

HILLSIDE GOLF CLUB LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2011

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COMPANIES HOUSE

Harrison Latham & Co
97 Tulketh Street
Southport
Merseyside
PR8 1AW

HILLSIDE GOLF CLUB LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MAY 2011

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HILLSIDE GOLF CLUB LIMITED
DIRECTORS, OFFICERS AND ADVISERS

Directors

P Halsall (Chairman)
J A Taylor (Vice Chairman) (Appointed 28th October 2010)
Mrs B. Anderson
Mr C Aughton (Retired 28th October 2010)
Mr D K Dixon (Retired 28th October 2010)
Mr R I Godley
Mr F A Hennessy (Appointed 28th October 2010)
Mrs J M Perkins
Mr G J Williams

Secretary and registered office

S H Newland
The Club House
Hastings Road
Hillside
Southport
PR8 2LU

Registered number

188160

Auditors

Harrison Latham & Company
97 Tulketh Street
Southport
Merseyside
PR8 1AW

HILLSIDE GOLF CLUB LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MAY 2011

The directors have pleasure in presenting their annual report together with the audited financial statements of the company for the year ended 31st May 2011

Review of the business

The principal activity of the company is to promote the game of golf, maintain a club and provide a clubhouse

Results and dividends

The results for the year are shown on the income and expenditure account

No dividends were paid during the year

Directors

The directors who served during the period were as follows

P Halsall
J A Taylor
Mrs B Anderson
Mr C Aughton
Mr D K Dixon
Mr R I Godley
Mr F A Hennessy
Mrs J M Perkins
Mr G J Williams

The following directors retire by rotation Mr P Halsall, Mrs B Anderson and Mr G J Williams Mrs B Anderson and Mr G J Williams are eligible for re-election

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 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 then apply them consistently,
- make judgements and 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 the safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Fixed assets

The movements in the fixed assets of the company are disclosed in note 9 to the financial statements

In the opinion of the directors, the value of the company's leasehold land and buildings is substantially in excess of that shown in the financial statements when considered in relation to its use in the company's trade, but in the absence of a professional valuation the excess cannot be quantified

HILLSIDE GOLF CLUB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MAY 2011 (CONTINUED)

Disclosure of information to auditors

To the knowledge and belief of the directors, there is no relevant information that the company's auditors are not aware of, and the directors have taken all the steps necessary to ensure the directors are aware of any relevant information, and to establish that the company's auditors are aware of the information

Auditors

A resolution to reappoint Harrison Latham & Co as auditors of the company will be proposed at the forthcoming annual general meeting

The above report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

Signed on behalf of the board



P. HALSALL
Chairman

Approved by the Board on 12th September 2011

HILLSIDE GOLF CLUB LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HILLSIDE GOLF CLUB LIMITED

We have audited the financial statements of Hillside Golf Club Limited for the year ended 31st May 2011 which are set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice's Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31st May 2011 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

HILLSIDE GOLF CLUB LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HILLSIDE GOLF CLUB
LIMITED (CONTINUED)

Matters on which we are required to report by exception

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

Harrison Latham + Company

M.W.Harrison (Senior Statutory Auditor)
for and on behalf of Harrison Latham & Company, Statutory Auditor
Statutory Auditors and
Chartered Accountants

97 Tulketh Street
Southport
Merseyside
PR8 1AW

20th September 2011

HILLSIDE GOLF CLUB LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MAY 2011

	Note	2011 £	2010 £
Income	2	1,062,990	1,073,264
Direct Expenses		<u>(860,417)</u>	<u>(867,767)</u>
Net Income		202,573	205,497
Administration expenses		(168,839)	(165,332)
Centenary expenditure		<u>(57,057)</u>	<u>(2,989)</u>
Operating (loss)/profit	3	(23,323)	37,176
Other interest receivable and similar income		6,004	2,338
Interest payable and similar charges	7	<u>(6,172)</u>	<u>(6,884)</u>
		(23,491)	32,630
Tax on surplus on ordinary activities	8	<u>(11,132)</u>	<u>(13,660)</u>
(Loss)/profit on ordinary activities after taxation		(34,623)	18,970
Transfer from reserves	16	<u>67,925</u>	<u>5,857</u>
Surplus for the financial year		33,302	24,827
Surplus brought forward		<u>439,304</u>	<u>414,207</u>
Surplus carried forward		<u>472,606</u>	<u>439,034</u>

None of the company's activities was acquired or discontinued during the above two years


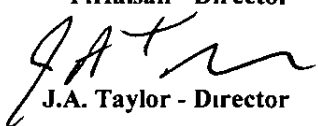
There were no recognised gains or losses other than those included in the income and expenditure account

