

COMPANY REGISTRATION NUMBER: SC029688

**The Broomieknowe Golf Club Ltd.
Company Limited by Guarantee
Financial Statements
For the year ended
31 March 2020**



The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2020

Contents	Page
Officers and professional advisers	1
Directors' report	2
Captain's report	4
Junior and Clubgolf report	6
Greens Convenor 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

The Board of Directors

G Clark
Y C Dickson (Resigned 18 July 2019)
R G Fisher
A C Milliken (Resigned 18 July 2019)
K A Scott
J C McMillan
C Ormiston (Appointed 18 July 2019)
C McIntosh (Served from 18 July 2019 to 12 December 2019)

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 2020

The directors present their report and the financial statements of the company for the year ended 31 March 2020.

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	(Appointed 18 July 2019)
Y C Dickson	(Resigned 18 July 2019)
A C Milliken	(Resigned 18 July 2019)
C McIntosh	(Served from 18 July 2019 to 12 December 2019)

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 2020

This report was approved by the board of directors on 1 September 2020 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 2020

Firstly, I would like to thank you again 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 I write this report, I did not think we would be going through such challenging times in the world as we have seen since the start of the year. The Covid-19 virus has had a major impact on everything in life which has included the restrictions to you, our members to be able to play golf and socialise with friends. I hope as I am writing this at the end of April, we may get back to playing golf soon and although there may be some restrictions, it will be good to get out on the course.

I must thank all of you who have stood by your club during these times by paying your fees. As I stated in my earlier correspondences the survival of the golf club is important for when we come out of this, so I thank you again for your support.

The construction of the new clubhouse was underway but with the Covid-19 restrictions imposed on builders, an agreement with our contractor, John Dennis, to suspend the contract and resume when the restrictions are lifted, was the only action available to the club. This will mean that our expected date of entry will be put back but with the uncertainty of how pubs and clubs will operate until a vaccine can be found, is maybe a blessing in disguise for the club, giving us more time to see how this pans out.

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.

I stated at the EGM that after discussion with my fellow directors, I would stay on as Captain for an additional year to see through the project. I intend to keep my pledge and will hope to have a Vice Captain in place prior to an AGM.

A massive thanks goes out 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. It is however vital that the club appoints a treasurer and I hope that someone will come forward and support the club by taking on this role.

I would also like to see more members offer to serve a term on council. I took the decision to make council meetings more relaxed in relation to dress and introduced a structure to reduce the length of the meetings. If interested, please ask my fellow directors or speak to myself about assisting your club as a director.

Thanks go to Hamish, Kevin and Ross Fisher for making sure they have stuck to the budgets. As you can see from the accounts it has been a difficult year. The period between November to the end of the financial year in March was very difficult, primarily due to catering supplier issues and of course the existing government restrictions on clubs and other leisure premises, making achieving our financial goals exceedingly difficult. Limiting the deficit became our main priority. The next two years will be demanding to return the club to the previous stability prior to these unprecedented restrictions.

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.

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Captain's Report *(continued)*

Year ended 31 March 2020

Thanks to Mark Patchett in his role as Fixtures Convener, assisted by John McMillan and David Pennington, who have marked out the whole of the course with the out of bounds markers and red and yellow stakes 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 greens convener, our greens staff, Hamish Brough, Steven Henderson, Paul Davidson and Steven Thomas.

On the house side we made the decision to bring the catering in-house after a few failed franchised chefs and delighted to have appointed Steven Dryborough who had been with us previously. Tribute shows continued to be popular during the winter months and we continue to look at other options to encourage footfall in the clubhouse, especially after the restrictions we are currently experiencing, are relaxed. I hope that members will return to support our club by using the clubhouse fully for social gatherings and entertainment. It will be good to have our friendly club back once more.

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. I would also like to thank member Mr John Gaff for his efforts in arranging the extremely popular quiz nights.

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 90 junior members as of March 2020. Many thanks for all your efforts Yvonne, Ellice and helpers.

I would also like to thank Graeme Thomson our Course Ranger who has decided to stand down as he becomes a golden member and Danny Munro our Handyman, for all their excellent work and support over the last year.

