

Registration number: 02845617

SURREY NATIONAL GOLF CLUB LIMITED

Annual Report and Financial Statements

for the Year Ended 30 April 2020



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

SURREY NATIONAL GOLF CLUB LIMITED

Contents

Company Information	1
Strategic Report	2 to 4
Directors' Report	5
Statement of Directors' Responsibilities	6
Independent Auditor's Report	7 to 9
Statement of Income and Retained Earnings	10
Statement of Financial Position	11
Notes to the Financial Statements	12 to 22

SURREY NATIONAL GOLF CLUB LIMITED

Company Information

Directors	Mr S Hodsdon Mr R O Noades Mrs N L Nugee
Registered office	Streete Court Rooks Nest Park Godstone Surrey RH9 8BY
Auditor	Brebners Chartered Accountants & Statutory Auditor 1 Suffolk Way Sevenoaks TN13 1YL

SURREY NATIONAL GOLF CLUB LIMITED

Strategic Report for the Year Ended 30 April 2020

The directors present their strategic report for the year ended 30 April 2020.

Principal activity

The principal activity of the company is that of the management of a golf club and venue hire.

The company is home to a unique golfing venue in the heart of Surrey. Surrey National is a superb par 72 course in excess of 7,000 yards and built to a high standard with USGA specification greens and full irrigation throughout, allowing play 12 months of the year.

Surrey National's first class practice facilities include an indoor training area, short game practice area, putting greens and driving range. The Club's impressive, contemporary clubhouse, offers excellent facilities and exceptional cuisine, backed by first class service, making it the perfect venue for any event from weddings and celebrations to societies and corporate days.

Fair review of the business

The profit for the year before taxation was £321,834 (2019: £420,635). Net assets increased in the year to £5,769,524 (2019: £5,502,606).

Turnover for the year fell due to the closure of the golf course and clubhouse in the last 5 weeks of the financial year brought about by the COVID 19 pandemic and lockdown across the country with effect from 23 March 2020. Up to that point the directors were expecting further growth in turnover compared to the previous year. Despite the closure the overall gross profit margin fell only very slightly from 59% to 58%. The directors continued to focus on ensuring that the golf course was maintained to a high standard and on the quality of catering events and conferences held at the site. Prior to lockdown the directors were expecting growth particularly in green fees, shop sales and catering revenue. Overall, despite the fall in turnover and profit, the directors are pleased with the performance given the significant challenges faced by the business in the last month of the year. Surrey National Golf Club continues to be recognised as a popular golf and wedding venue in an ever competitive market.

The company's direct costs increased at a marginally greater rate than turnover, thus reducing the gross margin by just under 1%.

The directors expect the principal activity and trading performance of the company for the year ending 30 April 2021 to remain consistent and, together with a very busy summer on the golf course as lockdown measures were eased and the continual management of overheads and financing costs, they expect to maintain profitability in the following year ending 30 April 2021.

Key Performance Indicators

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

	Unit	2020	2019
Turnover	£000	1,605	1,742
Percentage Change	%	(8)	6
Gross Profit	£000	938	1,028
Gross Profit Margin	%	58	59

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 constant adoption of reasonable business practice is essential for operational excellence which in turn ensures the delivery of its core objective of sustained profitability.

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

SURREY NATIONAL GOLF CLUB LIMITED

Strategic Report for the Year Ended 30 April 2020

Principal risks and uncertainties including Covid-19

Subsequent to 30 April 2020, the Covid-19 pandemic has continued to have a significant economic impact on most businesses. The directors continue to closely monitor the company's operational and financial exposure to Covid-19 whilst currently being unable to predict the full extent or duration of the pandemic.

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 to result in financial loss or reputation 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 to bad debts.

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 Government restrictions and therefore has not been overly affected by market risk. The directors feel their reputation and location ensure it is not exposed to significant market risk.

Foreign Currency Risk

As the company only deals in Sterling it is not exposed to foreign currency risk.

Interest Rate Risk

The company is exposed to interest rate risk as its own funds are held on deposit. Interest rates are regularly monitored by the directors. The directors 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, so ensuring that the company remains well placed to address operational, reputational, financial and business risks in a timely and appropriate manner.

