

THE SOUTH SHIELDS GOLF CLUB LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016**

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COMPANIES HOUSE

**THE SOUTH SHIELDS GOLF CLUB LIMITED
COMPANY LIMITED BY GUARANTEE**

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Mr M Byrne
Mr M McGuire
Mrs L McGuire
Ms J Overton
Mrs S Robinson
Mr C H Smith
Mr N Spann
Mr J Stanley
Mr J Thornton
Mr B Tollerson

REGISTERED OFFICE

The Golf House,
Cleadow Hills,
South Shields,
NE34 8EG

AUDITOR

RSM UK Audit LLP
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne,
NE1 4AD

THE SOUTH SHIELDS GOLF CLUB LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements of the company for the year ended 31 December 2016.

Membership

| | 31 December 2016 | 31 December 2015 |
|-----------------------|---------------------|---------------------|
| Honorary | 1 | 1 |
| Life | 95 | 92 |
| Gentlemen | 324 | 364 |
| Senior Gentlemen | 20 | 22 |
| Ladies | 33 | 45 |
| Senior Ladies | 5 | 3 |
| Country | 10 | 7 |
| Juniors | 36 | 36 |
| Catholic Clergy | <u>3</u> | <u>3</u> |
| Total playing members | 527 | 573 |
| Social | <u>53</u> | <u>49</u> |
| Total members | <u>580</u> | <u>622</u> |

Principal activities and business review

The principal activity of the company is that of running a golf club.

The Club has reported a surplus of £5,333 for the year compared to a surplus of £10,137 for the prior year. Like many other golf clubs the operating environment is challenging and we have seen a reduction in total members of 42 in the year. The Directors are focussed on ensuring that the Club is proactive in generating new members, increasing other income streams and managing costs. The Club continues to invest in the golf course with additional capital equipment and staff in the year and the course has remained in excellent condition. The much needed refurbishment of the gents' locker room was also completed this year. The Club previously made a claim to HMRC in respect to previously overpaid VAT on green fees. During the year a refund of £25,000 was received from HMRC which is included within other income.

As reported in last years' accounts, in order to continue to be a Community Amateur Sports Club (CASC), a new trading subsidiary was established and commenced trading on 1 April 2016. The results reported in these accounts reflect the results of this company only and therefore exclude the income and expenses relating to the new trading subsidiary which are separately reported in those accounts. Consolidated accounts are not required to be prepared.

The Committee would like to express thanks to the Committee of the Club and volunteers, who have willingly given time and expertise in the running of Club affairs, in particular to Mr J Stanley our Captain.

The Directors

The directors met on 10 occasions. The directors who served during the year and their attendances were:

| | |
|----------------------|---------------------|
| Mr B Tollerson (7/7) | Mr J Phillips (4/8) |
| Mr M Byrne (9) | Mr M Pippet (3/3) |
| Mr W Mair (3/3) | Mrs S Robinson (10) |
| Mr M McGuire (10) | Mr C H Smith (5) |
| Mrs L McGuire (9) | Mr N Spann (8) |
| Ms J Overton (5) | Mr J Stanley (10) |
| Mrs J Paul (3/3) | Mr J Thornton (8) |

The following Directors retire by rotation, L McGuire, M McGuire and S Robinson. A Bage is retiring as President of the Club and we thank him for his advice and guidance.

THE SOUTH SHIELDS GOLF CLUB LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2016

Directors' responsibilities

The directors are responsible 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit 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; 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 proper accounting records which 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.

So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Ladies

The ladies have elected the following officials and committee:

Officials

| | |
|--------------------|----------------|
| Captain | Mrs S Turnbull |
| Honorary Secretary | Miss M Bates |
| Honorary Treasurer | Mrs M Lonsdale |
| Handicap Secretary | Mrs D Walker |
| Past Captain | Ms J Overton |

Committee

| |
|----------------|
| Mrs I Austin |
| Mrs M Huntley |
| Mrs S Robinson |
| Mrs L Stanton |
| Mrs D Walker |
| Mrs J Williams |

