

**The Broomieknowe Golf Club Ltd.  
Company Limited by Guarantee  
Financial Statements  
For the year ended  
31 March 2019**



# The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2019

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<b>Contents</b>	<b>Page</b>
Officers and professional advisers	1
Directors' report	2
Captain's report	4
Juniors and Club Golf report	6
Greens Convener report	8
Council attendance report	9
Independent auditor's report to the members	10
Statement of income and retained earnings	13
Statement of financial position	14
Notes to the financial statements	15

# **The Broomieknowe Golf Club Ltd.**

**Company Limited by Guarantee**

**Officers and Professional Advisers**

**Year ended 31 March 2019**

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**The Board of Directors**

G Clark  
Y C Dickson  
R G Fisher  
A C Milliken  
J G White (Resigned 30 September 2018)  
K A Scott (Appointed 1 March 2019)  
J C McMillan (Appointed 30 September 2018)

**Company Secretary**

R H Beattie

**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 2019**

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The directors present their report and the financial statements of the company for the year ended 31 March 2019.

## **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	
Y C Dickson	
R G Fisher	
A C Milliken	
K A Scott	(Appointed 1 March 2019)
J C McMillan	(Appointed 30 September 2018)
J G White	(Resigned 30 September 2018)

## **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.

## **Small company provisions**

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

# The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Directors' Report (continued)

Year ended 31 March 2019

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This report was approved by the board of directors on 10 June 2019 and signed on behalf of the board by:



R H Beattie  
Company Secretary

# **The Broomieknowe Golf Club Ltd.**

**Company Limited by Guarantee**

**Captain's Report**

**Year ended 31 March 2019**

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Firstly, I would like to thank you for electing me as your Captain, it has been a great honour and privilege to serve as your Club Captain for the last year.

As you will know we are going through probably the most challenging time in the golf club's history. This is something myself and fellow directors have not taken lightly and we will continue to update you on the progress of our projects. I thank you for the nice feedback I have received in relation to my Captain's reports. As I stated at the AGM last year, I will make sure we are open and transparent and anything that goes on within the club will be reported to the members.

Unfortunately, I was unable to get a Vice Captain last year, but this is not unusual these days with most clubs struggling to get people to assist in taking up roles on Club committees. Having attended several dinners this year at other Clubs, and upon listening to the position of these clubs, Broomieknowe is sitting in a far more comfortable position than most and this is something we must maintain going forward. To this end I would appreciate if more members would consider volunteering to assist the Club.

This year we set budgets and a huge thank you goes to Stewart Renwick and Lindsay Muir who have been a huge asset to the club in producing the budgets and guiding us each month on the financial position. The Club is however still seeking a Treasurer and I would ask that anybody who may be interested to contact me.

Secondly thanks go to Hamish, Kevin and Ross Fisher for making sure they have stuck to the budgets. The club made an operational loss of £40,000 in the year to 31 March 2018 and this could not continue. As you can see from the accounts, we have brought this back in line with some difficult decisions but hopefully we can see an upturn in income this year as we are reaching the stage where continuing to making reductions is not in the Club's interests.

Lastly on the business side I would like to thank Honorary Secretary Robert Beattie for the hard work and dedication he has shown the Club. Rob has been pivotal in the dealings of the development project and his knowledge and experience has been a great asset. I would also like to put on record many thanks to my fellow directors, who give up their own time to support the Club and all the Club staff.

Mark Patchett is now evolving in the role of Fixtures Convener. Assisted by John McMillan and David Pennington, Mark has marked out the whole of the course with the out of bounds markers following the introduction of the new rules of golf. The Fixtures team have also worked tirelessly to ensure all competitions have gone ahead smoothly with entries made and results posted.

The golf course has received high praise from members, visitors and guests and this is due to the hard work and dedication of our Greens Convener and course staff. Many thanks to Ross Fisher, Hamish Brough, Steven Henderson, Paul Davidson and our new team member Steven Thomas.

On the social side our new chef Chris Draper has started, and we hope that he has a very successful time as our caterer. Tribute shows continue to be popular during the winter months and we continue to look at other options to encourage footfall in the clubhouse such as the recent gin tasting night which was very successful.

Thank you to our Clubhouse Manager Kevin Armitage and Bar Supervisor Stuart Harris and team for their hard work and dedication in providing the clubhouse services.

