

COMPANY REGISTRATION NUMBER: SC029688

**The Broomieknowe Golf Club Ltd.
Company Limited by Guarantee
Financial Statements
For the year ended
31 March 2021**



The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2021

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The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Officers and Professional Advisers

The Board of Directors

G Clark
R G Fisher
K A Scott
J C McMillan
C Ormiston
L Muir (Appointed 2 March 2021)
R H Porter (Appointed 1 October 2020)
S Renwick (Appointed 1 October 2020)
H C Scott (Appointed 1 October 2020)
J P Steedman (Appointed 1 October 2020)
N Reid (Appointed 1 October 2020)

Registered Office

36 Golf Course Road
Bonnyrigg
Midlothian
EH19 2HZ

Auditor

Chiene + Tait LLP
Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Bank of Scotland
47 High Street
Dalkeith
EH22 1JA

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Directors' Report

Year ended 31 March 2021

The directors present their report and the financial statements of the company for the year ended 31 March 2021.

Principal activity

The principal activity of the company continues to be the operation of a members' golf club.

Directors

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

G Clark	
R G Fisher	
K A Scott	
J C McMillan	
C Ormiston	
L Muir	(Appointed 2 March 2021)
R H Porter	(Appointed 1 October 2020)
S Renwick	(Appointed 1 October 2020)
H C Scott	(Appointed 1 October 2020)
J P Steedman	(Appointed 1 October 2020)
N Reid	(Appointed 1 October 2020)

Directors' responsibilities statement

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 31 March 2021

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 1 November 2021 and signed on behalf of the board by:



G Clark

Director and Club Captain

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Captain's Report

Year ended 31 March 2021

Where do I start in my report for the AGM? Firstly, I would like to thank all members and guests for sticking to the rules during the pandemic when the course & clubhouse was open. To date, we have had no reported cases at the club, and that is down to you, the members, for sticking to the rules.

The pandemic also impacted the building of our new clubhouse. Instead of being finished last September, we are now entering August 2021, when we should hopefully have it all complete. This was no fault to the contractor John Dennis; they had tight restrictions placed on them in relation to how many staff they could have on site. This, along with problems securing products, all played its part in the delay. With the project coming to a close, we will now engage with HMRC to see where we sit with the rollover tax claim.

We are delighted to have the new clubhouse open, but we still have a lot to do. Once it is all finished, I'm sure the members will be proud to bring guests to the club.

This year, we said farewell to Hamish Brough, our long-serving head greenkeeper. Hamish had been building a house in Thailand and decided he wanted to retire and move there. I would like to put on record my thanks to Hamish for his dedication and service, and I hope he enjoys his retirement.

Hamish's retirement created a vacancy. After a long process we were delighted to appoint Allan Duncan as our new head greenkeeper. Allan had previously worked at Drumoig and was also head greenkeeper at Thornton Golf Club. Allan came with his own ideas and knowledge, and I am sure you will all agree that the course has looked superb all season. A regular grumble from members was that the course was only good for championship week, but the course has now been the same standard throughout the season. So, a big thanks goes to Allan and the team for their hard work and dedication.

This year we were fortunate to be able to secure government grants and benefit from the furlough scheme. This has assisted us greatly in showing a small profit for the year. We continue with setting and sticking to agreed budgets for each area of the business, and a big thank you goes firstly to Stewart Renwick and Lindsay Muir. They have been a huge asset to the club, producing the budgets and guiding us each month on the financial position. Stewart took on the role of treasurer, and I was delighted. The work and attention to detail he brings make sure that my fellow directors and I have full sight of the club's financial position each month. Thanks also go to Kevin Armitage (Administration) and Ross Fisher (Greens) for sticking to the budgets.

Thanks to Mark Patchett and John McMillan for their work on fixtures, particularly when we had to shift fixtures about around the Covid-19 rules. The new WHS system has come into play this year, and although it has brought its criticism, particularly around the allocation of new handicaps, I am sure that after a year it will balance itself out and this will be reflected in the results.

