

Registration number: 125831

The Frilford Heath Golf Club Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019

Critchleys Audit LLP
Registered Auditors
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP



The Frilford Heath Golf Club Limited

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The Frilford Heath Golf Club Limited

Company Information

Chairman	A E M Booth
Directors	A E M Booth S P Baxter K Murray P Rivers S Russell R Stebbings
Registered office	The Frilford Heath Golf Club Abingdon Oxfordshire OX13 5NW
Bankers	Barclays Bank plc 2 The Square Abingdon Oxfordshire OX14 5AS
Auditors	Critchleys Audit LLP Registered Auditors Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP

The Frilford Heath Golf Club Limited

Strategic Report for the Year Ended 31 December 2019

The directors present their strategic report for the year ended 31 December 2019.

Principal activity

The principal activity of the company is the running of Frilford Heath Golf Club.

Fair review of the business

The profit and loss account is set out on page 9.

2019 was a challenging, but in many ways a rewarding year as we saw the three courses come back to something that we expect. We grew our turnover 3.1% in 2019, and with our operational infrastructure established last year we managed to reduce administrative expenses by 4.5%. As a result, our operating results before property disposals improved from a loss of £127,370 to a profit of £71,503 - a turnaround of £198,873. We have incurred a tax charge arising from the 2016 land sale on the element which has not been used for re-investment in the club's infrastructure.

We have worked hard to listen to and understand the views of our members and visitors. This has resulted in improvements in quality and service across all areas of our operations. As well as the improved presentation and consistency of our courses, we have seen further progress in the clubhouse and golf shop with customer satisfaction scores increasing.

Membership continued to grow during 2019, which is not only contrary to what is happening in the market across the UK, but reflects how positively our members regard Frilford Heath. A number of the new members joined through introductions from current members. The increase in membership and increased rating from the members' survey shows an increased positivity about Frilford Heath. Playing membership increased by 2.7% and subscription income by 5.9% over the year.

The management team has undertaken a tremendous amount of work in the year with further improvement to the in-house systems, processes and procedures, new staff, the installation of a new boiler system, the refurbishment of Victoria Cottage and preparing for the first phase of the clubhouse improvement plan, which has now been completed.

There are further changes to the Board composition in 2020. In February 2020, the board were delighted to appoint Russell Stebbings as Managing Director. Alistair Booth has become Non-Executive Chairman and Kevin Murray Deputy Chair.

Since the year end the world has changed with the arrival of Covid-19. The club's operations are all currently closed and we have had to take action to preserve our membership, our staff and our business. Amongst the actions taken has been the difficult decision to not pay a dividend in May 2020 in order to preserve cash.

The Board had agreed that there would have been further investment in machinery in 2020 to enable us to produce even better quality courses, earlier in the day and for longer in the year, as well as being as sustainable as we can be in our attitude and application. However, this has now had to be deferred for consideration next year, along with all other planned but un-committed capital expenditure.

The Board continue to work closely with the management team to take the actions necessary to ensure our club survives this difficult period. We are implementing these actions in line with our longer-term plans for the future. The Board has confidence in the Management Team now in place and, despite the current difficulties, we look to the future with confidence.

The Frilford Heath Golf Club Limited

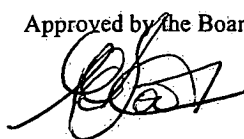
Strategic Report for the Year Ended 31 December 2019

Principal risks and uncertainties

The main risk to which the company is exposed is a decrease in membership income, particularly in the current economic climate. As an operator in the golf industry, the company is susceptible to economic downturn and the weather.

The directors however continue to take steps to ensure that the quality of its heathland courses is maintained to the highest standards so that golfers, whether they be members or visitors, continue to wish to play at Frilford Heath.

Approved by the Board on 30/4/20 and signed on its behalf by:



A E M Booth
Chairman

The Frilford Heath Golf Club Limited

Directors' Report for the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors of the company

The directors who held office during the year were as follows:

A E M Booth.

S P Baxter

K Murray

P Rivers

S Russell

The following director was appointed after the year end:

R Stebbings (appointed 3 February 2020)

In accordance with the Articles of Association Russell Stebbings will retire from the board and, being eligible, will stand for reappointment at the forthcoming Annual General Meeting.

Financial instruments

Objectives and policies

The company faces a number of risks and uncertainties and the directors believe that the key business risk is a decrease in membership income. In view of this risk and uncertainty, the directors are aware that the development of the company may be affected by factors out of their control.

