

COMPANY REGISTRATION NUMBER: 02677760

**Hever Castle Golf Club Limited**  
**Financial Statements**  
**31 December 2021**



# **Hever Castle Golf Club Limited**

## **Financial Statements**

**Year ended 31 December 2021**

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# Hever Castle Golf Club Limited

## Officers and Professional Advisers

### **The board of directors**

J. Guthrie  
P.J. Guthrie  
R. Guthrie  
M. Robson  
D.H.M. Leslie  
J.M. Hill

### **Company secretary**

D. Beeforth

### **Registered office**

137 Scalby Road  
Scarborough  
North Yorkshire  
YO12 6TB

### **Auditor**

Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

### **Bankers**

Handelsbanken Plc  
3 Thomas More Square  
London  
E1W 1WY

# **Hever Castle Golf Club Limited**

## **Directors' Report**

### **Year ended 31 December 2021**

The directors present their report and the financial statements of the company for the year ended 31 December 2021.

#### **Principal activities**

The principal activity of the company during the period has been the operating of a golf club.

#### **Directors**

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

J. Guthrie  
P.J. Guthrie  
R. Guthrie  
M. Robson  
D.H.M. Leslie  
J.M. Hill

#### **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.

#### **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.

# Hever Castle Golf Club Limited

## Directors' Report *(continued)*

Year ended 31 December 2021

### 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 23 June 2022 and signed by order of the board by:



D. Beeforth  
Company Secretary

# **Hever Castle Golf Club Limited**

## **Independent Auditor's Report to the Members of Hever Castle Golf Club Limited**

**Year ended 31 December 2021**

### **Opinion**

We have audited the financial statements of Hever Castle Golf Club Limited (the 'company') for the year ended 31 December 2021 which comprise the income statement, statement of financial position, statement of changes in equity 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 2021 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# **Hever Castle Golf Club Limited**

## **Independent Auditor's Report to the Members of Hever Castle Golf Club Limited (continued)**

**Year ended 31 December 2021**

### **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 take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

# **Hever Castle Golf Club Limited**

## **Independent Auditor's Report to the Members of Hever Castle Golf Club Limited *(continued)***

**Year ended 31 December 2021**

### **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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:



# **Hever Castle Golf Club Limited**

## **Independent Auditor's Report to the Members of Hever Castle Golf Club Limited (continued)**

**Year ended 31 December 2021**

### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

# **Hever Castle Golf Club Limited**

## **Independent Auditor's Report to the Members of Hever Castle Golf Club Limited *(continued)***

**Year ended 31 December 2021**

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.

Luke Taylor BSc (Hons) ACA (Senior Statutory Auditor)

For and on behalf of  
Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

23 June 2022

# Hever Castle Golf Club Limited

## Income Statement

Year ended 31 December 2021

	Note	2021 £	2020 £
<b>Turnover</b>	<b>4</b>	<b>1,988,957</b>	<b>1,514,074</b>
Cost of sales		<u>1,409,002</u>	<u>1,176,320</u>
<b>Gross profit</b>		<b>579,955</b>	<b>337,754</b>
Administrative expenses		<u>453,387</u>	<u>489,967</u>
Other operating income	<b>5</b>	<u>113,922</u>	<u>120,263</u>
<b>Operating profit/(loss)</b>	<b>6</b>	<b>240,490</b>	<b>(31,950)</b>
Interest payable and similar expenses	<b>8</b>	<u>1,716</u>	<u>2,574</u>
<b>Profit/(loss) before taxation</b>		<b>238,774</b>	<b>(34,524)</b>
Tax on profit/(loss)	<b>9</b>	<u>93,414</u>	<u>17,986</u>
<b>Profit/(loss) for the financial year</b>		<b><u>145,360</u></b>	<b><u>(52,510)</u></b>