We now have our new chef Stephen Lindsay in place, and we wish him every success as our new caterer. Stephen and his business partner Emma come with a lot of experience, and we look forward to the varied menus they hope to produce for us.

My thanks go to the newly formed marketing, sponsorship and communications group of Jeff Steedman, Ross Porter and Hannah Scott, and Mel Gladstone, who is a marketing and communications expert employed to assist them. The team have worked wonders. I am sure you agree; we are now at the point where all members are fully aware of what is going on within the club, either through emails, or on our social media platform. We will continue to develop this work, and I ask that anyone interested in helping out in this area contact the team.

The Broomieknowe Golf Club Ltd.

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Captain's Report

Year ended 31 March 2021

Thanks also go to our Clubhouse Manager Kevin Armitage and, Bar Manager, Stuart Harris and his team for their hard work and dedication in providing the bar services under some very challenging times during Covid-19 restrictions.

And, on to the juniors. I must thank Yvonne Dickson and Elice Cackett for their excellent work with club golf and the juniors. We now have a team in the junior summer league as well as the development league with over 100 juniors in the section. Many thanks for all your efforts Yvonne, Elice and their helpers.

I would also like to thank Mark Patchett, our club professional, John White, our course ranger, and Danny Munro, our handyman, for all their excellent work and support over the last year.

On to the playing side of things – and what can I say about the achievements of Hannah Darling? She had a fantastic season again last year. She kicked off this season by winning the St Rule at St Andrews, then beating the semi-finalist in the Scottish champs and British champs, followed by a second in the Helen Holm. As I write this report, Hannah sits at no. 32 in the world rankings, the highest placed British player. I have no doubt she will be picked for the Curtis Cup, and we wish her all the best for the rest of the season. Hannah will soon leave us to undertake a golfing scholarship at South Carolina College in the United States; this is a great achievement for her. Niall Webster won the Club Championship in a close-fought final with Colin Renton, and the Ladies Championship was won by Samantha McGregor. Well done to you both and everyone who took part in Championship week.

As I said at the start of my Captaincy, I would like members always to be well informed, and I hope this has gone some way to achieve this. As we move into an exciting time with the new clubhouse and facilities, and a new head greenkeeper producing a course to be proud of, I hope you all get behind these improvements and help make our club the best in the Lothians.

George Clark
Captain

The Broomieknowe Golf Club Ltd.

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Junior and Clubgolf Report

Year ended 31 March 2021

Like everything else it was a difficult start to the golfing year for our Junior Section but golf has seen a rise in numbers throughout the pandemic and I am pleased to say we managed to attract 31 new Juniors, which is fantastic.

During the summer, as lockdown eased, our Juniors got back into the swing of it and had a fantastic season of golf. We held a competition almost every week which helped us to re-engage with our Juniors and give them lots of opportunities to get their handicaps cut. The competitions were very well attended which was great to see. There were some fantastic scores posted with Lewis Barnes having the highest Stableford points of 51 and Adam MacLeod the lowest nett score of 55. Thomas and Ben McAvoy both had the best 9 Hole scores with 25 points. Many others had scores not far off these, but it's a tough school in the Juniors! As you can imagine there were some big handicap cuts too. I was delighted with the response I got from our Juniors and would like to thank them and the parents/carers who supported us, to ensure the safety of the girls and boys.

In our Club Championships we only had a Boys Championship. For the first time in a long time we had 8 qualifiers and it was fantastic to see that. All the matches were played in a great spirit with some playing matchplay for the first time. Jamie Napier won the Junior Championship beating Andrew Stables in the final with some fantastic golf. Over the week Jamie was impressive and thoroughly deserved to win his second Championship. Jamie has now progressed to play for the Men's Team and this is the pathway we want our Juniors to aspire to.

Hannah Darling, Megan Fallon and Scott Thomson also qualified for the Ladies and Men's Championships respectively. Hannah and Megan met in the first round with Hannah winning and eventually going on to win the Ladies Championship and Scott progressed to the quarter finals of the Club Championship. Congratulations to all of them, it is great to see our Juniors progress in this way.

