

Registration number: 01536405

# **DOUG MCCLELLAND GOLF STORES LIMITED**

**Annual Report and Financial Statements  
for the Year Ended 31 October 2020**

**BREBNERS**  
Chartered Accountants & Statutory Auditor  
1 Suffolk Way  
Sevenoaks  
Kent  
TN13 1YL

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**DOUG MCCLELLAND GOLF STORES LIMITED**

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**DOUG MCCLELLAND GOLF STORES LIMITED**

**Company Information**

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<b>Directors</b>	J T Hilliard T K Sims
<b>Registered office</b>	The Downs Farm Reigate Road Ewell Surrey KT17 3BY
<b>Auditor</b>	Brebners Chartered Accountants & Statutory Auditor 1 Suffolk Way Sevenoaks TN13 1YL

## DOUG MCCLELLAND GOLF STORES LIMITED

### Strategic Report for the Year Ended 31 October 2020

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The directors present their strategic report for the year ended 31 October 2020.

#### Principal activity

The principal activity of the company is that of the operation of golf professional shops, golf consultancy and allied trades.

#### Fair review of the business

Doug McClelland Golf Store is based at Silvermere Golf Complex and has established itself as the ultimate shopping experience for golfers. The superstore continues to grow its reputation as a stockist for all the leading golf club and clothing manufacturers, and is home to some of the largest offerings of Men's and Ladies' Apparel in Europe, a choice of over 230 models of golf shoes, 4 Custom Fit Centres at almost 90% occupancy, all ensuring the ultimate shopping experience for golfers.

The directors aim is to grow the business whilst ensuring that high standards are maintained and its reputation as being able to provide everything a golfer requires continues.

The directors have reviewed the key performance indicators of the company and are pleased to note that, despite this being a year when the Covid-19 pandemic has caused economic difficulties globally, there has been another year on year increase in turnover. However, the pandemic did have an effect on the company as the gross profit margin slightly declined. Overheads continued to be well controlled and this resulted in a profit after tax of £1.16 million (2019 : £1.08 million). After dividends paid this led to an increase in net assets of £1.12 million to £5.60 million.

The directors expect the principal activity of the company for the year ending 31 October 2021 to remain consistent and, despite the ongoing difficulties as a result of the Covid-19 pandemic, with the directors' constant management of overheads and financing costs and an improvement in margins, it is anticipated that profitability will improve.

#### Key Performance Indicators

The company's key financial and other performance indicators during the year were as follows:

	Unit	2020	2019
Turnover	£000	9,152	8,838
Turnover Percentage change	%	4	14
Gross Profit	£000	2,150	2,219
Gross Profit Margin	%	23	25

#### Non-Financial Key Performance Indicators

The company seeks to ensure that responsible business practice is fully integrated into the management of all its operations and into the culture of all parts of its business. It believes that the consistent adoption of reasonable business practice is essential for operational excellence which in turn ensures the delivery of its core objective of sustained profitability.

The company will continue to invest in the underlying systems, governance and infrastructure to support the company going forward.

In a company of this size the directors consider there are collectively numerous non-financial performance indicators but that individually none are key.

## **DOUG MCCLELLAND GOLF STORES LIMITED**

### **Strategic Report for the Year Ended 31 October 2020**

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#### **Principal risks and uncertainties including Covid-19**

The outbreak of the Covid-19 pandemic in early 2020 had a significant economic impact and caused disruption for businesses. The directors continue to closely monitor the company's operational and financial exposure to Covid-19 whilst being unable to predict the extent or duration of the pandemic currently, although it is anticipated that the restrictions will be lifted soon.

The directors have considered the risks faced by the business and the controls in place to mitigate those risks including those arising from the Covid-19 outbreak. The directors are responsible for determining the level of risk acceptable to the company and this is subject to regular review.

#### **Operational risk**

Operational risk is caused by failures in business processes or the systems or physical infrastructure that support them that have the potential to result in financial loss or reputational damage. This includes errors, omissions, systems failure, lack of resources or physical assets and deliberate acts such as fraud.

The directors impose continuing self assessment and appraisals along with continually seeking to improve its operating efficiencies and standards.

#### **Credit risk**

Credit risk is the risk that counter-parties will not be able to meet their obligations as they fall due. The company closely monitors outstanding debts from all sources resulting in minimal exposure.

#### **Liquidity risk**

The company ensures that liquidity is maintained and financial obligations are met by monitoring the cash balances daily to ensure it retains flexibility in the management of cash flow. In the event that cash flows would not cover financial obligations the company has credit facilities available.