The notes on pages 8 to 13 form part of these financial statements

HILLSIDE GOLF CLUB LIMITED
BALANCE SHEET AS AT 31ST MAY 2011

	Notes	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	9		1,009,435		888,926
Current assets					
Stock	11	9,948		9,782	
Debtors	12	57,586		11,638	
Cash at bank and in hand		8,956		259,833	
		76,490		281,253	
Creditors: amounts falling due within one year	13	(213,745)		(192,143)	
Net current (liabilities)/assets			(137,255)		89,110
Total assets less current liabilities			872,180		978,036
Creditors: amounts falling due after more than one year	14		(199,747)		(271,250)
			672,433		706,786
Capital and reserves					
Called up share capital	15		4,393		4,393
Capital redemption reserve	16		115		115
Development fund	16		187,365		198,233
Centenary Fund	16		7,954		65,011
Surplus on income and expenditure account	16		472,606		439,034
Shareholders' funds	17		672,433		706,786

Approved by the board of directors on 12th September 2011 and signed on its behalf


P. Halsall - Director

J.A. Taylor - Director

Company Registration No: 188160

The notes on pages 8 to 13 form part of these financial statements

HILLSIDE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2011

1 Accounting policies

a) Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with applicable accounting standards

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company

b) Income

Income represents net invoiced sales of goods and services, excluding value added tax

c) Depreciation of tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are

Leasehold property	
Club house	2% per annum on a straight line basis
Course buildings	10% per annum on a straight line basis
Fixtures and fittings	
Major works	10% per annum on a straight line basis
House equipment	100% per annum on a straight line basis
Finance lease equipment	over the term of the lease
Course development	10% per annum on a straight line basis
Well pointing system	100% per annum on a straight line basis
Course equipment	25% per annum on a straight line basis

d) Refurbishments

Refurbishments which do not involve major alterations to the company's premises are charged to the income and expenditure account

e) Stocks

Stock is valued at the lower of cost and estimated net realisable value, after making due allowance for obsolete and slow moving items

f) Deferred taxation

Deferred taxation is not provided as the company is a mutual trading company and only pays corporation tax on any income generated from non members

g) Hire purchase and lease transactions

Assets acquired under hire purchase agreements and finance leases are capitalised in the balance sheet and are depreciated in accordance with the company's normal policy. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest on such agreements is charged to the profit and loss account over the term of each agreement and represents a constant proportion of the balance of capital repayments outstanding.

Rentals under operating leases are charged to the profit and loss account as they fall due

h) Capital grants and donations for capital expenditure

Grants and donations for capital expenditure are credited to a deferral account and are released to revenue over the expected useful life of the relevant asset by equal instalments. Other grants and donations are credited to revenue so as to match them with the expenditure to which they relate

HILLSIDE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2011
(continued)

2 Income

The income and surplus before taxation is attributable to the one principal activity of the company, which was carried out wholly in the UK and is analysed as follows

	2011 £	2010 £
Subscriptions, including lockers etc	542,141	527,749
Entrance fees	37,193	46,553
Green fee income	253,269	272,291
Bar Sales	169,552	165,596
Buggy	20,170	19,223
Competitions	17,988	22,037
Sundry	86	29
Open competitions	22,591	19,786
	<u>1,062,990</u>	<u>1,073,264</u>

3 Operating surplus

The operating surplus is stated after crediting

	2011 £	2010 £
Amortisation capital expenditure grant and donation	7,000	7,000
Profit on sale of tangible fixed assets	2,800	5,400
	<u>9,800</u>	<u>12,400</u>

The operating surplus is stated after charging

	2011 £	2010 £
Depreciation of owned assets	168,519	165,532
Depreciation of assets under finance leases and HP	1,500	1,500
Auditors' remuneration	7,100	7,400
Operating lease rentals - plant and machinery	14,505	12,770
Operating lease rentals - other assets	299	299
Irrecoverable VAT	22,545	18,788
	<u>214,468</u>	<u>206,289</u>

4 Staff costs

Staff costs excluding directors' remuneration were as follows

	2011 £	2010 £
Wages and salaries	360,417	347,497
Social security costs	30,225	29,385
	<u>390,642</u>	<u>376,882</u>

The average weekly number of employees excluding directors, employed during the year was as follows

	No	No
Administration	3	3
Golf Course	8	7
Bar	10	10
Handymen	2	2
	<u>23</u>	<u>22</u>

HILLSIDE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2011
(continued)

5 Directors' remuneration

No director received any emoluments during the year (2010 -£nil)

6 Exceptional items

Exceptional items which are summarised below have been classified within the income and expenditure account under the appropriate heading and arise in respect of continuing operations

	2011 £	2010 £
Administrative expenses:		
Rates rebate	<u>35,656</u>	<u>-</u>

7 Interest payable and similar charges

	2011 £	2010 £
Interest on bank loan repayable after 5 years	4,245	5,221
Interest on hire purchase and finance leases	26	237
Bank charges	1,901	1,426
	<u>6,172</u>	<u>6,884</u>

8 Tax on surplus on ordinary activities

	2011 £	2010 £
United Kingdom corporation tax at 21/20%	11,132	13,580
Adjustments in respect of previous years	-	80
Total Current Tax	<u>11,132</u>	<u>13,660</u>