SURREY NATIONAL GOLF CLUB LIMITED

Strategic Report for the Year Ended 30 April 2020

Future developments

The Coronavirus outbreak was declared a pandemic by the World Health Organisation on 11 March 2020. The UK government has imposed certain restrictions across the country since to further mitigate the outbreak, however 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 had to adhere to government guidelines and close the Golf Club for certain periods since March 2020. As and when the course was allowed to reopen the company noted strong trading levels particularly in the recent summer months, with golf being an outside activity and therefore suitable for players to abide by current government guidelines. 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 30 April 2022 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 new products and its facilities, to ensure the club maintains its reputation as a renowned golf club. The directors continue to develop their knowledge and experience, and a focus is being placed on staff training and welfare in these unprecedented times whilst also ensuring a better understanding to meet the needs of each individual customer. The principal activity of the company is expected to remain consistent for the foreseeable future.

19-Jan-21

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

Mr S Hodsdon

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Mr S Hodsdon
Director

SURREY NATIONAL GOLF CLUB LIMITED

Directors' Report for the Year Ended 30 April 2020

The directors present their report and the financial statements for the year ended 30 April 2020.

Directors of the company

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

Mr S Hodsdon

Mr R O Noades

Mrs N L Nugee

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.

Disclosure of information 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 directors' report. It has done so in respect of financial risk management, exposure and future developments.

19-Jan-21

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

Mr S Hodsdon

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Mr S Hodsdon
Director

SURREY NATIONAL GOLF CLUB LIMITED

Statement of Directors' Responsibilities

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.

SURREY NATIONAL GOLF CLUB LIMITED

Independent Auditor's Report to the Members of Surrey National Golf Club Limited for the Year Ended 30 April 2020

Opinion

We have audited the financial statements of Surrey National Golf Club Limited (the 'company') for the year ended 30 April 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 30 April 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.

SURREY NATIONAL GOLF CLUB LIMITED

Independent Auditor's Report to the Members of Surrey National Golf Club Limited for the Year Ended 30 April 2020

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. 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.

SURREY NATIONAL GOLF CLUB LIMITED

Independent Auditor's Report to the Members of Surrey National Golf Club Limited for the Year Ended 30 April 2020

Brebners

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

Brebners, Statutory Auditor
1 Suffolk Way
Sevenoaks
TN13 1YL

19-Jan-21

Date:.....

SURREY NATIONAL GOLF CLUB LIMITED

Statement of Income and Retained Earnings for the Year Ended 30 April 2020

	Note	2020 £	2019 £
Turnover	3	1,605,328	1,741,894
Cost of sales		<u>(667,659)</u>	<u>(714,033)</u>
Gross profit		937,669	1,027,861
Administrative expenses		(628,842)	(602,179)
Other operating income	4	<u>18,795</u>	<u>-</u>
Operating profit	5	<u>327,622</u>	<u>425,682</u>
Interest payable and similar charges	6	<u>(5,788)</u>	<u>(5,047)</u>
		<u>(5,788)</u>	<u>(5,047)</u>
Profit before tax		321,834	420,635
Taxation	9	<u>(54,916)</u>	<u>(80,020)</u>
Profit for the financial year		266,918	340,615
Retained earnings brought forward		<u>5,501,606</u>	<u>5,160,991</u>
Retained earnings carried forward		<u>5,768,524</u>	<u>5,501,606</u>

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

SURREY NATIONAL GOLF CLUB LIMITED

Statement of Financial Position as at 30 April 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	6,466,522	6,389,733
Current assets			
Stocks	11	54,860	51,711
Debtors	12	544,831	468,642
Cash at bank and in hand		<u>2,720</u>	<u>54,388</u>
		602,411	574,741
Creditors: Amounts falling due within one year	14	<u>(1,141,081)</u>	<u>(1,383,439)</u>
Net current liabilities		<u>(538,670)</u>	<u>(808,698)</u>
Total assets less current liabilities		5,927,852	5,581,035
Creditors: Amounts falling due after more than one year	14	(134,989)	(62,429)
Provisions for liabilities	16	<u>(23,339)</u>	<u>(16,000)</u>
Net assets		<u>5,769,524</u>	<u>5,502,606</u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		<u>5,768,524</u>	<u>5,501,606</u>
Shareholders' funds		<u>5,769,524</u>	<u>5,502,606</u>

19-Jan-21

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

Mr S Hodsdon

Mr S Hodsdon
Director

Mr R O Noades

Mr R O Noades
Director

Company registration number: 02845617

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

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

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:

Streete Court
Rooks Nest Park
Godstone
Surrey
RH9 8BY

The principal place of business is:

Rook Lane
Chaldon
Surrey
CR3 5AA

The principal activity of the company is that of the management of a golf club and venue hire.