On to the Junior Section and I must thank both Yvonne Dickson and Ellice Cackett for the excellent work they have done with Clubgolf and the junior members of the Club. We now have a team in the Junior summer league as well as the development league and over 100 junior members as of March 2019. Many thanks for all your efforts Yvonne, Ellice and the helpers.

I would also like to thank Graeme Thomson our Course Ranger and Danny Munro our Handyman, for all their excellent work and support over the last year.

# **The Broomieknowe Golf Club Ltd.**

**Company Limited by Guarantee**

**Captain's Report (continued)**

**Year ended 31 March 2019**

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On to the playing side and what can I say about the achievements of Hannah Darling, a fantastic season again last year. Hannah has kicked off this season by winning the Scottish Girls Under 18 Championship at St. Andrews by a fantastic 6 shots. Hannah was also 10th in the Helen Holm Scottish Women's Championship gaining her good points for the Junior Solheim Cup team and now lies in 10th place.

The Club Championship was won in 2018 by Sean Marc and the Ladies Championship was won by Hannah Darling.

As I move into my last year as Captain, I would like to thank all those who have made positive remarks about the Captain's reports and other updates. I said at the start of my Captaincy that I would like members to be well informed and I hope this has helped. As we move into an exciting time with the potential of a new club house and facilities, I hope the membership will support the Club and help push Broomieknowe on to a better place.

George Clark

Captain

# **The Broomieknowe Golf Club Ltd.**

**Company Limited by Guarantee**

**Junior and Club Golf Report**

**Year ended 31 March 2019**

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I started the year with a clear plan and targets for what we wanted to achieve at Broomieknowe and pleased to say we have met almost all of them.

Our overall Junior membership now stands at 102 and we have had 28 new members joining us this year. We have 16 girls with many of them playing and attending coaching. The section continues to thrive, and we have developed a clear coaching and playing pathway from Clubgolf to gaining a handicap and playing 18 holes which has helped increase numbers as Broomieknowe builds its reputation as a good place for Junior Golf.

Our monthly competitions were very well attended again, and they allow any level of golfer to play with 18-hole, 9-hole and a 6-hole scramble from the blue tees. These initiatives have helped to get many more young golfers out on the course and enjoy golf. The number of Juniors gaining a handicap has also increased significantly and we now have 33 with handicaps with more working towards gaining theirs.

In our Club Championships we again had a Junior Girls and Boys Championship. The Girls was won by Brodie Boyle and the Boys was won by Jamie Napier. Jamie went on to represent the Club in the Junior Champion of Champions at Craigmillar Park. Our Junior Prizegiving was again a huge success with almost every winner attending in a packed Clubhouse.

For our Junior Open this year I decided to have a 9 Hole Open run alongside the 18 Hole Open. This was well supported and gave a lot of our Juniors the chance to play. The 18 Hole was won by Andrew Worton and the 9 Hole was won by Harris Russell both of Broomieknowe. We received a donation of prizes from the R&A which helped for our Junior Open and Club prizes. We also had a Summer Holiday Series where we had additional competitions for our Juniors to give them more opportunities to play and get their handicap cut which many of them did and by some large amounts!

Our Junior coaching continues to be very popular with the numbers ever increasing. During the year we had held 10-week Clubgolf sessions for youngsters new to golf, roll up Junior Member coaching and Mark Patchett has been coaching our older Juniors. This means around 60-70 youngsters received coaching each week at Broomieknowe. During the winter we used the facilities at Loretto Indoor Golf Academy. The Loretto coaching was paid for with a very generous donation of £300 from the Senior Men. Due to all the Junior initiatives undertaken I was able to apply for an HSBC Golf Roots grant of £750 which was put towards the practice nets to help develop our facilities and I am sure they will be well used by the Juniors and other Members.

The Club has also supported local schools by giving coaching sessions at the Active Schools Golf Festival. We are involved in the Lasswade Sports Hub and attend regular meetings to improve sport activities in the community working with other local clubs. We are also planning to hold an After-School Club at Lasswade High School to further develop ourselves in the Community and encourage more young people to play golf. It is hoped this will further increase our Junior Membership.

One of our aims is to have more family golf so over the summer we introduced a new Adult/Child Summer Foursomes knockout which was very well supported, and the winners were Mark and Megan Fallon. In the winter we again held monthly adult/junior competitions giving continued opportunities to get our Juniors out on the course and learn the game.

Away from Broomieknowe we have had some wonderful successes from our Juniors.