Competitions

The following competition winners are congratulated:

| | | Men | |
|------------------------|-------------------------|------------------------|-------------------------|
| Club Championship | N King | Fred Peacock Trophy | N Scott |
| John Readhead (Gross) | L Auty | Gazette Cup | J Harn |
| Alex Purvis (Calcutta) | C Skinner | Rudd Cup | M Thompson |
| Brock Rose Bowl | L Tate | Military Cup | C Mann |
| J.H. Evers Trophy | C Mann | Hopps Trophy | A Cuthbertson |
| W.C. Mason Trophy | B R Ord | Moore Hayton Cup | J Wright |
| Robson Trophies | A Cuthbertson & B Smith | Florence Parker Trophy | N Spann & S Mack |
| G H Turner Trophy | K McAllister | Brigham Cup | A Cuthbertson & B Smith |
| Alexander Cup | S Manning | Harton Moor Trophy | S Johnson |
| President's Trophy | S Clements | Calcutta Doubles | A Cuthbertson & B Smith |

**THE SOUTH SHIELDS GOLF CLUB LIMITED
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2016

Competitions (continued)

| | | Ladies | |
|-----------------------|-----------------------------|------------------------|----------------|
| Club Champion | Mrs J Collier | Chipchase Vase | Mrs M Lonsdale |
| Gazette Vase | Mrs P Porteus | Fenwick Salver | Mrs J Dawson |
| Clara Anderson Trophy | Mrs D Walker | Mabane Bowl | Mrs M Lonsdale |
| Hedworth Williamson | Mrs S Robinson | Nancy Walker Trophy | Mrs J Collier |
| Harton Moor Trophies | Mrs J Dawson & Mrs M Taylor | Eve Levy Rose Bowl | Mrs I Austin |
| Mohar Bangle | Mrs J Baker | Lady Readhead Trophy | Mrs J Collier |
| Centenary Salver | Mrs B Taylor | Eleanor New Claret Jug | Mrs D Walker |
| Candelabra | Mrs MRS D Walker | Past Captains Salver | Mrs S Turnbull |
| Joyce Evers Brooch | Mrs S Turnbull | President's Plate | Mrs D Walker |
| Crystal Rose Bowl | Mrs L Craig | | |

| | | Mixed | |
|---------------------------|-----------------------------|----------------------|-----------------------------|
| Hanson Trophy | D Jackson & Mrs J Baker | Coronation Foursomes | W Mair & Mrs C Mair |
| Brock Trophy | C Allan & Mrs J Allan | 1880 Mixed | D Thompson & Mrs C Thompson |
| Ivor & Edith Clark Trophy | S Lonsdale & Mrs M Lonsdale | | |

| | | Seniors | |
|------------------------|-----------|-----------------------|--------------|
| Len Dodd Trophy (nett) | A Foreman | Turner Trophy (gross) | K McAllister |

| | | Juniors | |
|---------------------------|-------------|--------------------|-----------|
| Club Champion (nett) | A Wood | Bob Renaut Trophy | L Mulvain |
| Club Champion (gross) | N Scott | Blackberry Shield | A Wood |
| Bishy Bashy Trophy | A Armstrong | Phil Balmer Trophy | L Mulvain |
| Village Car Centre Trophy | T Quinn | | |

| | | Holes in One | |
|--------------|--|---------------------|--|
| D Todd | On the 1 st L H Dodd | | |
| J Leadbitter | On the 13 th midweek Stableford (5) | | |
| M Lonsdale | On the 13 th in Captain's Day Mixed | | |
| M Lonsdale | On the 13 th in Lady Captain's Day | | |
| L Taylor | On the 13 th in Clara Anderson Trophy | | |

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small company provisions

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

Signed on behalf of the directors

N Spann
Director



Approved by the directors on 6.7.17

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE SOUTH SHIELDS GOLF CLUB LIMITED

Opinion on financial statements

We have audited the financial statements on pages 6 to 15. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

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.

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; 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 exemption from the requirement to prepare a strategic report or in preparing the directors report.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, 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 Practices Board's (APB's) Ethical Standards for Auditors.

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.