We also had a number of Juniors winning Stephen Gallacher Foundation competitions with a fair haul of medals and having these competitions running throughout the year provided opportunities for our Juniors to play different courses and get back into golf. One of our boys Taylor Russell won a round of golf with European Tour and Ryder Cup star Stephen Gallacher. It was a fabulous experience for Taylor and he got lots of tips. Megan Fallon also made great progress in 2020/21 and is now in the Midlothian Girls Squad.

Unfortunately we did not hold a Junior Open and the Edinburgh Junior League was postponed for the year.

Hannah Darling like many others had a very interrupted year with a lack of competitive golf at the high level she has elevated herself to. In the R&A Women's British Amateur at West Lincs the first round was cancelled due to the horrific weather and, in the single qualifying round played, Hannah comfortably qualified for the matchplay stages. With some fantastic golf and a couple of back 9 comebacks Hannah got through to the last 16 before narrowly losing out to the eventual winner Aline Krauter of Germany. This was an amazing effort from Hannah given the lack of competitive golf. Hannah has been selected for the GB & I squads for the 2021 Curtis Cup and the Vagliano Trophy and has signed for the golf team at the University of South Carolina in the Golf Team. Hannah will leave around August to start the next phase of her career - an amazing achievement. Hannah is also in the Scottish Golf high performance squad who will now be mentored by Paul Lawrie and Catriona Matthew, so although 2020 saw a lack of competitive golf Hannah has maintained her place as one of the country's best amateur golfers and Broomieknowe is proud to have her carry our name.

We did not deliver any coaching in 2020 due to Covid restrictions. During the winter we had hoped to hold some Junior Competitions to keep in touch with our Juniors but, unfortunately due to the course being closed and lockdown, we were only able to have one Tri-Am in November.

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Junior and Clubgolf Report

Year ended 31 March 2021

Finally, with the course being so busy with it has been hard for our younger Juniors to get tee times in the winter and I was concerned we may lose some. Younger Juniors require space and time on the course to learn the game and it has been disappointing to hear reports of members not being as considerate of this as they could be. I would urge all our members to continue to support our Juniors as, regardless of an increase in the number of adult members, they are the future of the Club in the years to come.

Overall our Juniors had a great year with many successes at home and away. The 2021 season has started well with a large number playing in our Medals, especially over 18 holes, and we will again compete in the Edinburgh Junior League and Development League. We now have 2 great squads for these leagues which is a far cry from the position we were in 4 years ago.

My thanks go to everyone who has contributed to this journey.

Yvonne Dickson
Junior Convener

The Broomieknowe Golf Club Ltd.

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Greens Convenor Report

Year ended 31 March 2021

Despite new working restrictions, uncertainty surrounding Covid, and the increased footfall on the golf course, the team continued to work hard to give members a well-presented golf course whilst also working within strict budget controls.

After giving the Club more than 30 years' service, Hamish Brough decided to take a very well-earned retirement. At the time of writing this report, Hamish and Mon will be arriving at their newly built home in Thailand. His loyalty, dedication and devotion to his job, team and the Club has been exceptional. I and I am sure other members wish him good health and happiness in his retirement.

As a result of the above, we are fortunate to have secured Allan Duncan as our new Head Greenkeeper. You will already have read his initial member reports and hopefully had a chance to say hello out on the course. It is already clear from the short time Allan has been working that he brings new dynamic to the team with fresh energy and ideas. He has a number of new approaches to greenkeeping along with some old school methods. The team also seems re-energized and its clear they are all working hard to deliver a golf course they and the members can be proud of in 2021. Once settled in, Allan will look to prepare a future plan for the course that can be shared with members.

One of the first issues the team has had to work on is our Greens. Given members were unable to access the course for a number of months early in 2020, the Council agreed to extend the season and cancelled the planned aeration work normally scheduled in early October. We then experienced a prolonged period of wet weather from late summer all through the winter period. This combination left many of our greens in a desperate state. The team, along with a number of volunteers, worked hard to get some sand into them all, and we are confident with some warmer weather in the coming month, that the greens will look and feel healthier with members enjoying excellent surfaces throughout the remaining season.

