last year to become Fixtures Convener and he too will stand down. My thanks to all of them for the way in which they have served the Club.

Finally, details of attendance at Council meetings are set out below:

<b>Attendance</b>	<b>Actual</b>	<b>Possible</b>
Alderton Mr M	8	8
Beck Mr S	11	11
Bradley Mr A	3	3
Bradley Mr E	10	11
Bruce Mr S	6	8
Donaldson Mr J T	7	8
Fairbairn Mr D	3	3
Faughnan Mr W	8	8
Fisher Mr J D	10	11
Kirkwood Mr D W	3	3
Mackay Mr I S	2	3
Mercer Mr A	3	3
Milliken Mr A	3	3
Renton Mr W	2	3
Sim Mr P	8	8
Stewart Mr D	7	8
Ritchie Mr A	6	6
Turnbull Mr W I	10	11

**Report of the Directors (Continued)**Captain's Report (Continued)

<b>Attendance</b>	<b>Actual</b>	<b>Possible</b>
Watson Mr R T	11	11
Williams Mr D	9	11
Wilson Mr K	11	11

**Statement of Directors Responsibilities**

Company law requires the directors to prepare accounts for each financial year which 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 those accounts the directors are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgments and estimates that are reasonable and prudent,
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business,

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

In the case of each of the persons who are directors at the time when the directors report is approved

- so far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

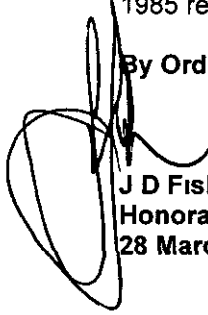
**Auditors**

The auditors, James Anderson & Co C A have indicated their willingness to continue in office and a resolution proposing their re appointment will be put to the Annual General Meeting.

**Small Company Exemptions**

The directors have taken advantage of the exemptions conferred by Part VII of the Companies Act 1985 relating to small companies.

**By Order of the Board**



**J D Fisher**  
**Honorary Secretary**  
**28 March 2007**

We have audited the financial statements of Broomieknowe Golf Club Limited for the year ended 31 December 2006 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the club's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the club'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 club's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, information given in the Directors' Report is consistent with the financial statements. In addition we report to you if in our opinion the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of Audit Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion (Continued)...**

**Opinion continued/...**

**In our opinion**

- the financial statements give a true and fair view in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its deficit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

*James Anderson & Co*

James Anderson & Co  
Chartered Accountants  
Pentland Estate  
Straiton  
Edinburgh  
EH20 9QH

28 March 2007

Registered Auditors

**Income and Expenditure Account**  
**For the Year ended 31 December 2006**

	Notes	2006 £	2005 £
<b>Turnover</b>	2	502,316	504,910
Operating expenditure		( 476,465)	( 512,447)
		25,851	( 7,537)
Administrative expenses		( 73,982)	( 66,827)
		( 48,131)	( 74,364)
Other operating income		11,288	9,298
<b>Operating Deficit</b>	3	( 36,843)	( 65,066)
Bank interest received		9,265	10,900
<b>Deficit before Taxation</b>		( 27,578)	( 54,166)
Corporation tax	4	( 2,857)	( 2,008)
<b>Deficit for the Year</b>	8	( 30,435)	( 56,174)

**Balance Sheet**  
**As at 31 December 2006**

	Notes	2006 £	2005 £
<b>Fixed Assets</b>			
Tangible assets	5	418,673	433,320
<b>Current Assets</b>			
Stock	6	5,639	4,454
Debtors		7,738	15,839
Cash at bank & in hand		215,115	219,681
		228,492	239,974
<b>Creditors</b>			
Amounts falling due within one year	7	( 142,246)	( 138,790)
<b>Net Current Assets</b>		86,246	101,184
<b>Total Assets less Current Liabilities</b>		504,919	534,504
<b>Deferred Income</b>			
Entry fee deposits		( 14,429)	( 13,579)
<b>Net Assets</b>		490,490	520,925
<b>Capital and Reserves</b>			
Revenue reserve	8	490,490	520,925

The accounts on pages 6 to 10 which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies were approved by the board on 28 March 2007 and signed on its behalf

  
**R T Watson Captain**



**Notes to the Financial Statements**  
**For the Year ended 31 December 2006**

**1. Accounting Policies**

**Basis of Accounting**

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities

**Tangible Fixed Assets & Depreciation**

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset less their estimated residual value evenly over its expected useful life as follows

Freehold buildings	50 years
Clubhouse furnishings	5 – 10 years
Course equipment	7 years
Irrigation system	15 years

**Stocks**

Stocks are stated at the lower of cost and net realisable value

**Pension Scheme**

The Club operates a money purchase defined contribution pension scheme Contributions are charged to the income and expenditure account as they become payable

**Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

**2. Turnover**

Turnover represents the gross income of the Club exclusive of value added tax

**3. Operating deficit**

This is stated after charging	2006 £	2005 £
Operating lease rentals	41,820	38,190
Auditor's remuneration	2,500	2,450
Depreciation	30,809	28,561
Honoraria	3,200	3,200
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**Notes to the Financial Statements**  
**For the Year ended 31 December 2006 (Continued)**

<b>4 Taxation</b>	<b>2006 £</b>	<b>2005 £</b>
Corporation tax	2,857	2,008

**5. Tangible Fixed Assets**

	<b>Land &amp; Buildings £</b>	<b>Clubhouse Furnishings £</b>	<b>Course Equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2006	425,034	177,048	242,604	844,686
Additions	4,898	11,264		16,162
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2006	429,932	188,312	242,604	860,848
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>				
At 1 January 2006	89,559	142,814	178,993	411,366
Charge for the year	5,898	9,041	15,870	30,809
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2006	95,457	151,855	194,863	442,175
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net Book Value</b>				
At 31 December 2006	334,475	36,457	47,741	418,673
At 31 December 2005	335,475	34,234	63,611	433,320
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**Notes to the Financial Statements**  
**For the Year ended 31 December 2006 (Continued)**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
<b>6. Stock</b>		
Bar	5,039	3,804
Badges & ties	600	650
	<u>5,639</u>	<u>4,454</u>