#### **Market risk**

Golf-related income is a discretionary spend and the directors are aware that the business may have some exposure to the current climate and its impact on consumer spending. However the directors note that Golf was able to continue and abide by Governmental restrictions and therefore has not been overly affected by market risk. The directors also feel the reputation and position in the South East ensure it is not exposed to significant market risk.

#### **Foreign currency risk**

The company only sells a small proportion overseas and deals in sterling predominantly, therefore it is not exposed to significant forex fluctuations.

#### **Interest rate risk**

The company is not exposed to interest rate risk currently. The directors continue to monitor interest rates, and ensure that sufficient resources are available so obligations can be met when they fall due.

#### **Risk Summary**

The directors continuously monitor and respond to changes in the company's risk environment and this has been subject to regular and heightened review processes during Covid-19, so ensuring that the company remains well placed to address operational, financial and business risks in a timely and appropriate manner.

## DOUG MCCLELLAND GOLF STORES LIMITED

### Strategic Report for the Year Ended 31 October 2020

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#### Future developments and the impact of Covid-19

On 11 March 2020 the World Health Organisation declared the Coronavirus (Covid-19) outbreak as a worldwide pandemic and following this the UK government imposed lockdown restrictions across the country. These restrictions were tentatively lifted towards the end of June 2020 but the ongoing impact and duration of Covid-19 continues to be uncertain.

The golfing industry was deemed to be 'non-essential' and therefore the company adhered to government guidelines and closed the retail shop at Silvermere for a prolonged period. As lockdown measures continue to be eased, golf courses and shops have re-opened. The company has noted strong trading levels in the recent summer months, with golf being an outside activity and therefore suitable for players to abide by current governmental guidelines. The company has ensured its online retail arm has been able to keep up with increased demand. The directors have taken steps to introduce appropriate cash and cost management measures and ensure there is suitable working capital facilities at Group level. The company has prepared projected cashflows and budgets that covers the period to 31 October 2021 to ensure it has sufficient working capital for the foreseeable future. The forecast includes a number of assumptions and scenarios to identify and evaluate the possible impacts arising from Covid-19 such as reduction in income levels and how this could be mitigated without relying upon government support schemes.

Based on the information available and the company's current trading performance the directors continue to invest in the company and its facilities to ensure it upholds its reputation and competitiveness as a renowned golf retailer.

23-Jul-21

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

*Mr J Hilliard*

.....  
J T Hilliard  
Director

## DOUG MCCLELLAND GOLF STORES LIMITED

### Directors' Report for the Year Ended 31 October 2020

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The directors present their report and the financial statements for the year ended 31 October 2020.

#### Directors of the company

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

J T Hilliard

T K Sims

J M Bowry (resigned 30 October 2020)

D W McClelland (resigned 10 March 2020)

#### Dividends

Particulars of interim dividends paid in the year are detailed in note 19 to the financial statements. No final dividend is proposed.

#### Information included in the Strategic Report

The company has chosen in accordance with Section 414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the large and medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the director's report. It has done so in respect of financial risk management, exposure and future developments.

#### Disclosure of information to the auditor

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.

23-Jul-21

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

*Mr J Hilliard*

.....  
J T Hilliard  
Director

## **DOUG MCCLELLAND GOLF STORES LIMITED**

### **Statement of Directors' Responsibilities**

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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.



## **DOUG MCCLELLAND GOLF STORES LIMITED**

### **Independent Auditor's Report to the Members of Doug McClelland Golf Stores Limited for the Year Ended 31 October 2020**

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#### **Opinion**

We have audited the financial statements of Doug McClelland Golf Stores Limited (the 'company') for the year ended 31 October 2020, which comprise the Statement of Income and Retained Earnings, Statement of Financial Position, 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 October 2020 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.

#### **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.

## **DOUG MCCLELLAND GOLF STORES LIMITED**

### **Independent Auditor's Report to the Members of Doug McClelland Golf Stores Limited for the Year Ended 31 October 2020**

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#### **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 6), 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.

## DOUG MCCLELLAND GOLF STORES LIMITED

### Independent Auditor's Report to the Members of Doug McClelland Golf Stores Limited for the Year Ended 31 October 2020

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*Brebners*

.....  
Martin Widdowson (Senior Statutory Auditor)  
For and on behalf of

Brebners, Statutory Auditor  
1 Suffolk Way  
Sevenoaks  
TN13 1YL

26-Jul-21  
Date:.....

