

THE BROOMIEKNOWE GOLF CLUB LIMITED

(By Guarantee)
Company Number 029688 (Scotland)

Registered Office:
36 Golf Course Road, Bonnyrigg, Midlothian

Annual Report and Financial Statements FOR THE YEAR ENDED 31 DECEMBER 2008

Captain J T Donaldson
Vice Captain W T Renton
Hon Secretary R H Beattie
Hon Treasurer S R Bruce

House Committee	Greens Committee	Fixtures Committee
J Wilson (Convenor) W Faughnan J White Mrs S Tait (Co-Opted)	T D Forrest (Convenor) D Stewart S Mackinnon	M Alderton (Convenor) S Mackinnon A McIntosh (Junior Convenor) E Bradley (Match Secretary)

THE FIFTY-SEVENTH ANNUAL GENERAL MEETING of the Club will be held in the Clubhouse on **Thursday 2 April 2009 at 8.00pm.**

AGENDA

- 1 Notice of Meeting
- 2 Minute of the Fifty-Sixth Annual General Meeting held on 3 April 2008
- 3 Captain's Report (appended)
- 4 Accounts for the year ended 31 December 2008
- 5 To consider and vote on the Council's proposals to change the Club's Articles of Association
 - To amend the existing Article 4d) Honorary Members (See separate sheet for detail of the proposed amendment)
 - To amend the existing Article 4f) Golden Members (See separate sheet for detail of the proposed amendment)
- 6 To consider and vote on a Member's proposal to change Bye-Law 5c (See separate sheet for detail of the proposed amendment)
- 7 Election of Captain and Officials
- 8 Election of Council
- 9 Appointment of Auditors
- 10 AOCB

R H Beattie
Hon Secretary
Bonnyrigg

3 March 2009

SATURDAY



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SCT 30/05/2009 1003
COMPANIES HOUSE

Report of the Directors

The directors present their report and accounts for the year ended 31 December 2008.

Captain's Report – Jim Donaldson

Over the past two years a considerable number of changes have been introduced at the Club and, building on the work of my predecessor Captain, the momentum was maintained in 2008.

I am pleased to report that the Club is now back on a much firmer financial footing. To put this comment in context, over the past five years your Council has moved the Club's finances from being deeply in the red - £24,000, £56,000 and £30,000 deficits in 2004, 2005 and 2006 respectively – to a surplus of £28,352 in 2007 and one of £24,386 in 2008. Achieving this level of turnaround in our finances prompted considerable debate at Council over the past two years, but that debate was absolutely essential if we were to begin to move the Club in the right direction. My particular thanks go not only to Stuart Bruce and the members of the Finance Committee but also to other Council members for their support.

Despite a season blighted by wet weather we enjoyed, once again, a well presented course in 2008 for which many thanks to Hamish Brough and his team. A Council must never neglect investment in the maintenance of the course nor how it is presented to members, guests and visitors. Ultimately, the quality of the course is a major factor in retaining members and recruiting new ones. That said, the exceptionally wet weather, resulting from time to time in course closures and cancelled competitions, was problematic during the season and caused some disruption to fixtures.

Topics such as course closure, the timing of course maintenance, treatment of black layer, and agreement of priorities for the capital investment programme, to name but a few, all sparked lively debate at Greens meetings. Tom Forrest, Stuart McKinnon and other members of the Greens Committee are all acutely aware of the importance of ensuring the Club continues to make the necessary investment in our course, our greatest asset, in order to achieve the highest standard.

During the year medals were very well subscribed and filled up quickly. The Club Championship week was a great success and special congratulations must go to Kevin Hastings on winning the Championship for the eighth time and to Wendy Nicholson, winner of the Ladies Championship for the sixth consecutive year. Congratulations also to our ladies team who won the Midlothian 5-a-side second division league and will now play in the first division.