I hope members stay safe and healthy this season, and that you all enjoy the course and your golf.

Best wishes

R Fisher
Greens Convenor

The Broomieknowe Golf Club Ltd.

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Council Attendance Report

Year ended 31 March 2021

Name	Actual Attendance	Possible Attendance
Mr R Beattie	8	8
Mr G Clark	14	14
Mr R Porter	6	6
Mr R Fisher	14	14
Mr N Reid	5	6
Mr C Ormiston	14	14
Mr J C McMillan	14	14
Mrs K A Scott	13	14
Mrs H Scott	5	6
Mr J Steedman	6	6
Mr S Renwick	6	6

Bereavements

It is with great sadness we report the following deaths:

Shirley Porter, J Brunton, D Elder, J D Lamb, P J Avent, Eric Lamb, Ian Gordon, Mary Burnie, Mrs. C Cockburn and Mr. Alex Peden.

Membership roll comparison

Category	May 2015	May 2016	May 2017	May 2018	May 2019	May 2020	August 2020	August 2021
Gent Full	355	353	306	304	289	292	292	361
Lady Full	56	49	45	47	38	42	36	39
Gent/Lady 5 Day	n/a	n/a	14	29	37	43	41	50
Gent – Senior	82	84	87	82	77	69	70	74
Lady – Senior	13	12	11	7	12	13	12	12
Young Adult	25	17	32	20	31	23	36	62
Gent – Junior	56	61	55	70	66	79	95	127
Lady – Junior	8	9	8	14	14	13	17	23
Golden	19	19	20	23	24	27	27	30
Honorary	6	6	6	6	6	7	7	6
Country	8	17	20	18	19	17	22	18
Deferred	15	11	4	4	4	6	6	3
Social	190	208	202	200	212	216	243	319
TOTAL	833	846	810	824	829	847	904	1124

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Broomieknowe Golf Club Ltd.

Year ended 31 March 2021

Opinion

We have audited the financial statements of The Broomieknowe Golf Club Ltd. (the 'company') for the year ended 31 March 2021 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 company 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Broomieknowe Golf Club Ltd. (continued)

Year ended 31 March 2021

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Broomieknowe Golf Club Ltd. (continued)

Year ended 31 March 2021

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

We gained an understanding of the legal and regulatory framework applicable to the club and the industry in which it operates and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Companies Act 2006, Health and Safety Regulations and Licensing Laws.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the directors;
- review of minutes of board meetings throughout the period;
- review of legal correspondence or invoices, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

Malcolm R Beveridge

Malcolm Beveridge CA (Senior Statutory Auditor)

For and on behalf of
Chiene + Tait LLP
Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

01 November 2021

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Statement of Income and Retained Earnings

Year ended 31 March 2021

	Note	2021 £	2020 £
Turnover		408,942	540,674
Cost of sales		375,079	486,088
Gross profit		33,863	54,586
Administrative expenses		91,301	84,374
Other operating income		87,796	31,332
Operating profit		30,358	1,544
Other interest receivable and similar income		2,471	23,797
Profit before taxation	7	32,829	25,341
Tax on profit		2,588	7,282
Profit for the financial year and total comprehensive income		30,241	18,059
Retained earnings at the start of the year		3,312,998	3,294,939
Retained earnings at the end of the year		3,343,239	3,312,998

All the activities of the company are from continuing operations.

The notes on pages 15 to 19 form part of these financial statements.

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	8	2,055,833	712,709
Current assets			
Stocks		3,340	5,029
Debtors	9	77,343	46,019
Cash at bank and in hand		1,544,343	2,725,712
		<u>1,625,026</u>	<u>2,776,760</u>
Creditors: amounts falling due within one year	10	251,365	173,782
Net current assets		<u>1,373,661</u>	<u>2,602,978</u>
Total assets less current liabilities		3,429,494	3,315,687
Creditors: amounts falling due after more than one year	11	85,194	2,689
Provisions		1,061	—
Net assets		<u>3,343,239</u>	<u>3,312,998</u>
Capital and reserves			
Profit and loss account		3,343,239	3,312,998
Members funds		<u>3,343,239</u>	<u>3,312,998</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 1 November 2021, and are signed on behalf of the board by:



G Clark
Director and Club Captain

Company registration number: SC029688

The notes on pages 15 to 19 form part of these financial statements.