## DOUG MCCLELLAND GOLF STORES LIMITED

### Statement of Income and Retained Earnings for the Year Ended 31 October 2020

	Note	2020 £	2019 £
Turnover	3	9,152,293	8,838,408
Cost of sales		<u>(7,002,105)</u>	<u>(6,619,374)</u>
<b>Gross profit</b>		<b>2,150,188</b>	<b>2,219,034</b>
Administrative expenses		(1,182,206)	(1,150,621)
Other operating income	4	<u>261,327</u>	<u>84,430</u>
<b>Operating profit</b>	<b>5</b>	<b><u>1,229,309</u></b>	<b><u>1,152,843</u></b>
Income from shares in group undertakings		180,548	157,156
Interest payable and similar charges		<u>-</u>	<u>(1,161)</u>
		<u>180,548</u>	<u>155,995</u>
<b>Profit before tax</b>		<b>1,409,857</b>	<b>1,308,838</b>
Taxation	9	<u>(249,590)</u>	<u>(230,835)</u>
<b>Profit for the financial year</b>		<b>1,160,267</b>	<b>1,078,003</b>
Retained earnings brought forward		4,474,655	3,436,652
Dividends paid		<u>(40,000)</u>	<u>(40,000)</u>
<b>Retained earnings carried forward</b>		<b><u>5,594,922</u></b>	<b><u>4,474,655</u></b>

The notes on pages 12 to 22 form an integral part of these financial statements.

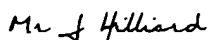
## DOUG MCCLELLAND GOLF STORES LIMITED

## Statement of Financial Position as at 31 October 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	10	90,813	94,497
Investments	11	2,100	100
		<u>92,913</u>	<u>94,597</u>
<b>Current assets</b>			
Stocks	12	1,852,043	1,702,454
Debtors	13	3,546,083	3,530,888
Cash at bank and in hand		3,195,458	944,615
		<u>8,593,584</u>	<u>6,177,957</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(3,081,632)</u>	<u>(1,792,682)</u>
<b>Net current assets</b>		<u>5,511,952</u>	<u>4,385,275</u>
<b>Total assets less current liabilities</b>		<b>5,604,865</b>	<b>4,479,872</b>
<b>Provisions for liabilities</b>	16	<u>(9,843)</u>	<u>(5,117)</u>
<b>Net assets</b>		<u>5,595,022</u>	<u>4,474,755</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		5,594,922	4,474,655
<b>Shareholders' funds</b>		<u>5,595,022</u>	<u>4,474,755</u>

23-Jul-21

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



J T Hilliard

Director



T K Sims

Director

Company registration number: 01536405

The notes on pages 12 to 22 form an integral part of these financial statements.

## **DOUG MCCLELLAND GOLF STORES LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 October 2020**

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#### **1 GENERAL INFORMATION**

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

The address of its registered office is:

The Downs Farm  
Reigate Road  
Ewell  
Surrey  
KT17 3BY

The principal activity of the company is that of the operation of golf professional shops, golf consultancy and allied trades.

The principal place of business is:

Silvermere Golf Club  
Redhill Road  
Cobham  
Surrey  
KT11 1EF

#### **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 any items disclosed in the accounting policies as being shown at fair value and are presented in sterling, which is the functional currency of the entity.

##### **Summary of disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS102. Its financial statements are consolidated into the financial statements of Dwellcourt Limited. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS102:

- (a) No cash flow statement has been presented for the company.
- (b) No disclosure has been made of financial instruments measured at fair value through profit or loss.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel..

##### **Group accounts not prepared**

The company has taken advantage of the option not to prepare consolidated financial statements in accordance with Section 400 (1)(b) Companies Act 2006 on the basis the parent company is incorporated in the EEA and prepares consolidated financial statements incorporating the results of the company. The financial statements therefore include information about the company and not the group.

## **DOUG MCCLELLAND GOLF STORES LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 October 2020**

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#### **Going concern**

The company made a profit for the year ended 31 October 2020, and had net assets of £5,595,022 at that date including cash at bank of £3,195,458.

Coronavirus (Covid-19) was declared a pandemic by the World Health Organisation on 11 March 2020 and as a result the United Kingdom took unprecedented measures by imposing continuous restrictions across the country. As these imposed restrictions were eased golf has proved very popular due to being an outdoor activity. A review of the most recent management accounts for the 8 months to 31 May 2021 confirm the directors' expectations that despite the ongoing uncertainty and the future economic outlook, the company will show a profit for the year ended 31 October 2021.

The directors have considered the potential effect of the current COVID-19 crisis and restrictions, which following recent Government announcements, are starting to ease. The directors view is that the impact will be manageable. The company experienced an increase in demand for its products due to the increased popularity in golf as a direct result of the COVID-19 pandemic. The directors also believe that the company has sufficient resources to continue operating for the foreseeable future.