On to the playing side what can I say about the achievements of Hannah Darling. Another fantastic season. Hannah has kicked off this season by winning the Scottish Girls Open Championship. Hannah then went to finish 6th place at Annika European Invitational, 5th place at Europeans Ladies Individual, and 6th at World Girl's Championship. Hannah also featured in the junior Vagliano and Scottish women teams. Topping it all with winning 1.5 points out of 3 at the junior Solheim Cup. Hannah is now ranked within the top 50 in Ladies amateur world golf.

The Club Championship was won in 2019 by Jamie Macintosh. Jamie has now left the club and has been appointed as the assistant professional at Ratho Park. We wish Jamie all the best in his new profession.

The Ladies' Championship was won by Kate Macintosh making it a brother and sister championship.

I said at the start of my Captaincy that I would like members to be well informed and I hope I have achieved this with my reports and updates. As we move into an unknown time, I hope every member and their families stay safe. I hope all members will adhere to any future restrictions which may be necessary to allow us to play golf, ensuring that you and the club staff are protected.

I hope that, you as members, will continue to support the club

George Clark
Captain

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Junior and Clubgolf Report

Year ended 31 March 2020

It has been another fine year for our Junior Section at Broomieknowe. Our overall Junior membership now stands at 95 which is slightly down on last year, but we have had 23 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 participation and the number of Juniors who now have a handicap is 34 so over a third of our membership. Participation in our Junior Competitions has remained steady and as our Juniors progress, we now have more who have progressed up to playing 18 holes.

Our monthly competitions were very well attended again with between 15 and 24 Juniors playing in them. 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.

In our Club Championships we again had a Junior Girls and Boys Championship. The Girls was won for the 2nd year in a row by Brodie Boyle and the Boys won by Scott Thomson. All the matches were played in a great spirit with some playing matchplay for the 1st time. Brodie and Scott were very deserving winners. We had 9 Juniors playing in our Championship and I expect this number to increase this year. We have now updated the Junior Champions board in the Clubhouse to include both Boys and Girls Champions giving recognition to both our winners.

One of the highlights was Brodie Boyle playing 9 holes with Catriona Matthew at Broomieknowe as part of the Solheim Cup build up. Brodie had the time of her life, played really well and it was a great honour to have the Solheim Cup Captain at Broomieknowe. I think it's fair to say Catriona was impressed with Brodie and gave her a few tips too.

For our Junior Open we had a 9 Hole Open run alongside the 18 Hole Open. This was well supported with 21 competitors and gave a lot of our Juniors the chance to play. The 18 Hole was won by James Arthur and the 9 Hole was won by Adam MacLeod both of Broomieknowe. Meijin Song from Loretto won the scratch prize. We received a fabulous 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. During the year we held 10-week Clubgolf sessions for youngsters new to golf and roll up Junior Member coaching this means around 60-70 youngsters received coaching each week at Broomieknowe. During the winter we used the facilities at Loretto Indoor Golf Academy which again were very well attended.

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 also held a free After-School Club at Lasswade High School and Broomieknowe to further develop ourselves in the Community and encourage more young people to play golf. From this initiative we got 3 new members one of which now has a handicap.

One of our favourite Competitions was the Solheim Cup Day, 24 Junior members played in this alongside adults in either 18 hole, 9 hole or a short course scramble format so everyone could get involved. It was a beautiful sunny day and all our Juniors had a great time. Thank you to the members who supported this.

For the first time in many years we entered a team in main Edinburgh Junior Golf League. The team did really well finishing 4th out of our mini league of 7. Some of the matches were really close with our team competing really well against teams with much lower handicaps and more experience. We had a full team out for every match and our Juniors stepped up to the plate when asked. This was a step up for us but was hugely enjoyable to watch. They made their Junior Convener very proud!

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Junior and Clubgolf Report *(continued)*

Year ended 31 March 2020

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

Megan Fallon won the Stephen Gallacher Foundation Stuart Hutchison Girls Trophy at Swanston and was also the most improved Junior player for Midlothian Girls just pipping Hannah Darling.

Andrew Stables won the Midlothian Schools Handicap Championship and Andrew and Jamie Napier both played for the Lothians Boys Development Team.

We also had a number of Juniors winning Stephen Gallacher competitions with a fair haul of medals.