Price risk, credit risk, liquidity risk and cash flow risk

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are only conducted in Sterling. The company does not enter into any hedging transactions.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 30/4/20 and signed on its behalf by:



A E M Booth
Chairman

The Frilford Heath Golf Club Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

The Frilford Heath Golf Club Limited

Independent Auditor's Report to the Members of The Frilford Heath Golf Club Limited

Opinion

We have audited the financial statements of The Frilford Heath Golf Club Limited (the 'company') for the year ended 31 December 2019, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, 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 Financial Reporting Standard 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 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Independent Auditor's Report to the Members of The Frilford Heath Golf Club Limited

Opinion on other matter 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

The Frilford Heath Golf Club Limited

Independent Auditor's Report to the Members of The Frilford Heath Golf Club Limited

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Andrew Rodzynski FCA (Senior Statutory Auditor)
For and on behalf of Critchleys Audit LLP, Statutory Auditor

Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Date: 05/05/2020

The Frilford Heath Golf Club Limited

Profit and Loss Account for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover	3	3,165,476	3,069,260
Cost of sales		<u>(534,431)</u>	<u>(519,422)</u>
Gross profit		2,631,045	2,549,838
Administrative expenses		<u>(2,567,333)</u>	<u>(2,497,900)</u>
Operating profit	5	<u>63,712</u>	<u>51,938</u>
Other interest receivable and similar income	6	<u>7,791</u>	<u>12,495</u>
		<u>7,791</u>	<u>12,495</u>
Profit before tax		71,503	64,433
Taxation	10	<u>(90,556)</u>	<u>(30,843)</u>
(Loss)/profit for the financial year		<u><u>(19,053)</u></u>	<u><u>33,590</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The Frilford Heath Golf Club Limited

Statement of Comprehensive Income for the Year Ended 31 December 2019

	2019	2018
	£	£
(Loss)/profit for the year	<u>(19,053)</u>	<u>33,590</u>
Total comprehensive income for the year	<u><u>(19,053)</u></u>	<u><u>33,590</u></u>

The notes on pages 14 to 24 form an integral part of these financial statements.

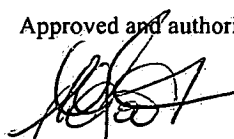
The Frilford Heath Golf Club Limited

(Registration number: 125831)

Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	7,501,042	7,434,141
Current assets			
Stocks	12	165,322	144,219
Debtors	13	80,318	82,161
Cash at bank and in hand		<u>739,309</u>	<u>987,540</u>
		984,949	1,213,920
Creditors: Amounts falling due within one year	15	<u>(737,945)</u>	<u>(753,193)</u>
Net current assets		<u>247,004</u>	<u>460,727</u>
Total assets less current liabilities		7,748,046	7,894,868
Provisions for liabilities	16	<u>(127,548)</u>	<u>(158,117)</u>
Net assets		<u><u>7,620,498</u></u>	<u><u>7,736,751</u></u>
Capital and reserves			
Called up share capital		4,860,000	4,860,000
Profit and loss account		<u>2,760,498</u>	<u>2,876,751</u>
Total equity		<u><u>7,620,498</u></u>	<u><u>7,736,751</u></u>

Approved and authorised by the Board on and signed on its behalf by:



30-01-2020

A E M Booth
Chairman

The notes on pages 14 to 24 form an integral part of these financial statements.

The Frilford Heath Golf Club Limited

Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £	Profit and loss account £	Total £
At 1 January 2019	4,860,000	2,876,751	7,736,751
Loss for the year	-	(19,053)	(19,053)
Total comprehensive income	-	(19,053)	(19,053)
Dividends	-	(97,200)	(97,200)
At 31 December 2019	<u>4,860,000</u>	<u>2,760,498</u>	<u>7,620,498</u>

	Share capital £	Profit and loss account £	Total £
At 1 January 2018	4,860,000	2,969,521	7,829,521
Profit for the year	-	33,590	33,590
Total comprehensive income	-	33,590	33,590
Dividends	-	(126,360)	(126,360)
At 31 December 2018	<u>4,860,000</u>	<u>2,876,751</u>	<u>7,736,751</u>

The notes on pages 14 to 24 form an integral part of these financial statements.