RSM UK Audit LLP

Iain Corner FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1 St. James' Gate
Newcastle upon Tyne
NE1 4AD

Date 6.7.17

SOUTH SHIELDS GOLF CLUB LIMITED
STATEMENT OF COMPREHENSIVE INCOME
AS AT 31 DECEMBER 2016

| Notes | | 2016 | 2015 |
|--------------|---------------------------------------|---------------------|----------------------|
| | | £ | £ |
| | Income | 359,732 | 517,544 |
| | Cost of sales | <u>(314,116)</u> | <u>(433,761)</u> |
| | Gross surplus | 45,616 | 83,783 |
| | Administrative expenses | (70,005) | (67,682) |
| | Other operating income | <u>35,488</u> | <u>-</u> |
| 2 | Operating surplus | 11,099 | 16,101 |
| | Interest payable | (5,766) | (5,987) |
| | Interest receivable | - | 23 |
| | | <u>-</u> | <u>-</u> |
| | Surplus before taxation | 5,333 | 10,137 |
| | Taxation | - | - |
| | | <u>-</u> | <u>-</u> |
| | Surplus for the financial year | <u><u>5,333</u></u> | <u><u>10,137</u></u> |

N Spann
Director

SOUTH SHIELDS GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting policies

Company information

The South Shields Golf Club Limited is a limited company domiciled and incorporated in England. The registered office is listed on page 1 of the financial statements.

The company's principal activities are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

First time adoption of FRS 102

These financial statements are the first financial statements of South Shields Golf Club Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of South Shields Golf Club Limited for the year ended 31 July 2015 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Going concern

The Board of Directors has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Turnover

The turnover shown in the income and expenditure account represents bar and catering sales during the year, exclusive of Value Added Tax, and members' subscriptions and fees.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

SOUTH SHIELDS GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting policies (continued)

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

SOUTH SHIELDS GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting policies (continued)

Stocks

Stocks are valued at the lower of cost and estimated selling price after making due allowance for obsolete and slow moving stock. Cost is determined using the first in first out basis.

At each reporting date, the group assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell, is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted. Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Depreciation

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

| | |
|---|-----------------------------------|
| Freehold buildings | 2% straight line per annum |
| Club house development (included in Freehold Buildings) | 5% straight line per annum |
| Course machinery and irrigation system | 10% - 25% straight line per annum |
| Office equipment and clubhouse furniture | 20% straight line per annum |

In accordance with the Financial Reporting Standard for Smaller Entities (effective April 2015), no depreciation charge is made in respect of freehold land.

Operating leases

Rentals applicable to operating lease where substantially all of the benefits and risks of ownership remain with the lessor are charged against surplus on a straight line basis over the period of the lease.

SOUTH SHIELDS GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

| | | |
|--|-----------------|-------------|
| 2. Profit before taxation | 2016 | 2015 |
| | £ | £ |
| The profit before taxation is stated after charging/(crediting): | | |
| Auditors remuneration | 3,500 | 3,000 |
| Other amounts receivable from group undertakings | <u>(35,488)</u> | <u>-</u> |

3. Employees

The average number of persons employed in the reporting period was 10 (2015: 12).

4. Directors Remuneration

No directors received any remuneration during the year (2015: £nil).

5. Investments

| | |
|----------------------------|------------------------|
| | Group companies |
| | £ |
| Cost | |
| At 1 January 2016 | - |
| Additions | 3 |
| | <u>3</u> |
| Net book value | |
| At 31 December 2016 | <u>3</u> |
| At 31 December 2015 | <u>-</u> |

Details of the investments in which the company holds more than 10% of the nominal value of any class of share capital are as follows:

| | Country of registration and operation | Holding | Proportion of voting rights held | Nature of business |
|---|--|-----------------|---|---------------------------|
| Subsidiary Undertakings: | | | | |
| South Shields Golf Club Trading Limited (CRN: 09981590) | England | Ordinary Shares | 100% | Hospitality and golf |

SOUTH SHIELDS GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

| 6. Tangible fixed assets | Office equipment £ | Club house, furniture and equipment £ | Freehold property £ | Golf course machinery £ | Total £ |
|--------------------------|--------------------------|--|---------------------------|-------------------------------|------------|
| Cost | | | | | |
| At 1 January 2016 | 10,235 | 62,147 | 416,591 | 320,932 | 809,905 |
| Additions | - | 2,803 | 40,597 | 36,692 | 80,092 |
| Disposals | - | - | - | - | - |
| At 31 December 2016 | 10,235 | 64,950 | 457,188 | 357,624 | 889,997 |
| Depreciation | | | | | |
| At 1 January 2016 | 10,235 | 54,533 | 111,062 | 282,669 | 458,499 |
| Charge for the year | - | 3,215 | 12,779 | 19,514 | 35,508 |
| At 31 December 2016 | 10,235 | 57,748 | 123,841 | 302,183 | 494,007 |
| Net book value | | | | | |
| At 31 December 2016 | - | 7,202 | 333,347 | 55,441 | 395,990 |
| At 31 December 2015 | - | 7,614 | 305,529 | 38,263 | 351,406 |