The directors have prepared cashflow forecasts for a period exceeding 12 months from the date of approval of these financial statements which show that the company has sufficient working capital to remain in operational existence for the foreseeable future.

Accordingly, the financial statements have been prepared under the going concern basis which the directors believe to remain appropriate.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. Key assumptions and other estimation uncertainties provide a risk of causing a material adjustment to the carrying values of assets and liabilities.

Judgements and estimates that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Tangible fixed assets are depreciated to their estimated residual values over their estimated useful lives. The company exercises judgement to determine these useful lives and residual values.

#### **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 value added tax, returns, rebates and discounts.

The company recognises revenue from the sale of golf equipment and clothing at the point of retail sale or despatch of items ordered online.

#### **Government grants**

Grants are accounted for under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in other income in the same period as the related expenditure.

## DOUG MCCLELLAND GOLF STORES LIMITED

### Notes to the Financial Statements for the Year Ended 31 October 2020

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#### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge 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.

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, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% reducing balance and 33% straight line
Motor vehicles	25% reducing balance
Computers and equipment	33% straight line

#### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### 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.



# DOUG MCCLELLAND GOLF STORES LIMITED

## Notes to the Financial Statements for the Year Ended 31 October 2020

### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress 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.

### 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:

	2020	2019
	£	£
Sale of goods	<u>9,152,293</u>	<u>8,838,408</u>

The company's revenue was derived solely in the UK.

## 4 OTHER OPERATING INCOME

The analysis of the company's other operating income for the year is as follows:

	2020	2019
	£	£
Government grants	222,253	-
Management charges receivable	<u>39,074</u>	<u>84,430</u>

# DOUG MCCLELLAND GOLF STORES LIMITED

## Notes to the Financial Statements for the Year Ended 31 October 2020

### 5 OPERATING PROFIT

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	30,750	33,713
Loss on disposal of property, plant and equipment	<u>264</u>	<u>-</u>

### 6 STAFF COSTS

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

	2020 £	2019 £
Wages and salaries	1,702,945	1,619,846
Social security costs	151,607	144,396
Pension costs, defined contribution scheme	<u>47,369</u>	<u>86,627</u>
	<u><b>1,901,921</b></u>	<u><b>1,850,869</b></u>

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

	2020 No.	2019 No.
Administration and support	8	7
Sales	47	42
Distribution	<u>4</u>	<u>5</u>
	<u><b>59</b></u>	<u><b>54</b></u>

# DOUG MCCLELLAND GOLF STORES LIMITED

## Notes to the Financial Statements for the Year Ended 31 October 2020

### 7 DIRECTORS' REMUNERATION

The directors' remuneration for the year was as follows:

	2020 £	2019 £
Remuneration	399,997	345,182
Contributions paid to money purchase schemes	12,739	55,889
	<u>412,736</u>	<u>401,071</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2020 No.	2019 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

In respect of the highest paid director:

	2020 £	2019 £
Remuneration	<u>235,827</u>	<u>175,546</u>

### 8 AUDITOR'S REMUNERATION

	2020 £	2019 £
Audit of the financial statements	<u>10,000</u>	<u>10,000</u>

# DOUG MCCLELLAND GOLF STORES LIMITED

## Notes to the Financial Statements for the Year Ended 31 October 2020

### 9 TAXATION

Tax charged/(credited) in the income statement

	2020 £	2019 £
<b>Current taxation</b>		
UK corporation tax	244,863	232,501
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	4,727	(1,666)
<b>Tax expense in the income statement</b>	<b>249,590</b>	<b>230,835</b>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2019 - lower than the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Profit before tax	<b>1,409,857</b>	<b>1,308,838</b>
Corporation tax at standard rate	267,873	248,679
Effect of revenues exempt from taxation	(19,000)	(19,000)
Effect of expense not deductible in determining taxable profit (tax loss)	717	1,156
<b>Total tax charge</b>	<b>249,590</b>	<b>230,835</b>

### Deferred tax

Deferred tax assets and liabilities

	2020	2019
		Liability £
Accelerated capital allowances		9,844
Provisions		-
		<b>9,844</b>
		Liability £
Accelerated capital allowances		8,917
Provisions		(3,800)
		<b>5,117</b>