Hannah Darling of course had another wonderful year culminating in her being picked for Team Europe for the Junior Solheim Cup. Many members travelled to Gleneagles to watch Hannah and each of us were immensely proud of the way Hannah played and the maturity she showed throughout the whole event. She was a credit to herself and her family and it is something that will remain long in the memory for all of us.

Hannah also played in the Junior Vagliano Team for GB&I v Europe and for Scotland in the European Ladies Team Championships and Home Internationals. She had a Top 10 finish in the Helen Holm Scottish Womens Open and has stepped up onto the higher stage of Ladies Amateur Golf very well. We of course will continue to support and follow Hannah as she embarks on the next stages of her golf career.

Hannah was bestowed Honorary Membership of the Club following her Junior Solheim Cup pick and in recognition of the way she carried herself and the Clubs name.

Finally, I can't do all of this alone so I would like to thank all our coaches and helpers who continue to give up their time to support Junior Golf at Broomieknowe. Ellice Cackett has a been a huge support in organising Clubgolf and without her I doubt we would be able to continue to do it.

Yvonne Dickson

Junior Convener

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Greens Convenor Report

Year ended 31 March 2020

I hope members join me again in thanking Hamish and the Team for their hard work during 2019 and the start of 2020.

As members know, Steven Thomas joined Hamish, Steven and Paul last year. Stevie is an excellent addition to our already strong team. I'd go as far to say this is the best group we have had during my time as a member. They continue to operate within strict budget controls, and whilst sure I was often frustrating, they certainly delivered on my 'aesthetics' request.

Reviewing last year's report, I mentioned lengthy spells without rain had impacted the condition of the course. The opposite was true in 2019, and even early this year. Whilst clearly not benefiting golfers, it will most certainly benefit growth on the course early this season.

Toward the end of March, we entered a lockdown and period of uncertainty away from the course. I'd like to assure members, if and when there is a return to golf, the team will endeavour to present the course as best we possibly can. Rewarding members for their loyalty, by continuing to provide them with value for their money and a course they can be proud of throughout 2020 and beyond.

Best wishes

R Fisher

Greens Convenor

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Council Attendance Report

Year ended 31 March 2020

Name	Actual Attendance	Possible Attendance
Mr R Beattie	9	10
Mr G Clark	10	10
Mrs Y Dickson	1	2
Mr R Fisher	10	10
Mr A Milliken	2	2
Mr C Ormiston	7	9
Mr J C McMillan	8	10
Mrs K A Scott	9	10
Mrs C McIntosh	3	5

Bereavements

It is with great sadness we report the following deaths:

Mr B Hastings, Mr I Fraser, Mr R Major, Mr A Mills, Mr P Allan, Mr G Fraser, Mr J Halliday, Mr E Pinkman, Mr J Mair, Mrs M Rorrison and Mr R Marc.

Membership roll comparison

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

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 2020

Opinion

We have audited the financial statements of The Broomieknowe Golf Club Ltd. (the 'company') for the year ended 31 March 2020 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 2020 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

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 2020

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

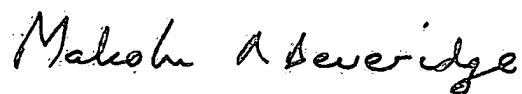
Independent Auditor's Report to the Members of The Broomieknowe Golf Club Ltd. (continued)

Year ended 31 March 2020

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. 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 CA (Senior Statutory Auditor)

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

27 January 2021

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Statement of Income and Retained Earnings