**7 Creditors**

Trade creditors	11,659	18,284
Other taxes & social security costs	4,561	5,024
Other creditors & accruals	3,483	2,450
Corporation tax	2,857	2,008
Subscriptions received in advance	119,686	111,024
	<u>142,246</u>	<u>138,790</u>

**8. Reserves**

	<b>Centenary Fund £</b>	<b>Revenue Reserve £</b>	<b>2006 £</b>	<b>2005 £</b>
At 1 January 2006	9,980	510,945	520,925	577,099
Centenary transfer	668	( 668)		
Deficit for the year	( 10,648)	( 19,787)	( 30,435)	( 56,174)
	<u></u>	<u></u>	<u></u>	<u></u>
At 31 December 2006		490,490	490,490	520,925
	<u></u>	<u></u>	<u></u>	<u></u>

**9 Pension Commitments**

The Club operates a defined contribution pension scheme. The assets of the scheme are held separately in an independently administered fund.

**10. Financial Commitment**

At 31 December 2006 the company had annual commitments under non cancellable operating leases as follows

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Expiry date		
Less than one year		1,407
One to two years		
Two to five years	45,677	32,524
	<u></u>	<u></u>

**BROOMIEKNOWE GOLF CLUB LIMITED****Detailed Income and Expenditure Account  
For the Year ended 31 December 2006**

	Notes	2006 £	2005 £
<b>Income</b>			
Members subscriptions		300,447	288,196
Entry fees		14,560	13,500
Green fees		40,531	53,353
Bar surplus	1	12,320	5,461
Gaming machine surplus	2	2,941	8,377
Rents		7,802	7,556
Other income		3,486	1,742
Bank interest received		9,266	10,899
		<u>391,353</u>	<u>389,084</u>
<b>Expenditure</b>			
General clubhouse expenses	3	65,085	76,803
Course expenses	4	236,863	241,626
Professional's retainer		15,836	15,312
Administrative expenses	5	73,982	67,732
Irrecoverable Vat		16,517	18,881
		<u>408,283</u>	<u>420,354</u>
<b>Deficit for the Year</b>		( 16,930)	( 31,270)
Net centenary expenditure	6	( 10,648)	( 22,896)
<b>Deficit before Taxation</b>		<u>( 27,578)</u>	<u>( 54,166)</u>

**These figures do not form part of the audited financial statements**

**BROOMIEKNOWE GOLF CLUB LIMITED**

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**Notes to the Detailed Income & Expenditure Account  
For the Year ended 31 December 2006**

	<b>2006 £</b>	<b>2005 £</b>
<b>1. Bar Account</b>		
Bar sales	140,477	137,958
Bar purchases	( 72,014)	( 75,777)
	<hr/>	<hr/>
<b>Gross profit for the year</b>	68,463	62,181
Wages & national insurance	( 56,143)	( 56,720)
	<hr/>	<hr/>
<b>Bar Surplus</b>	12,320	5,461
	<hr/>	<hr/>
<b>2 Gaming Machine Account</b>		
Gaming machine income	6,301	11,904
Gaming machine hire & licence	( 3,360)	( 3,527)
	<hr/>	<hr/>
<b>Gaming Machine Surplus</b>	2,941	8,377
	<hr/>	<hr/>
<b>3. Clubhouse Expenses</b>		
Heat & light	14,522	13,834
Cleaning & laundry	13,702	12,367
Repairs & replacements	17,450	33,800
Depreciation – furnishings	9,041	6,084
Depreciation – buildings	5,369	5,702
Loss on social events	5,001	5,016
	<hr/>	<hr/>
	65,085	76,803
	<hr/>	<hr/>

**These figures do not form part of the audited financial statements**

**BROOMIEKNOWE GOLF CLUB LIMITED****Notes to the Detailed Income & Expenditure Account  
For the Year ended 31 December 2006 (Continued)**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
<b>4. Course Expenses</b>		
Rates	12,437	15,014
Wages & national insurance	124,396	122,495
Greenkeeper's house expenses	2,731	4,691
Materials	28,400	34,713
Repairs	10,680	9,748
Hire of machinery	41,820	38,190
Depreciation – course equipment	15,870	16,442
Depreciation – buildings	529	333
	<u>236,863</u>	<u>241,626</u>
<b>5. Administrative Expenses</b>		
Wages & national insurance	23,061	22,345
Administrative & professional fees	3,548	2,200
Fees for redevelopment of pros shop	4,677	
Audit & accounting fees	2,500	2,450
Honoraria	3,200	3,200
Captain's fund	1,237	2,038
Printing, stationery & advertising	10,920	7,381
Telephone & postage	3,689	4,253
Insurance	6,697	7,013
Bank charges	2,161	2,716
Cash collection fees	568	1,010
Sundries	2,552	2,025
Donations	275	450
Grant to Ladies section	1,657	1,600
Match expenses	7,240	9,051
	<u>73,982</u>	<u>67,732</u>
<b>6 Centenary Account</b>		
Subscription levy		3,720
Unused bar vouchers		2,717
Brunton dinner	2,917	
	<u>2,917</u>	<u>6,437</u>
Total income	2,917	6,437
Expenditure	( 13,565)	( 28,560)
Movement in year	<u>( 10,648)</u>	<u>( 22,123)</u>

**These figures do not form part of the audited financial statements**