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.

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 Altonwood Holdings 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.

- (a) No cash flow statement has been presented for the company.
- (b) No disclosure has been given for the aggregate remuneration of key management personnel.

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

Going concern

The company made a profit before tax of £321,834 for the year ended 30 April 2020 and had net assets at that date of £5,769,524.

At 30 April 2020 a net amount of £236,533 was due to other group undertakings who have confirmed they will not call for repayment until such time as the company has sufficient working capital and will continue to provide the company with working capital facilities.

The directors have considered the potential effect of the current COVID-19 pandemic and, although there is no certainty as to when this will end, the directors' view is that the impact will be manageable. The company took advantage of the government CJRS and other support during the period of the lockdown restrictions and took other measures to control overheads where possible.

The company suffered a brief closure period during April to June 2020, however have otherwise continued to trade during the lockdown restrictions although, at a reduced level and remains profitable. The directors are pleased with how the business has performed since the lockdown restrictions were lifted and are confident that business will continue to improve.

On the basis of the above, and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Judgements and key sources of estimation

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 represents members clubs' subscriptions receivable, green fees and other golfing and ancillary income receivable from members and visitors. Membership fees received in advance are released to the income statement over the relevant period. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Government grants

Grants are accounted 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.

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.

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

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
Plant and machinery	20% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line
Freehold buildings	2% straight line

Freehold land is not depreciated.

Freehold buildings are depreciated over their economic useful life of cost less estimated residual value. The estimated residual value is such that no material annual depreciation charge arises.

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.

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.

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance costs in the Income Statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Assets held under hire purchase contracts are capitalised at the lesser of fair value or present value of minimum lease payments in the statement of financial position. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. A corresponding liability is recognised at the same value in the statement of financial position. The asset is then depreciated over its useful life.

The minimum lease payments are apportioned between the finance charge recognised in the income statement and the reduction of the outstanding liability using the effective interest method. The finance charge in each period is allocated so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

3 REVENUE

The analysis of the company's revenue for the year from continuing operations is as follows:

	2020 £	2019 £
Rendering of services	<u>1,605,328</u>	<u>1,741,894</u>

Turnover is attributable to the principal activity of the company undertaken in the United Kingdom.

4 OTHER OPERATING INCOME

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

	2020 £	2019 £
Government grants receivable	<u>18,795</u>	<u>-</u>

5 OPERATING PROFIT

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	64,998	64,286
Loss/(profit) on disposal of property, plant and equipment	<u>1,380</u>	<u>(500)</u>

6 INTEREST PAYABLE AND SIMILAR EXPENSES

	2020 £	2019 £
Interest on obligations under finance leases and hire purchase contracts	5,704	4,910
Interest expense on other finance liabilities	<u>84</u>	<u>137</u>
	<u>5,788</u>	<u>5,047</u>

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

7 STAFF COSTS

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

	2020 £	2019 £
Wages and salaries	463,727	468,743
Social security costs	30,248	33,220
Pension costs, defined contribution scheme	7,364	4,477
Other employee expense	3,305	1,368
	<u>504,644</u>	<u>507,808</u>

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

	2020 No.	2019 No.
Catering	39	45
Administration and support	2	2
Golf	13	16
	<u>54</u>	<u>63</u>

8 AUDITOR'S REMUNERATION

	2020 £	2019 £
Audit of the financial statements	<u>6,000</u>	<u>6,000</u>
Other fees to auditors		
All other non-audit services	<u>2,000</u>	<u>2,000</u>

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

9 TAXATION

Tax charged/(credited) in the income statement

	2020 £	2019 £
Current taxation		
UK corporation tax	47,577	80,810
Deferred taxation		
Arising from origination and reversal of timing differences	7,339	(790)
Tax expense in the income statement	54,916	80,020

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

The differences are reconciled below:

	2020 £	2019 £
Profit before tax	321,834	420,635
Corporation tax at standard rate	61,148	79,921
Effect of expense not deductible in determining taxable profit (tax loss)	186	194
Tax decrease from effect of capital allowances and depreciation	(13,757)	(885)
Other tax effects for reconciliation between accounting profit and tax expense (income)	7,339	790
Total tax charge	54,916	80,020