Hannah Darling hit the headlines this year again by becoming the winner of inaugural R&A Under 16 Girls Open Championship beating competition from the top girls from all over Europe. Hannah also retained her Scottish Girls Under 18 title in a thrilling final. These ensured Hannah's place in the Scotland Girls Team for the Home Internationals. Hannah also won the Midlothian Ladies Champion of Champions and was the Midlothian Young Sports Personality of The Year. Another superb year well done Hannah the Club are immensely proud of you.



# **The Broomieknowe Golf Club Ltd.**

**Company Limited by Guarantee**

**Junior and Club Golf Report (continued)**

**Year ended 31 March 2019**

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One of our Junior Girls, Megan Fallon, also had a great year winning the Craigmillar Park Junior 9 hole Open and the Midlothian Girls Spring Meeting. Megan was also the 5th most improved female golfer in Scotland measured by Handicap Reduction.

Jamie Napier played for the Lothians Boys Under 14s and was subsequently chosen to take part in their winter coaching programme. Scott Thomson won the Junior Singles Matchplay at Winterfield during the summer and with a vast number of medals picked up from the Stephen Gallacher Foundation events it has been a successful year.

We also entered a team in the Edinburgh Junior Golf Development League for the 1st time and after some great golf the team got to the final at Glencorse but were narrowly beaten by Peebles. This coming season we will have teams in both the main Edinburgh Junior Golf League and the Development League giving more of our Juniors the chance to represent the Club and play a different format of golf.

My thanks go to all the coaches and helpers who turn up each week to develop our young golfers and to the parents/carers who support them with caddying duties! A special thank you to Ellice Cackett who organises all the adult/junior competitions and Clubgolf. It is their commitment that is helping us to grow our Junior section and the future of the Club.

Y Dickson

Junior Convener

# **The Broomieknowe Golf Club Ltd.**

**Company Limited by Guarantee**

**Greens Convener Report**

**Year ended 31 March 2019**

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The Club, and specifically Hamish and the Green's team, received predominantly positive feedback during the 2018 playing season. Team numbers have reduced over previous years, making their continued efforts all the more impressive.

Members enjoyed one of the best summers in recent years, however the extreme weather conditions resulted in extra work for the team, often out with normal working hours.

We are experiencing a lengthy period without rain this year, which impacts early season growth on fairways, rough, tee's, and walk off areas. This will be addressed in the coming period if there is no further rain.

The good weather did allow pre-season aeration work to be completed earlier than planned. The greens are a couple of weeks ahead of schedule as a result, and the team are confident members will again enjoy consistently good putting surfaces throughout the 2019 playing season and beyond.

R Fisher

Greens Convenor

# The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Council Attendance Report

Year ended 31 March 2019

Name	Actual Attendance	Possible Attendance
Mr R Beattie	9	9
Mr G Clark	9	9
Mrs Y Dickson	9	9
Mr R Fisher	9	9
Mr A Milliken	8	9
Mr J G White	4	4
Mr J C McMillan	5	5
Mrs K A Scott	1	2

## Bereavements

It is with great sadness we report the following deaths:

Mr R Moore, Mrs M Moore, Mrs M Borthwick, Mr W D Metcalfe, Mr N A Smith, Mr G Bennett, Mr Stuart Robertson, Mr T C Forrest, Mr A S Forrest, Mr D Gray, Mr B Chapman, Mr W Wilson and former member Mr H Renwick.

## Membership roll comparison

Category	May 2015	May 2016	May 2017	May 2018	May 2019
Gent Full	355	353	306	304	289
Lady Full	56	49	45	47	38
Gent/Lady 5 Day	n/a	n/a	14	29	37
Gent – Senior	82	84	87	82	77
Lady – Senior	13	12	11	7	12
Young Adult	25	17	32	20	31
Gent – Junior	56	61	55	70	66
Lady – Junior	8	9	8	14	14
Golden	19	19	20	23	24
Honorary	6	6	6	6	6
Country	8	17	20	18	19
Deferred	15	11	4	4	4
Social Members	190	208	202	200	212
<b>TOTAL</b>	<b>833</b>	<b>846</b>	<b>810</b>	<b>824</b>	<b>829</b>

# **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 2019**

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## **Opinion**

We have audited the financial statements of The Broomieknowe Golf Club Ltd. (the 'company') for the year ended 31 March 2019 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 2019 and of its loss 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**

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

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

## **Other information**

The 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 2019**

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## **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**

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 2019

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://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 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