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

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

# Hever Castle Golf Club Limited

## Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	10	2,803,465	2,865,937
Investment Property	11	<u>665,000</u>	<u>665,000</u>
		<b>3,468,465</b>	<b>3,530,937</b>
<b>Current assets</b>			
Stocks	12	104,936	107,838
Debtors	13	53,811	71,041
Cash at bank and in hand		<u>86,466</u>	<u>55,283</u>
		<b>245,213</b>	<b>234,162</b>
<b>Creditors: amounts falling due within one year</b>	14	<u>3,524,275</u>	<u>3,738,176</u>
<b>Net current liabilities</b>		<b>3,279,062</b>	<b>3,504,014</b>
<b>Total assets less current liabilities</b>		<b>189,403</b>	<b>26,923</b>
<b>Creditors: amounts falling due after more than one year</b>	15	9,579	41,171
<b>Provisions</b>	17	<u>174,104</u>	<u>125,392</u>
<b>Net assets/(liabilities)</b>		<u><b>5,720</b></u>	<u><b>(139,640)</b></u>
<b>Capital and reserves</b>			
Called up share capital	21	3,511,758	3,511,758
Profit and loss account	22	<u>(3,506,038)</u>	<u>(3,651,398)</u>
<b>Shareholders funds/(deficit)</b>		<u><b>5,720</b></u>	<u><b>(139,640)</b></u>

These financial statements were approved by the board of directors and authorised for issue on 23 June 2022, and are signed on behalf of the board by:



R. Guthrie  
Director

Company registration number: 02677760

The notes on pages 12 to 21 form part of these financial statements.

# Hever Castle Golf Club Limited

## Statement of Changes in Equity

Year ended 31 December 2021

	Called up share capital £	Profit and loss account £	Total £
<b>At 1 January 2020</b>	3,511,758	(3,598,888)	(87,130)
Loss for the year		(52,510)	(52,510)
<b>Total comprehensive income for the year</b>	—	(52,510)	(52,510)
<b>At 31 December 2020</b>	3,511,758	(3,651,398)	(139,640)
Profit for the year		145,360	145,360
<b>Total comprehensive income for the year</b>	—	145,360	145,360
<b>At 31 December 2021</b>	<u>3,511,758</u>	<u>(3,506,038)</u>	<u>5,720</u>

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

# **Hever Castle Golf Club Limited**

## **Notes to the Financial Statements**

**Year ended 31 December 2021**

### **1. General information**

The company is a private company, limited by shares, registered in England and Wales. The registered office is 137 Scalby Road, Scarborough, North Yorkshire, YO12 6TB.

The continuing principal activity of the company is the operating of a golf club.

### **2. Statement of compliance**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and with the Companies Act 2006.

### **3. Accounting policies**

#### **3.1 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.

#### **3.2 Acquisition and disposal of properties**

Acquisitions of properties are accounted for on the date of unconditional contract and disposals of properties on the date of legal completion.

#### **3.3 Going concern**

The financial statements for the period ended 31 December 2021 have been prepared on a going concern basis on the strength of confirmation from the ultimate parent company that it will continue to provide financial support for the foreseeable future.

#### **3.4 Investment property**

Investment property, which is property held to earn rentals and/ or for capital appreciation, is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is stated at its fair value at each reporting date. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

#### **3.5 Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Broadland Properties Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (e) No disclosure has been given for the aggregate remuneration of key management personnel.

# Hever Castle Golf Club Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 3.5 Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Broadland Properties Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (e) No disclosure has been given for the aggregate remuneration of key management personnel.

### 3.6 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.

#### Significant judgements

The judgements (apart from those involving estimations) 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:

The company includes investment property at fair value, this is calculated by reference to market evidence of transaction values of similar property.

#### Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The assumptions used regarding useful economic lives and residual values are assessed annually. They are amended when necessary to reflect current estimates, based on market conditions and the physical condition of the assets. The carrying amount at the end of the reporting period is shown in the tangible asset note. The directors do not consider that any other estimates and assumptions used in the preparation of these financial statements have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 3.7 Revenue recognition

Turnover comprises sales to customers of goods and services net of value added tax.

### 3.8 Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

# Hever Castle Golf Club Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2021

#### 3. Accounting policies *(continued)*

##### Income tax *(continued)*

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.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

##### 3.9 Operating leases

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the non-cancellable period of the lease on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

##### 3.10 Tangible assets

Fixed assets are included in the accounts at cost less depreciation. The freehold land and buildings cost comprises a previous revaluation as deemed cost on transition to FRS 102.

##### 3.11 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:

Freehold Land	- 0%
Freehold buildings	- 2% per annum on a straight line basis
Plant and machinery	- 20% per annum on a reducing balance basis
Fixtures, fittings, tools and equipment	- 20% per annum on a reducing balance basis
Computer equipment	- 25% per annum on a straight line basis
Motor vehicles	- 25% per annum on a reducing balance basis

##### 3.12 Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

##### 3.13 Stocks

Stock is valued at the lower of cost and net realisable value.