# DOUG MCCLELLAND GOLF STORES LIMITED

## Notes to the Financial Statements for the Year Ended 31 October 2020

### 10 TANGIBLE ASSETS

	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>			
At 1 November 2019	541,964	5,000	546,964
Additions	27,581	-	27,581
Disposals	-	(5,000)	(5,000)
At 31 October 2020	569,545	-	569,545
<b>Depreciation</b>			
At 1 November 2019	447,981	4,486	452,467
Charge for the year	30,751	-	30,751
Eliminated on disposal	-	(4,486)	(4,486)
At 31 October 2020	478,732	-	478,732
<b>Carrying amount</b>			
At 31 October 2020	90,813	-	90,813
At 31 October 2019	93,983	514	94,497

### 11 INVESTMENTS

	2020 £	2019 £
Investments in subsidiaries	2,100	100
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 November 2019		100
Additions		2,000
At 31 October 2020		2,100
<b>Carrying amount</b>		
At 31 October 2020		2,100
At 31 October 2019		100

# DOUG MCCLELLAND GOLF STORES LIMITED

## Notes to the Financial Statements for the Year Ended 31 October 2020

### DETAILS OF UNDERTAKINGS

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Subsidiary Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
South East Academy of Golf Limited	The Downs Farm, Reigate Road, Ewell, Surrey. KT17 3BY.	Ordinary	100%	99%

### 12 STOCKS

	2020 £	2019 £
Finished goods and goods for resale	<u>1,852,043</u>	<u>1,702,454</u>

### 13 DEBTORS

	2020 £	2019 £
Trade debtors	10,799	25,332
Amounts owed by group undertakings	3,219,055	3,200,904
Other debtors	21,753	1,860
Prepayments	<u>294,476</u>	<u>302,792</u>
<b>Total current trade and other debtors</b>	<u><b>3,546,083</b></u>	<u><b>3,530,888</b></u>

### 14 CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash on hand	2,750	2,916
Cash at bank	<u>3,192,708</u>	<u>941,699</u>
	<u><b>3,195,458</b></u>	<u><b>944,615</b></u>

### 15 CREDITORS

	2020 £	2019 £
<b>Due within one year</b>		
Trade creditors	1,917,256	896,839
Amounts due to group undertakings	117,466	93,826
Social security and other taxes	338,577	191,138
Other payables	5,906	13,174
Accrued expenses	567,564	455,203
Corporation tax liability	<u>134,863</u>	<u>142,502</u>
	<u><b>3,081,632</b></u>	<u><b>1,792,682</b></u>

# DOUG MCCLELLAND GOLF STORES LIMITED

## Notes to the Financial Statements for the Year Ended 31 October 2020

### 16 PROVISIONS FOR LIABILITIES

	Deferred tax £	Total £
At 1 November 2019	5,117	5,117
Increase (decrease) in existing provisions	4,727	4,727
At 31 October 2020	<u>9,844</u>	<u>9,844</u>

### 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 £47,369 (2019 - £86,627)

### 18 SHARE CAPITAL

#### Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

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

### 19 DIVIDENDS

	2020 £	2019 £
Interim dividends of £400 (2019 - £400) per ordinary share	<u>40,000</u>	<u>40,000</u>

## **DOUG MCCLELLAND GOLF STORES LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 October 2020**

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#### **20 CONTINGENCIES**

The company has guaranteed, jointly with the other group companies, the group's bank loan and overdraft facilities. The guarantee is secured by a fixed and floating charge over the assets and undertakings of the company. There are no amounts outstanding at 31 October 2020.

#### **21 RELATED PARTY TRANSACTIONS**

##### **Summary of transactions with subsidiaries**

Exemption has been taken under FRS 102 Paragraph 33.1A, not to disclose transactions or amounts falling due with other companies that are wholly owned within the group.

During the year management fees amounting to £346,392 (2019: £361,677) were payable and interest amounting to £80,548 (2019: £57,156) was receivable from group companies not wholly owned within the group. Management fees receivable amounted to £39,074 (2019: £84,430) from group companies not wholly owned within the group.

At 31 October 2020 an amount of £2,807,685 was due from group companies not wholly owned within the group (2019: £2,794,054) and an amount of £55,581 (2019: £69,253) was due to group companies not wholly owned within the group.

#### **22 PARENT AND ULTIMATE PARENT UNDERTAKING**

The company's immediate parent is Golf Retail Group Limited. The ultimate parent is Dwellcourt Limited.

The parent of the smallest and largest group in which these financial statements are consolidated is Dwellcourt Limited.

The registered office address of Dwellcourt Limited is:  
The Downs Farm, Reigate Road, Ewell, Surrey. KT17 3BY.

Ultimate control vests with the trustees of 'The Thomas Albert Hilliard Discretionary Settlement 2019'.