

COMPANY REGISTRATION NUMBER: 00404443

**Purley Downs Golf Club Limited**  
**Company Limited by Guarantee**  
**Annual Report & Financial Statements**  
**31 December 2018**

**SHERIDAN BROOKS LIMITED**  
Chartered accountants & statutory auditor  
176 Brighton Road  
Coulston  
Surrey  
CR5 2NF

TUESDAY



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14/05/2019  
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# **Purley Downs Golf Club Limited**

**Company Limited by Guarantee**

**Financial Statements**

**Year ended 31 December 2018**

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# **Purley Downs Golf Club Limited**

**Company Limited by Guarantee**

## **Directors' Report**

**Year ended 31 December 2018**

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The directors present their report and the financial statements of the company for the year ended 31 December 2018.

### **Directors**

The directors who served the company during the year were as follows:

Mr P A Coates

Mr J E Hall

Mr M B Webb

Mrs F Wood

Mrs H Dobson

Mr D Randall

(Appointed 5 April 2018)

Mr K G Pitts

(Resigned 5 April 2018)

### **Directors' responsibilities statement**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **Purley Downs Golf Club Limited**

**Company Limited by Guarantee**

**Directors' Report** *(continued)*

**Year ended 31 December 2018**

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## **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.

A resolution to reappoint Sheridan Brooks Limited as auditors will be proposed at the forthcoming Annual General Meeting.

## **Small company provisions**

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

This report was approved by the board of directors on 14 February 2019 and signed on behalf of the board by:



Mr M B Webb  
Director

Registered office:  
106 Purley Downs Road  
South Croydon  
Surrey  
United Kingdom  
CR2 0RB

# **Purley Downs Golf Club Limited**

**Company Limited by Guarantee**

**Independent Auditor's Report to the Members of Purley Downs Golf Club Limited**

**Year ended 31 December 2018**

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## **Opinion**

We have audited the financial statements of Purley Downs Golf Club Limited (the 'company') for the year ended 31 December 2018 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 December 2018 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.

# **Purley Downs Golf Club Limited**

**Company Limited by Guarantee**

**Independent Auditor's Report to the Members of Purley Downs Golf Club Limited** *(continued)*

**Year ended 31 December 2018**

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## **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.

## **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.

# Purley Downs Golf Club Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Purley Downs Golf Club Limited *(continued)*

Year ended 31 December 2018

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## 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.

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

## Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



SUSAN JACKSON ACA (Senior Statutory Auditor)

For and on behalf of  
Sheridan Brooks Limited  
Chartered accountants & statutory auditor  
176 Brighton Road  
Coulston  
Surrey  
CR5 2NF

Dated: 18/2/19

# Purley Downs Golf Club Limited

Company Limited by Guarantee

## Statement of Income and Retained Earnings

Year ended 31 December 2018

	Note	2018 £	2017 £
<b>Turnover</b>		<b>1,153,288</b>	<b>1,129,236</b>
Cost of sales		<u>725,398</u>	<u>711,952</u>
<b>Gross profit</b>		<b>427,890</b>	<b>417,284</b>
Administrative expenses		<b>410,092</b>	<b>431,519</b>
Other operating income		<u>47,834</u>	<u>65,573</u>
<b>Operating profit</b>		<b>65,632</b>	<b>51,338</b>
Other interest receivable and similar income		<b>1,892</b>	<b>105</b>
Interest payable and similar expenses		<u>1,700</u>	<u>1,002</u>
<b>Profit before taxation</b>	<b>7</b>	<b>65,824</b>	<b>50,441</b>
Tax on profit		<u>360</u>	<u>20</u>
<b>Profit for the financial year and total comprehensive income</b>		<b>65,464</b>	<b>50,421</b>
<b>Retained earnings at the start of the year</b>		<b>148,166</b>	<b>97,745</b>
<b>Retained earnings at the end of the year</b>		<b>213,630</b>	<b>148,166</b>

All the activities of the company are from continuing operations.

The notes on pages 8 to 11 form part of these financial statements.



# Purley Downs Golf Club Limited

Company Limited by Guarantee


## Statement of Financial Position

31 December 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	8	765,631	724,648
Investments	9	11	11
		<u>765,642</u>	<u>724,659</u>
<b>Current assets</b>			
Stocks		16,310	15,829
Debtors	10	34,046	34,589
Cash at bank and in hand		558,335	595,492
		<u>608,691</u>	<u>645,910</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>752,870</u>	<u>775,625</u>
<b>Net current liabilities</b>		<u>144,179</u>	<u>129,715</u>
<b>Total assets less current liabilities</b>		<u>621,463</u>	<u>594,944</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>114,738</u>	<u>153,683</u>
<b>Net assets</b>		<u><u>506,725</u></u>	<u><u>441,261</u></u>
<b>Capital and reserves</b>			
Other reserves		293,095	293,095
Profit and loss account		213,630	148,166
<b>Members' funds</b>		<u><u>506,725</u></u>	<u><u>441,261</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 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 14 February 2019, and are signed on behalf of the board by:



Mr P A Coates  
Chairman



Mr M B Webb  
Director

Company registration number: 00404443

The notes on pages 8 to 11 form part of these financial statements.