# Hever Castle Golf Club Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2021

#### 3. Accounting policies *(continued)*

##### 3.14 Finance leases and hire purchase contracts

Assets held under finance leases and 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.

##### 3.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. The Coronavirus Job Retention Scheme (CJRS) grant has been accounted for under the accrual model.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

##### 3.16 Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

##### 3.17 Debtors

Short term debtors are measured at transaction price, less any impairment.

# Hever Castle Golf Club Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 3. Accounting policies *(continued)*

#### 3.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. Bank overdrafts, when applicable, are shown within current liabilities.

#### 3.19 Creditors

Short term creditors are measured at the transaction price.

### 4. Turnover

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

### 5. Other operating income

	2021 £	2020 £
Government grant income	<u>113,922</u>	<u>120,263</u>

### 6. Operating profit

Operating profit or loss is stated after charging:

	2021 £	2020 £
Depreciation of tangible assets	144,212	175,427
Loss on disposal of tangible assets	361	2,726
Fees payable for the audit of the financial statements	9,200	9,000
Operating lease rentals	<u>13,582</u>	<u>14,780</u>

### 7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2021 No.	2020 No.
Distribution staff	41	42
Administrative staff	8	8
	<u>49</u>	<u>50</u>

# Hever Castle Golf Club Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 7. Staff costs *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	732,018	677,262
Social security costs	55,646	52,407
Other pension costs	27,211	26,678
	<u>814,875</u>	<u>756,347</u>

The above details do not include directors' emoluments paid by its parent company which are partially recharged to the company as part of management charges made. It is not practicable to separately identify the amount of the directors' emoluments included in the management charge. Full details are given in the holding company's financial statements.

### 8. Interest payable and similar expenses

	2021	2020
	£	£
Interest on obligations under finance leases and hire purchase contracts	<u>1,716</u>	<u>2,574</u>

### 9. Tax on profit/(loss)

#### Major components of tax expense

	2021	2020
	£	£
<b>Current tax:</b>		
UK current tax expense	44,702	3,449
<b>Deferred tax:</b>		
Origination and reversal of timing differences	6,927	1,495
Impact of change in tax rate	41,785	13,042
Total deferred tax	<u>48,712</u>	<u>14,537</u>
<b>Tax on profit/(loss)</b>	<u>93,414</u>	<u>17,986</u>

#### Reconciliation of tax expense

The tax assessed on the profit/(loss) on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021	2020
	£	£
Profit/(loss) on ordinary activities before taxation	<u>238,774</u>	<u>(34,524)</u>
Profit/(loss) on ordinary activities by rate of tax	45,367	(6,560)
Change in deferred tax rates	41,785	13,042
Permanent timing differences	6,262	11,504
Tax on profit/(loss)	<u>93,414</u>	<u>17,986</u>

# Hever Castle Golf Club Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2021

#### 9. Tax on profit/(loss) *(continued)*

In the Spring Budget 2021, the Government announced that from 1st April 2023 the corporation tax rate will increase to 25%. Accordingly the deferred tax provision has been based on this rate.

#### 10. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2021	2,259,241	912,773	863,585	27,088	4,062,687
Additions	–	7,911	74,190	–	82,101
Disposals	–	–	(6,996)	–	(6,996)
<b>At 31 December 2021</b>	<u>2,259,241</u>	<u>920,684</u>	<u>930,779</u>	<u>27,088</u>	<u>4,137,792</u>
<b>Depreciation</b>					
At 1 January 2021	55,916	635,382	493,037	12,415	1,196,750
Charge for the year	6,778	58,761	76,062	2,611	144,212
Disposals	–	–	(6,635)	–	(6,635)
<b>At 31 December 2021</b>	<u>62,694</u>	<u>694,143</u>	<u>562,464</u>	<u>15,026</u>	<u>1,334,327</u>
<b>Carrying amount</b>					
<b>At 31 December 2021</b>	<u>2,196,547</u>	<u>226,541</u>	<u>368,315</u>	<u>12,062</u>	<u>2,803,465</u>
At 31 December 2020	<u>2,203,325</u>	<u>277,391</u>	<u>370,548</u>	<u>14,673</u>	<u>2,865,937</u>

#### Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery £
<b>At 31 December 2021</b>	<u>75,353</u>
At 31 December 2020	<u>93,785</u>

#### 11. Investments

	Investment property £
<b>Cost or valuation</b>	
At 1 January 2021 and 31 December 2021	<u>665,000</u>
<b>Impairment</b>	
At 1 January 2021 and 31 December 2021	<u>–</u>

# Hever Castle Golf Club Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 11. Investments *(continued)*

	Investment property £
Carrying amount	
At 31 December 2021	<u>665,000</u>
At 31 December 2020	<u>665,000</u>

The fair value of the company's investment property at 31 December 2021 has been arrived at on the basis of a valuation by J.M. Hill (MRICS), a director of the company, by reference to market evidence.

### 12. Stocks

	2021 £	2020 £
Raw materials and consumables	27,088	28,176
Finished goods and goods for resale	<u>77,848</u>	<u>79,662</u>
	<u>104,936</u>	<u>107,838</u>

### 13. Debtors

	2021 £	2020 £
Trade debtors	23,340	27,106
Prepayments and accrued income	<u>30,471</u>	<u>43,935</u>
	<u>53,811</u>	<u>71,041</u>

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

	2021 £	2020 £
Trade creditors	98,062	27,463
Amounts owed to group undertakings	3,029,111	3,388,138
Accruals and deferred income	<u>201,694</u>	<u>178,423</u>
Corporation tax	44,702	3,449
Social security and other taxes	29,231	41,349
Obligations under finance leases and hire purchase contracts	31,679	30,822
Other creditors	<u>89,796</u>	<u>68,532</u>
	<u>3,524,275</u>	<u>3,738,176</u>

Obligations under finance leases and hire purchase contracts are secured on the relevant underlying assets.

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

	2021 £	2020 £
Obligations under finance leases and hire purchase contracts	<u>9,579</u>	<u>41,171</u>

# Hever Castle Golf Club Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2021

#### 15. Creditors: amounts falling due after more than one year *(continued)*

Obligations under finance leases and hire purchase contracts are secured on the relevant underlying assets.

#### 16. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2021 £	2020 £
Not later than 1 year	31,679	30,822
Later than 1 year and not later than 5 years	9,579	41,171
	<u>41,258</u>	<u>71,993</u>

#### 17. Provisions

	Deferred tax (note 18) £
At 1 January 2021	125,392
Additions	48,712
At 31 December 2021	<u>174,104</u>

#### 18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2021 £	2020 £
Included in provisions (note 17)	<u>174,104</u>	<u>125,392</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021 £	2020 £
Accelerated capital allowances	35,592	20,123
Fair value adjustment of investment property	138,512	105,269
	<u>174,104</u>	<u>125,392</u>

#### 19. Employee benefits

##### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £27,211 (2020: £26,678).

# Hever Castle Golf Club Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

### 20. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	<u>113,922</u>	<u>120,263</u>

### 21. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>3,511,758</u>	<u>3,511,758</u>	<u>3,511,758</u>	<u>3,511,758</u>

Shares carry equal voting rights and each share also ranks equally with regard to dividend payments or any other distribution including a distribution arising from the winding up of the company.

### 22. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

### 23. Operating leases

As lessor

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

	2021	2020
	£	£
Not later than 1 year	<u>52,815</u>	<u>56,907</u>
Later than 1 year and not later than 5 years	<u>62,693</u>	<u>40,707</u>
	<u>115,508</u>	<u>97,614</u>

### 24. Contingencies

This company has given cross guarantees in respect of group borrowings from its bankers. The company has also entered into a group offset arrangement with its bankers. Security given includes a debenture over the whole assets of the company.

### 25. Related party transactions

Advantage is taken of the exemption for wholly owned subsidiaries given in FRS 102 from the requirement to separately disclose transactions with group companies.

# **Hever Castle Golf Club Limited**

## **Notes to the Financial Statements *(continued)***

### **Year ended 31 December 2021**

#### **26. Controlling party**

The immediate parent company is Hever Castle Limited who own 100% of the issued share capital of the company.

The directors regard Broadland Properties Limited as the ultimate controlling party. Broadland Properties Limited is the ultimate parent of the Group and the only parent for which group accounts are prepared, which can be obtained from Companies House. Broadland Properties Limited is registered in England and Wales, and its registered office is 137 Scalby Road, Scarborough, YO12 6TB.