Year ended 31 March 2020

	Note	2020 £	2019 £
Turnover		540,674	519,484
Cost of sales		486,088	464,398
Gross (loss)/profit		<u>54,586</u>	<u>55,086</u>
Administrative expenses		84,374	269,716
Other operating income		31,332	-
Operating profit/(loss)		<u>1,544</u>	<u>(214,630)</u>
Other interest receivable and similar income		23,797	32,378
Profit/(loss) before taxation	7	<u>25,341</u>	<u>(182,252)</u>
Tax on profit/(loss)		7,282	8,188
Profit/(loss) for the financial year and total comprehensive income		<u>18,059</u>	<u>(190,440)</u>
Retained earnings at the start of the year		<u>3,294,939</u>	<u>3,485,379</u>
Retained earnings at the end of the year		<u>3,312,998</u>	<u>3,294,939</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 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	8	712,709	253,798
Current assets			
Stocks		5,029	4,940
Debtors	9	46,019	11,179
Cash at bank and in hand		2,725,712	3,209,742
		<u>2,776,760</u>	<u>3,225,861</u>
Creditors: amounts falling due within one year	10	173,782	174,708
Net current assets		<u>2,602,978</u>	<u>3,051,153</u>
Total assets less current liabilities		<u>3,315,687</u>	<u>3,304,951</u>
Creditors: amounts falling due after more than one year	11	2,689	10,012
Net assets		<u><u>3,312,998</u></u>	<u><u>3,294,939</u></u>
Capital and reserves			
Profit and loss account		3,312,998	3,294,939
Members funds		<u><u>3,312,998</u></u>	<u><u>3,294,939</u></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 1/4/20, 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 2020

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, as set out in note 14, 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.

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.

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 2020

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

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.

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.

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts *(continued)*

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.

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

	2020	2019
	£	£
Fees payable for the audit of the financial statements	<u>3,450</u>	<u>3,300</u>

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2020

6. Employee numbers

The average number of persons employed by the company during the year amounted to 14 (2019: 11).

7. Profit before taxation

Profit before taxation is stated after charging:

	2020 £	2019 £
Other operating income	31,332	–
Depreciation of tangible assets	<u>20,965</u>	<u>27,793</u>

The other operating income arose from a detailed review of prior year provisions and the release of those that were no longer deemed necessary.

8. Tangible assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2019	468,279	99,063	262,232	829,574
Additions	479,876	–	–	479,876
Disposals	(27,042)	–	(3,978)	(31,020)
At 31 March 2020	<u>921,113</u>	<u>99,063</u>	<u>258,254</u>	<u>1,278,430</u>
Depreciation				
At 1 April 2019	282,956	90,845	201,975	575,776
Charge for the year	5,746	2,502	12,717	20,965
Disposals	(27,042)	–	(3,978)	(31,020)
At 31 March 2020	<u>261,660</u>	<u>93,347</u>	<u>210,714</u>	<u>565,721</u>
Carrying amount				
At 31 March 2020	<u>659,453</u>	<u>5,716</u>	<u>47,540</u>	<u>712,709</u>
At 31 March 2019	<u>185,323</u>	<u>8,218</u>	<u>60,257</u>	<u>253,798</u>

9. Debtors

	2020 £	2019 £
Trade debtors	2,944	3,097
Other debtors	43,075	8,082
	<u>46,019</u>	<u>11,179</u>

10. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	11,238	10,230
Corporation tax	7,282	8,347
Social security and other taxes	5,134	9,712
Other creditors	150,128	146,419
	<u>173,782</u>	<u>174,708</u>

The Broomieknowe Golf Club Ltd.

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2020

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

	2020	2019
	£	£
Other creditors	<u>2,689</u>	<u>10,012</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, the Club did not 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 that they will accept the appeal. If the appeal is unsuccessful then a liability to tax amounting to approximately £510,000 including interest will arise.

13. Operating leases

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

	2020	2019
	£	£
Not later than 1 year	22,972	23,691
Later than 1 year and not later than 5 years	–	<u>22,972</u>
	<u>22,972</u>	<u>46,663</u>

14. Subsequent events and going concern

In March 2020 the country was hit by the Covid-19 pandemic and was placed in lockdown by the UK and Scottish Governments. All activity in the Clubhouse was suspended as was the construction work on the new Clubhouse. Clubhouse staff were furloughed with the exception of the Clubhouse Manager who continued to manage the day to day operation of the Club from home. Procedures were put in place to enable the greenkeepers to continue working on the course.

The health and safety of everyone connected with the Club from staff, members, guests and suppliers remains the primary concern of the directors. The Club has, and will continue to follow all Government guidelines regarding health and safety, social distancing, access and opening.

This has had a major economic impact on the Club with income from guests and Clubhouse activity having ceased during the lockdown. However, the level of income received from subscriptions for the forthcoming year has remained healthy. The directors have prepared forecasts and projections which indicate that the Club will be in a position to meet their liabilities as they fall due and on this basis, they remain satisfied that the Club remains a going concern for the foreseeable future.