The company only pays corporation tax on income not derived from its members

9 Tangible fixed assets

	Long Leasehold Land & buildings £	Course equipment £	Course development £	Fixtures and fittings £	Total £
Cost:					
At 1st June 2010	520,182	494,058	344,310	860,450	2,219,000
Additions	163,250	39,802	6,962	80,514	290,528
At 31st May 2011	<u>683,432</u>	<u>533,860</u>	<u>351,272</u>	<u>940,964</u>	<u>2,509,528</u>
Depreciation:					
At 1st June 2010	216,564	403,062	252,139	458,309	1,330,074
Provision for the year	17,724	52,801	31,419	68,075	170,019
At 31st May 2011	<u>234,288</u>	<u>455,863</u>	<u>283,558</u>	<u>526,384</u>	<u>1,500,093</u>
Net book value:					
At 31st May 2011	<u>449,144</u>	<u>77,997</u>	<u>67,714</u>	<u>414,580</u>	<u>1,009,435</u>
At 31st May 2010	<u>303,618</u>	<u>90,996</u>	<u>92,171</u>	<u>402,141</u>	<u>888,926</u>

HILLSIDE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2011
(continued)

9 Tangible fixed assets (continued)

The net book value of fixed assets at 31st May 2011 includes £3,000 (2010-£4,500) in respect of assets held under finance leases or hire purchase contracts. The depreciation of which is shown in note 3.

10 Capital commitments

	2011 £	2010 £
Contracted for but not provided for in the accounts	43,690	27,562
Authorised by the board of directors but not yet contracted for	-	8,500

11 Stock

	2011 £	2010 £
Seeds and fertilizer	1,000	1,000
Goods for resale	8,948	8,782
	9,948	9,782

12 Debtors

	2011 £	2010 £
Trade debtors	18,174	8,832
Other debtors	408	352
Prepaid expenses and accrued income	39,004	2,454
	57,586	11,638

13 Creditors: amounts falling due within one year

	2011 £	2010 £
Obligations under finance leases and hire purchase contracts	-	1,377
Bank loan	64,670	63,710
Trade creditors	46,306	26,800
Corporation tax	11,132	13,580
VAT	22,523	17,197
PAYE and NIC	8,614	8,723
Accruals	11,256	13,026
Deferred income	49,244	47,730
	213,745	192,143

HILLSIDE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2011
(continued)

14 Creditors: amounts falling due after more than one year

	2011 £	2010 £
Bank loan	172,747	237,250
Capital grant and unamortised donation	27,000	34,000
	<u>199,747</u>	<u>271,250</u>

The loans from Allied Irish are secured by a first legal mortgage over the company's leasehold property the club house, the putting green and car park. The loans are being paid off over 10 years. The interest is currently 1.5% (i.e. 1.0% over the bank's base rate of 0.5%).

During 2009 a donation of £40,000 was received from Denis Nutter for the resurfacing of the course road. The donation will be released on a straight line basis over 10 years to match the depreciation charge.

Allied Irish loan repayable by installments some of which fall due after five years

The bank loan is repayable as follows:

Between one and two years	65,647	64,673
Between two and five years	107,100	147,211
In five years or more	-	25,366
	<u>172,747</u>	<u>237,250</u>
Amounts falling due within one year	64,670	63,710
	<u>237,417</u>	<u>300,960</u>

15 Called up share capital

	2011 £	2010 £
Allotted, called up and fully paid		
Founders' shares of £5 each	595	595
Ordinary shares of £1 each	3,798	3,798
	<u>4,393</u>	<u>4,393</u>

16 Reserves

	Capital Reserve	Centenary Fund	Development Fund	Accumulated surplus
At 1st June 2010	115	65,011	198,233	439,304
Loss for the year	-	-	-	(34,623)
Transfer equal to centenary expenditure	-	(57,057)	-	57,057
Depreciation funded by development reserve	-	-	(10,868)	10,868
At 31st May 2011	<u>115</u>	<u>7,954</u>	<u>187,365</u>	<u>472,606</u>

The development fund has been fully spent, the balance represents the future depreciation on the assets purchased.

HILLSIDE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2011
(continued)

17 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Loss/(2010 profit) for the year	(34,623)	18,970
Retained (loss)/profit for the year	(34,623)	18,970
Shareholders' funds at 1st June 2010	707,056	687,816
Shareholders' funds at 31st May 2011	<u>672,433</u>	<u>706,786</u>

18 Leasing commitments

Operating leases

The company's annual commitments for rental payments under non-cancellable operating leases at 31st May 2011 were as set out below

	2011		2010
Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire			
Within two to five years	15,326	-	10,415
Over five years	299	299	-
	<u>299</u>	<u>299</u>	<u>10,415</u>

19 Related parties

The directors of the company are related parties as defined by Financial Reporting Standard 8. Under the Standard, transactions with related parties should be disclosed. Each director is a member of the club and must pay a subscription dependent upon category of membership at rates applicable to all members in that category. The directors, like all other members, are entitled to use of all the club's facilities, which includes the use of a bar discount card.

20 Ultimate control

The company is not under the control of any one individual.