*1 July 2019*

# The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Statement of Income and Retained Earnings

Year ended 31 March 2019

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	Note	2019 £	2018 £
Turnover		519,484	507,685
Cost of sales		<u>464,398</u>	<u>445,333</u>
Gross profit		55,086	62,352
Administrative expenses		<u>269,716</u>	<u>178,855</u>
Operating loss		(214,630)	(116,503)
Other interest receivable and similar income		<u>32,378</u>	<u>15,152</u>
Loss before taxation	7	(182,252)	(101,351)
Tax on loss		<u>8,188</u>	<u>(57,743)</u>
Loss for the financial year and total comprehensive income		<u>(190,440)</u>	<u>(43,608)</u>
Retained earnings at the start of the year		3,485,379	3,528,987
Retained earnings at the end of the year		<u>3,294,939</u>	<u>3,485,379</u>

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 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	8	253,798	223,614
<b>Current assets</b>			
Stocks		4,940	7,810
Debtors	9	11,179	4,667
Cash at bank and in hand		3,209,742	3,395,841
		<u>3,225,861</u>	<u>3,408,318</u>
<b>Creditors: amounts falling due within one year</b>	10	174,708	129,218
<b>Net current assets</b>		<u>3,051,153</u>	<u>3,279,100</u>
<b>Total assets less current liabilities</b>		<u>3,304,951</u>	<u>3,502,714</u>
<b>Creditors: amounts falling due after more than one year</b>	11	10,012	17,335
<b>Net assets</b>		<u>3,294,939</u>	<u>3,485,379</u>
<b>Capital and reserves</b>			
Profit and loss account		3,294,939	3,485,379
<b>Members funds</b>		<u>3,294,939</u>	<u>3,485,379</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 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 10 June 2019, and are signed on behalf of the board by:



G Clark  
Director

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 2019

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## 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.

### 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.

Subscriptions reflect the amount due by Members in respect of each year. Amounts paid in advance in respect of later periods are included as creditors - subscriptions in advance. Bar and catering sales are measured at the fair value of the consideration received or receivable.

### 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.

### Operating leases

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

# The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

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## 3. Accounting policies *(continued)*

### 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 25 years
Clubhouse furnishings	-	Straight line over 3 - 10 years
Course equipment	-	Straight line over 7 years

### 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.

### 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.

# The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

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## 3. Accounting policies *(continued)*

### 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.

### 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.

### Defined contribution plans

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

## 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

	2019	2018
	£	£
Fees payable for the audit of the financial statements	<u>3,300</u>	<u>3,200</u>

## 6. Employee numbers

The average number of persons employed by the company during the year amounted to 11 (2018: 11).

# The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2019

## 7. Profit before taxation

Profit before taxation is stated after charging:

	2019 £	2018 £
Depreciation of tangible assets	<u>27,793</u>	<u>34,550</u>

## 8. Tangible assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>				
At 1 April 2018	425,605	101,643	259,361	786,609
Additions	42,674	3,088	12,963	58,725
Disposals	–	(5,668)	(10,092)	(15,760)
<b>At 31 March 2019</b>	<u>468,279</u>	<u>99,063</u>	<u>262,232</u>	<u>829,574</u>
<b>Depreciation</b>				
At 1 April 2018	277,947	90,401	194,647	562,995
Charge for the year	5,009	5,713	17,071	27,793
Disposals	–	(5,269)	(9,743)	(15,012)
<b>At 31 March 2019</b>	<u>282,956</u>	<u>90,845</u>	<u>201,975</u>	<u>575,776</u>
<b>Carrying amount</b>				
<b>At 31 March 2019</b>	<u>185,323</u>	<u>8,218</u>	<u>60,257</u>	<u>253,798</u>
At 31 March 2018	<u>147,658</u>	<u>11,242</u>	<u>64,714</u>	<u>223,614</u>

## 9. Debtors

	2019 £	2018 £
Trade debtors	3,097	1,302
Other debtors	8,082	3,365
	<u>11,179</u>	<u>4,667</u>

## 10. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	10,230	7,682
Corporation tax	8,347	4,703
Social security and other taxes	9,712	12,096
Other creditors	146,419	104,737
	<u>174,708</u>	<u>129,218</u>

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

	2019 £	2018 £
Other creditors	<u>10,012</u>	<u>17,335</u>

# The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

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## 12. Operating leases

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

	2019	2018
	£	£
Not later than 1 year	23,691	23,691
Later than 1 year and not later than 5 years	22,972	46,663
	<u>46,663</u>	<u>70,354</u>

## 13. 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 £460,000 plus interest will arise.