Mick Alderton and his team did a sterling job throughout the season not only organising competitions but also reporting scores. Mick and his team are due our considerable thanks for the quiet and effective way they always discharge their responsibilities. The same can also be said for Katherine Anderson and her team. Mark Patchett, our professional has also willingly offered his support throughout the year and plays a key role as our first point of contact with members of and visitors to the Club.

A great deal of time and effort has gone into improving our Clubhouse facilities. New tables and chairs were purchased for the dining room, and redecoration of the dining room, upper and lower lounges was also undertaken. These improvements, long overdue and accomplished against a background of a thorough tendering process, have been particularly well received. I have asked that full details of the costs we incurred are given as part of the Treasurer's Report at the AGM. I am grateful to Jim Wilson and his team and to Sue Tait for the support provided during the improvement of our Clubhouse. Thanks also to Kevin Armitage, Vicki Horne and Steven Dryburgh and their teams of part-time staff for excellent service throughout the year, and to Danny Munro who ensures Broomieknowe Golf Club surrounds are attractive and welcoming.

Club preparations for the implementation of the new Licensing Act proved very time consuming. We had to prepare a detailed Operational Plan for the Club, arrange for staff to attend courses to become Personal Licence Holders and submit Clubhouse drawings and plans to Midlothian Council.

Report of the Directors (Continued)

Past-Captain Harry Anderson kindly volunteered to assist me with the plans and I thank him on behalf of the members for once again giving his time and expertise so willingly.

Much of the credit for the development of the Junior section rests with Alan McIntosh. The aim for 2009 is to increase once again the numbers participating in competitions. Geoff and Ellice Cackett and their team have enthusiastically taken forward the development of Club Golf with eight year-olds drawn from many of our local primary schools and we thank them for the many hours committed. Juniors are the lifeblood of any golf club and it is in our interests to ensure they receive every encouragement to play and eventually became full members of the club

Ed Bradley, the Club's match secretary has performed a wonderful job with the team and my thanks go to him and to all our team members – ladies and gents – for representing Broomieknowe so well throughout the year.

At the end of the first year of my Captaincy, I am more than ever aware of the importance of being surrounded by Council colleagues and staff who unfailingly put Club interests before self. Walter Renton, my Vice-Captain has provided great support over the past year, as has Rob Beattie our new Club Secretary. Indeed, Rob kindly donated his £2000 honorarium to Club funds. Robert Thompson, as everyone who deals with him is well aware, is an extremely friendly, able and effective administrator who undertakes our many and diverse administrative tasks with ease. All three colleagues have my heartiest of thanks for the invaluable roles they perform.

Looking ahead to 2009, there is still a considerable agenda that requires to be taken forward. Priorities include improving drainage in the bottom field, and undertaking exploratory investigations to assess the cost-effectiveness of using our own water supplies for the course. Although we experienced very wet summers over the past two years our water rates for the course have been almost £6,000 annually.

Opening hours at the bar are also worthy of closer examination. Using our computer based Club 2000 accounting system we have the facility to review the profitability of existing bar hours. We know that, currently, the bar is trading with extended hours which are not always profitable. In the past, members argued that availability of service was the most important consideration. But if there is little demand for some of the opening hours on offer it is imperative that they are reviewed. This work will be taken forward in 2009 and informal meetings will be held with members to obtain their views before Council takes any decision.

We should also give some consideration to changing the Club's financial year. It will not have escaped the notice of members that under the current calendar year arrangements we collect annual subscriptions immediately after Christmas, the most expensive time of the year for most of us. A financial year end of March would be an improvement on the current situation but would require careful management during the transition year. I also hope to start work with Stuart Bruce and Robert Thompson to disaggregate our accounts to a greater extent, developing more codes on the accounting system for posting purposes, thereby providing more information to the membership under each income and expenditure head.

Although there has been much work done recently, the key to even more development and progress is for the membership to lend its support and encouragement to all those working on behalf of the Club, both on the course and in the Clubhouse.