The Frilford Heath Golf Club Limited

Statement of Cash Flows for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
(Loss)/profit for the year		(19,053)	33,590
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	168,692	181,419
Profit on disposal of other tangible assets	4	-	(191,803)
Finance income	6	(7,791)	(12,495)
Income tax expense	10	90,556	30,843
		<u>232,404</u>	<u>41,554</u>
Working capital adjustments			
Increase in stocks	12	(21,103)	(74,134)
Decrease in trade debtors	13	1,843	100,129
(Decrease)/increase in trade creditors	15	(53,154)	16,604
Increase in deferred income, including government grants		<u>16,781</u>	<u>52,692</u>
Cash generated from operations		176,771	136,845
Income taxes (paid)/received	10	<u>(100,000)</u>	<u>36,701</u>
Net cash flow from operating activities		<u>76,771</u>	<u>173,546</u>
Cash flows from investing activities			
Interest received	6	7,791	12,495
Acquisitions of tangible assets		(235,593)	(218,366)
Proceeds from sale of tangible assets		<u>-</u>	<u>191,803</u>
Net cash flows from investing activities		(227,802)	(14,068)
Cash flows from financing activities			
Dividends paid	20	<u>(97,200)</u>	<u>(126,360)</u>
Net (decrease)/increase in cash and cash equivalents		(248,231)	33,118
Cash and cash equivalents at 1 January		<u>987,540</u>	<u>954,422</u>
Cash and cash equivalents at 31 December	14	<u><u>739,309</u></u>	<u><u>987,540</u></u>

The notes on pages 14 to 24 form an integral part of these financial statements.

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales. Its registered number is 125831.

The address of its registered office is:

The Frilford Heath Golf Club

Abingdon

Oxfordshire

OX13 5NW

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Sterling as this is the currency in which the company's transactions are conducted.

Judgements

No depreciation is provided on freehold land and buildings as the directors consider that the residual value exceeds "cost" in the accounts.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives on a straight line basis, as follows:

Asset class	Depreciation method and rate
Plant and equipment	over 5 to 20 years
Fixtures and fittings	over 8 years
Computer equipment	over 4 years
Motor vehicles	over 5 years
Irrigation systems	over 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using average cost.

The cost of finished goods comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2019	2018
	£	£
Provision of goods and services	<u>3,165,476</u>	<u>3,069,260</u>

4 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2019	2018
	£	£
Gain (loss) on disposal of property, plant and equipment	<u>-</u>	<u>191,803</u>

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

5 Operating profit

Arrived at after charging/(crediting)

	2019	2018
	£	£
Depreciation expense	168,692	181,419
Operating lease expense	26,411	31,116
Profit on disposal of property, plant and equipment	-	(191,803)

6 Other interest receivable and similar income

	2019	2018
	£	£
Interest income on bank deposits	7,791	12,495

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2019	2018
	£	£
Wages and salaries	1,353,844	1,404,912
Social security costs	114,075	115,934
Pension costs, defined contribution scheme	93,066	92,875
Other employee expense	28,906	41,328
	1,589,891	1,655,049

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2019	2018
	No.	No.
Golf course	21	22
Golf shop	5	6
Clubhouse	17	18
Administration	12	12
	55	58

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2019	2018
	£	£
Remuneration	<u>61,724</u>	<u>95,806</u>

9 Auditors' remuneration

	2019	2018
	£	£
Audit of the financial statements	<u>7,600</u>	<u>7,200</u>
Other fees to auditors		
Valuation services	4,000	-
Taxation compliance services	2,500	2,500
All other assurance services	<u>686</u>	<u>2,441</u>
	<u>7,186</u>	<u>4,941</u>

10 Taxation

Tax charged/(credited) in the income statement

	2019	2018
	£	£
Current taxation		
UK corporation tax adjustment to prior periods	121,125	-
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(30,569)</u>	<u>30,843</u>
Tax expense in the income statement	<u>90,556</u>	<u>30,843</u>

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2018 - lower than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 £	2018 £
Profit before tax	<u>71,503</u>	<u>64,433</u>
Corporation tax at standard rate	13,586	12,242
Deferred tax (credit)/expense from unrecognised temporary difference from a prior period	(30,569)	30,843
Tax decrease from effect of capital allowances and depreciation	(8,351)	(19,411)
Tax (decrease)/increase from other short-term timing differences	(5,395)	1,128
Tax increase from effect of unrelieved tax losses carried forward	160	6,041
Tax increase from effect of rollover relief on profit on disposal of fixed assets	<u>121,125</u>	<u>-</u>
Total tax charge	<u>90,556</u>	<u>30,843</u>

Deferred tax

Deferred tax assets and liabilities

	Asset £	Liability £
2019		
Accelerated capital allowances	-	160,511
Availability of trading losses	<u>32,963</u>	<u>-</u>
	<u>32,963</u>	<u>160,511</u>
2018		Liability £
Accelerated capital allowances		158,117
Availability of trading losses		<u>-</u>
		<u>158,117</u>

The amount of the net reversal of deferred tax assets and deferred tax liabilities expected to occur during the year beginning after the reporting period is £(28,964) (2018 - £(17,040)). This is due to anticipated capital expenditure and allowances, and use of tax losses.