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The company is a private company limited by guarantee, registered in Scotland. The address of the registered office is 36 Golf Course Road, Bonnyrigg, Midlothian, EH19 2HZ.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis. The directors have assessed the company's ability to continue as a going concern and have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements.

The directors have reviewed the financial health of the club with specific consideration given to the impact of COVID-19. The operations of the business have been impacted by COVID-19 and there has been a delay in opening the new clubhouse because of COVID-19 restrictions. After considering the interruptions to the business the directors are satisfied that the company is a going concern status is still appropriate.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

3. Accounting policies (continued)

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Freehold buildings	-	Straight line over 50 years
Clubhouse furnishings	-	Straight line over 3 - 10 years
Course equipment	-	Straight line over 7 years

Assets in the course of construction at the year end are not subject to depreciation.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to sell. Cost includes all costs of purchase and other costs incurred in bringing the stock to its present location and condition.

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

3. Accounting policies (continued)

Finance leases and hire purchase contracts

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Debtors

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

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Creditors

Short term creditors are measured at the transaction price.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

3. Accounting policies (continued)

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

Government Grants

Government grants are recognised using the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

4. Company limited by guarantee

The liability on individual members in the case of winding up is as stated in the Memorandum of Association.

5. Auditor's remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	<u>3,600</u>	<u>3,450</u>

6. Employee numbers

The average number of persons employed by the company during the year amounted to 16 (2020: 14).

7. Profit before taxation

Profit before taxation is stated after charging:

	2021 £	2020 £
Depreciation of tangible assets	22,467	20,965
Government grants	<u>86,796</u>	<u>31,332</u>

8. Tangible assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2020	921,113	99,063	258,254	1,278,430
Additions	1,304,913	–	60,678	1,365,591
Disposals	–	–	(26,812)	(26,812)
At 31 March 2021	<u>2,226,026</u>	<u>99,063</u>	<u>292,120</u>	<u>2,617,209</u>
Depreciation				
At 1 April 2020	261,660	93,347	210,714	565,721
Charge for the year	7,714	2,334	12,419	22,467
Disposals	–	–	(26,812)	(26,812)
At 31 March 2021	<u>269,374</u>	<u>95,681</u>	<u>196,321</u>	<u>561,376</u>
Carrying amount				
At 31 March 2021	<u>1,956,652</u>	<u>3,382</u>	<u>95,799</u>	<u>2,055,833</u>
At 31 March 2020	<u>659,453</u>	<u>5,716</u>	<u>47,540</u>	<u>712,709</u>

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

9. Debtors

	2021	2020
	£	£
Trade debtors	7,640	2,944
Other debtors	69,703	43,075
	<u>77,343</u>	<u>46,019</u>

10. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	694	—
Trade creditors	11,683	11,238
Corporation tax	1,564	7,282
Social security and other taxes	5,086	5,134
Other creditors	232,338	150,128
	<u>251,365</u>	<u>173,782</u>

11. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	49,306	—
Other creditors	35,888	2,689
	<u>85,194</u>	<u>2,689</u>

12. Contingent liabilities

In the year ended 31 March 2017, following the disposal of certain land, the Club submitted a claim to HM Revenue and Customs to defer part of the tax liability arising and roll over part of the gain on disposal as the intention was to reinvest part of the proceeds into new qualifying assets. However, due to delays in obtaining the necessary planning permission and building warrants, it is unlikely that the Club will meet the conditions of incurring the expenditure within the 36-month deadline. Whilst it is intended to appeal to H M Revenue and Customs requesting an extension to the deadline, there is no guarantee of that they will accept the appeal. If the appeal is unsuccessful then a liability to tax amounting to approximately £511,000 plus interest will arise.

13. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	<u>—</u>	<u>22,972</u>