Deferred tax

Deferred tax assets and liabilities

2020

Accelerated capital allowances

Liability
£

23,340

2019

Accelerated capital allowances

Liability
£

16,000

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

10 TANGIBLE ASSETS

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 May 2019	6,207,039	394,714	14,135	685,773	7,301,661
Additions	55,890	17,132	3,944	98,600	175,566
Disposals	-	-	(10,140)	(62,900)	(73,040)
At 30 April 2020	<u>6,262,929</u>	<u>411,846</u>	<u>7,939</u>	<u>721,473</u>	<u>7,404,187</u>
Depreciation					
At 1 May 2019	-	353,894	4,246	553,788	911,928
Charge for the year	-	15,276	1,764	47,958	64,998
Eliminated on disposal	-	-	(1,521)	(37,740)	(39,261)
At 30 April 2020	-	<u>369,170</u>	<u>4,489</u>	<u>564,006</u>	<u>937,665</u>
Carrying amount					
At 30 April 2020	<u>6,262,929</u>	<u>42,676</u>	<u>3,450</u>	<u>157,467</u>	<u>6,466,522</u>
At 30 April 2019	<u>6,207,039</u>	<u>40,820</u>	<u>9,889</u>	<u>131,985</u>	<u>6,389,733</u>

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2020 £	2019 £
Plant and machinery	<u>106,151</u>	<u>57,134</u>

11 STOCKS

	2020 £	2019 £
Stock	<u>54,860</u>	<u>51,711</u>

12 DEBTORS

	Note	2020 £	2019 £
Trade debtors		30,413	30,615
Amounts owed by group undertakings	20	449,933	374,242
Other debtors		44,388	-
Prepayments		<u>20,097</u>	<u>63,785</u>
Total current trade and other debtors		<u>544,831</u>	<u>468,642</u>

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

13 CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash on hand	2,720	2,020
Cash at bank	-	52,368
	2,720	54,388
Bank overdrafts	(42,888)	-
Cash and cash equivalents in statement of cash flows	(40,168)	54,388

14 CREDITORS

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	15	94,719	54,135
Trade creditors		52,240	104,588
Amounts due to group undertakings		721,469	766,927
Social security and other taxes		12,107	60,840
Other creditors		1,261	1,665
Accrued expenses		218,211	366,784
Corporation tax liability	9	41,074	28,500
		1,141,081	1,383,439
Due after one year			
Loans and borrowings	15	86,544	62,429
Other non-current financial liabilities		48,445	-
		134,989	62,429

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

15 LOANS AND BORROWINGS

	2020 £	2019 £
Current loans and borrowings		
Bank overdrafts	42,888	-
Hire purchase contracts	51,831	54,135
	<u>94,719</u>	<u>54,135</u>

	2020 £	2019 £
Non-current loans and borrowings		
Hire purchase contracts	<u>86,544</u>	<u>62,429</u>

Bank overdrafts are secured by a fixed and floating charge over the assets and undertakings of the company.
Hire purchase and finance lease liabilities are secured on the assets involved.

16 DEFERRED TAX AND OTHER PROVISIONS

	Deferred tax £	Total £
At 1 May 2019	16,000	16,000
Increase (decrease) in existing provisions	7,339	7,339
At 30 April 2020	<u>23,339</u>	<u>23,339</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 £7,364 (2019 - £4,477).

18 SHARE CAPITAL

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

SURREY NATIONAL GOLF CLUB LIMITED

Notes to the Financial Statements for the Year Ended 30 April 2020

19 CONTINGENCIES

The company has guaranteed jointly with other group companies the group's bank loan and overdraft facilities. The amount outstanding at 30 April 2020 amounted to £5,892,728. The guarantee is secured by a fixed and floating charge over the assets and undertakings of the company. No liability is expected to arise from this guarantee.

20 RELATED PARTY TRANSACTIONS

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

21 PARENT AND ULTIMATE PARENT UNDERTAKING

The parent of the smallest and largest group preparing group accounts including the results of the company is Altonwood Holdings Limited.

The address of Altonwood Holdings Limited is Streete Court, Rooks Nest Park, Godstone, Surrey, RH9 8BY.

The company's immediate and ultimate parent is Altonwood Holdings Limited.

Ultimate control vests with the Trustees of the Ron Noades Childrens Trust and Ron Noades Trust for his Wife Novello.