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

11 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Irrigation equipment £	Total £
Cost or valuation					
At 1 January 2019	6,547,790	830,996	1,598,186	953,180	9,930,152
Additions	55,893	149,139	23,006	7,555	235,593
At 31 December 2019	6,603,683	980,135	1,621,192	960,735	10,165,745
Depreciation					
At 1 January 2019	-	553,360	999,873	942,778	2,496,011
Charge for the year	-	62,729	103,158	2,805	168,692
At 31 December 2019	-	616,089	1,103,031	945,583	2,664,703
Carrying amount					
At 31 December 2019	6,603,683	364,046	518,161	15,152	7,501,042
At 31 December 2018	6,547,790	277,636	598,313	10,402	7,434,141

Included within the net book value of land and buildings above is £6,603,683 (2018 - £6,547,790) in respect of freehold land and buildings.

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

12 Stocks

	2019 £	2018 £
Goods for resale	<u>165,322</u>	<u>144,219</u>

13 Debtors

	2019 £	2018 £
Trade debtors	17,053	30,352
Prepayments	<u>63,265</u>	<u>51,809</u>
Total current trade and other debtors	<u>80,318</u>	<u>82,161</u>

14 Cash and cash equivalents

	2019 £	2018 £
Cash on hand	1,240	1,251
Cash at bank	<u>738,069</u>	<u>986,289</u>
	<u>739,309</u>	<u>987,540</u>

15 Creditors

	Note	2019 £	2018 £
Due within one year			
Trade creditors		183,302	218,110
Social security and other taxes		56,837	51,224
Outstanding defined contribution pension costs		291	9,898
Other payables		19,643	25,181
Accrued expenses		19,059	27,873
Corporation tax liability	10	21,125	-
Deferred income		<u>437,688</u>	<u>420,907</u>
		<u>737,945</u>	<u>753,193</u>

16 Provisions for liabilities

	Deferred tax £	Total £
At 1 January 2019	158,117	158,117
Increase (decrease) in existing provisions	<u>(30,569)</u>	<u>(30,569)</u>
At 31 December 2019	<u>127,548</u>	<u>127,548</u>

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

17 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £93,066 (2018 - £92,875).

Contributions totalling £291 (2018 - £9,898) were payable to the scheme at the end of the year and are included in creditors.

18 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £5 each	<u>972,000</u>	<u>4,860,000</u>	<u>972,000</u>	<u>4,860,000</u>

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

There are no restrictions on the distribution of dividends and repayment of capital.

19 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2019	2018
	£	£
Not later than one year	37,446	39,612
Later than one year and not later than five years	<u>38,192</u>	<u>73,277</u>
	<u>75,638</u>	<u>112,889</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £24,303 (2018 - £31,116).

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

20 Dividends

	2019	2018
	£	£
Final dividend of £0.05 (2018 - £0.08) per ordinary share	48,600	77,760
Interim dividend of £0.05 (2018 - £0.05) per ordinary share	48,600	48,600
	<u>97,200</u>	<u>126,360</u>

Interim dividends paid

	2019	2018
	£	£
Interim dividend of £0.05 per each ordinary share	<u>48,600</u>	<u>48,600</u>

Final dividends paid

	2019	2018
	£	£
Final dividend of £0.05 (2018 - £0.08) per each ordinary share	<u>48,600</u>	<u>77,760</u>

Recommended final dividends paid and not recognised in the accounts

The directors are proposing the following final dividends:

Nil (2018 - £0.05) per each ordinary share totalling nil (2018 - £48,600.00)

These dividends have not been accrued in the Balance Sheet.

The directors have decided not to propose a dividend to be paid in May 2020 in order to preserve cash as a result of Covid-19.

21 Commitments

Capital commitments

Clubhouse refurbishment costs.

The total amount contracted for but not provided in the financial statements was £82,650 (2018 - £Nil).

The Frilford Heath Golf Club Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

22 Related party transactions

Key management compensation

	2019	2018
	£	£
Salaries and other short term employee benefits	178,195	229,302
Post-employment benefits	<u>11,647</u>	<u>11,419</u>
	<u>189,842</u>	<u>240,721</u>

Dividends paid to directors

	2019	2018
	£	£
A E M Booth	<u>1,300</u>	<u>1,690</u>
S P Baxter	<u>973</u>	<u>1,265</u>
C J Davies	<u>-</u>	<u>330</u>
K Murray	<u>501</u>	<u>502</u>
P Rivers	<u>501</u>	<u>502</u>
S Russell	<u>501</u>	<u>502</u>
P Viney	<u>6,222</u>	<u>8,088</u>

Summary of transactions with other related parties

Expenditure with and payables to related parties

	Key management
	£
2019	
Amounts payable to related parties	<u>4,644</u>
2018	
Amounts payable to related parties	<u>3,556</u>