# Purley Downs Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2018

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## 1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is 106 Purley Downs Road, South Croydon, Surrey, CR2 0RB, United Kingdom.

## 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

### (a) 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.

### (b) Revenue recognition

Turnover represents subscriptions receivable, green and locker fees, takings from catering and bar, and is stated net of value added tax.

### (c) Corporation tax

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.

### (d) 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.

### (e) 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:

Clubhouse improvements	-	10 or 30 years
Course buildings and improvements	-	5, 10, 30 or 50 years
Plant & Machinery	-	3, 5 or 8 years
Furniture & Equipment	-	3 or 5 years

# Purley Downs Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

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## 3. Accounting policies *(continued)*

### (f) Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

### (g) Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

### (h) Hire purchase contracts

Assets held under hire purchase contracts 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. Any initial direct costs of the lease are added to the amount recognised as an asset.

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.

## 4. Company limited by guarantee

Purley Downs Golf Club Limited is a company limited by guarantee and not having share capital. The liability of the members is limited. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member or within a year afterwards, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member for costs, charges and expenses of winding up; and for the adjustment of the rights of the contributions among themselves, such amount as may be required not exceeding £1.

## 5. Other operating income

	2018	2017
	£	£
Rental income	6,000	6,000
Other operating income	41,834	59,573
	<u>47,834</u>	<u>65,573</u>

## 6. Employee numbers

The average number of persons employed by the company during the year amounted to 24 (2017: 25).

# Purley Downs Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 December 2018

## 7. Profit before taxation

Profit before taxation is stated after charging:

	2018 £	2017 £
Depreciation of tangible assets	<u>58,884</u>	<u>53,999</u>

## 8. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2018	1,315,372	270,961	153,475	1,739,808
Additions	36,693	57,444	5,730	99,867
Disposals	—	(26,782)	(32,169)	(58,951)
<b>At 31 December 2018</b>	<u>1,352,065</u>	<u>301,623</u>	<u>127,036</u>	<u>1,780,724</u>
<b>Depreciation</b>				
At 1 January 2018	692,165	197,497	125,498	1,015,160
Charge for the year	31,326	18,913	8,645	58,884
Disposals	—	(26,782)	(32,169)	(58,951)
<b>At 31 December 2018</b>	<u>723,491</u>	<u>189,628</u>	<u>101,974</u>	<u>1,015,093</u>
<b>Carrying amount</b>				
<b>At 31 December 2018</b>	<u>628,574</u>	<u>111,995</u>	<u>25,062</u>	<u>765,631</u>
At 31 December 2017	<u>623,207</u>	<u>73,464</u>	<u>27,977</u>	<u>724,648</u>

## 9. Investments

	Shares in group undertakings £
<b>Cost</b>	
At 1 January 2018 and 31 December 2018	<u>4,519</u>
<b>Impairment</b>	
At 1 January 2018 and 31 December 2018	<u>4,508</u>
<b>Carrying amount</b>	
At 31 December 2018	<u>11</u>
At 31 December 2017	<u>11</u>

## 10. Debtors

	2018 £	2017 £
Other debtors	<u>34,046</u>	<u>34,589</u>

# Purley Downs Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

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

	2018	2017
	£	£
Trade creditors	32,435	85,622
Corporation tax	360	21
Social security and other taxes	29,858	21,232
Loan from Purley Downs Company Limited	277,753	277,753
Other creditors	412,464	390,997
	<u>752,870</u>	<u>775,625</u>

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

	2018	2017
	£	£
Unsecured loan stock 2023	100,000	150,000
Other creditors	14,738	3,683
	<u>114,738</u>	<u>153,683</u>

## 13. Operating leases

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

	2018	2017
	£	£
Not later than 1 year	28,229	22,547
Later than 1 year and not later than 5 years	55,795	55,219
	<u>84,024</u>	<u>77,766</u>

## 14. Related party transactions

The company has a single, dormant subsidiary undertaking Purley Downs Company Limited, which owns the Purley Downs golf course. The course is leased to the Purley Downs Golf Club Limited under a lease dated 25th March 1993 extended on 11th October 2006 for a period expiring on 1st November 2131. The outstanding balances at the balance sheet date with Purley Downs Company Limited are given in note 11 of these accounts.