Hire purchase agreements

Included within the net book value of £395,990 is £5,062 (2015: £17,210) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £12,148 (2015: £12,148).

| 7. Debtors | 2016 £ | 2015 £ |
|---------------------------------|---------------|--------------|
| Prepayments | 8,487 | 7,646 |
| Other debtors | - | 232 |
| Amounts owed by group companies | 6,716 | - |
| | <u>15,203</u> | <u>7,878</u> |

SOUTH SHIELDS GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8. Creditors: Amounts falling due within one year

| | 2016 | 2015 |
|------------------------------------|----------------|---------------|
| | £ | £ |
| Trade creditors | 14,984 | 21,588 |
| Hire purchase creditor | 8,762 | 8,762 |
| Bank loan | 6,665 | 6,665 |
| Other taxation and social security | 5,768 | 12,070 |
| Accruals and deferred income | 67,219 | 38,624 |
| | <u>103,398</u> | <u>87,709</u> |

Security in the form of a first charge over the fixed assets of the company has been given in respect of bank loans £6,665 (2015: £6,665) and hire purchase obligations of £8,762 (2015: £8,762).

9. Creditors: Amounts falling due after one year

| | 2016 | 2015 |
|------------------------|----------------|----------------|
| | £ | £ |
| Hire purchase creditor | 44,119 | 12,413 |
| Bank loan | 90,305 | 96,690 |
| | <u>134,424</u> | <u>109,103</u> |

On 28 February 2013 the club entered into a 15 year term loan with Barclays Bank plc for £110,000. Arrangement and security fees of £2,200 will be amortised over the period of loan repayments. Interest is charged at 3.79% above Libor and repayments commenced in March 2014. The loan is secured via a legal charge against the land and buildings of the club. Interest on the loan during 2016 totalled £4,263 (2015: £4,547).

During 2013 and 2016 the club entered into hire purchase agreements relating to new items of golf course machinery, replacing old machines. The total purchase of fixed assets finance by hire purchase totalled £52,881. Interest on hire purchase creditors during 2016 totalled £1,503 (2015: £1,440).

10. Financial instruments

| | 2016 | 2015 |
|--|----------------|----------------|
| | £ | £ |
| The carrying amount of each category of the Company's financial instruments held at fair value through profit or loss at 31 December were: | | |
| Financial assets | <u>15,203</u> | <u>7,878</u> |
| Financial liabilities | <u>232,054</u> | <u>184,742</u> |

SOUTH SHIELDS GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

11. Commitments under operating leases

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

| | 2016 | 2015 |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| <i>Operating lease which expires:</i> | | |
| Less than one year | 24,934 | 24,934 |
| Between one and 5 years | 57,646 | 69,976 |
| After more than 5 years | 126,040 | 138,644 |
| | <hr/> | <hr/> |
| Total | 208,620 | 233,554 |
| | <hr/> | <hr/> |

12. Limited by guarantee

The company is limited by guarantee in that every member undertakes to contribute during the time that he or she is a member, or within one year afterwards such amounts that may be required in the event of the company being wound up, for the payment of the debts, liabilities and the costs of winding-up not exceeding for ordinary and life members £4, for lady members £1 and for honorary, juvenile and temporary members 5p.

13. Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

| | Management charge income |
|------------|-------------------------------------|
| | 2016 |
| | £ |
| Subsidiary | 35,488 |
| | <hr/> |

The following amounts were outstanding at the reporting end date:

| | Amounts owed by related parties |
|------------|--|
| | 2016 |
| | £ |
| Subsidiary | 6,716 |
| | <hr/> |

No guarantees have been given or received.

SOUTH SHIELDS GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

14. Control

The company was under the control of its members throughout the current and previous year.

15. First time adoption of FRS 102

There was no impact on the reported financial position or financial performance arising from the adoption of FRS 102.