Five Council members are standing down at the AGM. Mick Alderton, Jim Wilson, Willie Faughnan and Ed Bradley all retire by rotation. Sue Tait kindly agreed to be co-opted in 2008 though she has agreed to stand for election in 2009. My thanks to all for the way in which they have diligently served the Club during their term of office.

Report of the Directors (Continued)

It is my sad duty to record the deaths of the following members:

N J Macneil, J K Hume, N Wight, K Wilson, A McIntosh, A Jardine, B Smith and M McKenzie.

Finally, details of attendance at Council meetings are set out below:

Attendance	Actual	Possible
Alderton Mr M	5	11
Beattie Mr R	8	8
Bradley Mr E	9	11
Bruce Mr S	10	11
Donaldson Mr J	11	11
Faughnan Mr W	8	11
Fisher Mr J	3	3
Forrest Mr T	10	11
Mackinnon Mr S	7	8
McIntosh Mr A	7	8
Renton Mr W	9	11
Stewart Mr D	3	11
Tait Mrs S	7	7
Watson Mr R	3	3
White Mr J	11	11
Williams Mr D	3	3
Wilson Mr J	9	11

Report of the Directors (Continued)**Statement of Directors Responsibilities**

Company law requires the directors to prepare accounts for each financial year which 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 those accounts the directors are required to

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business;

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

In the case of each of the persons who are directors at the time when the directors report is approved:

- so far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, James Anderson & Co C.A. have indicated their willingness to continue in office and a resolution proposing their re-appointment will be put to the Annual General Meeting.

Small Company Exemptions

The directors have taken advantage of the exemptions conferred by Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board

R H Beattie
Honorary Secretary

30 March 2009

We have audited the financial statements of Broomieknowe Golf Club Limited for the year ended 31 December 2008 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the club's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the club'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 club's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, information given in the Directors' Report is consistent with the financial statements. In addition we report to you if in our opinion the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion (Continued)...

Opinion continued/...

In our opinion:

- the financial statements give a true and fair view in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its surplus for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

James Anderson & Co.

James Anderson & Co
Chartered Accountants
Pentland Estate
Straiton
Edinburgh
EH20 9QH

Registered Auditors

31 March 2009

Income and Expenditure Account
For the Year ended 31 December 2008

	Notes	2008 £	2007 £
Turnover	2	578,565	555,183
Operating expenditure		<u>513,183</u>	<u>479,461</u>
		65,382	75,722
Administrative expenses		<u>65,408</u>	<u>70,170</u>
		(26)	5,552
Other operating income		<u>11,647</u>	<u>12,115</u>
Operating Surplus	3	11,621	17,667
Bank interest received		<u>18,175</u>	<u>15,021</u>
Surplus before Taxation		29,796	32,688
Corporation tax	4	<u>5,410</u>	<u>4,336</u>
Surplus for the Year	9	<u>24,386</u>	<u>28,352</u>

Balance Sheet
As at 31 December 2008

	Notes	2008 £	2007 £
Fixed Assets			
Tangible assets	5	435,517	421,215
Current Assets			
Stock	6	5,365	5,393
Debtors	7	13,302	13,215
Cash at bank & in hand		212,101	190,224
		230,768	208,832
Creditors			
Amounts falling due within one year	8	117,062	100,850
Net Current Assets		113,706	107,982
Total Assets less Current Liabilities		549,223	529,197
Deferred Income			
Entry fee deposits		5,995	10,355
Net Assets		543,228	518,842
Capital and Reserves			
Revenue reserve	9	543,228	518,842

The accounts on pages 7 to 11 which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies were approved by the board on 30 March 2009 and signed on its behalf.

J T Donaldson

J T Donaldson Captain

**Notes to the Financial Statements
For the Year ended 31 December 2008**

1. Accounting Policies

Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities.

Tangible Fixed Assets & Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset less their estimated residual value evenly over its expected useful life as follows:

Land	Nil
Freehold buildings	50 years
Clubhouse furnishings	5 – 10 years
Course equipment	7 years
Irrigation system	15 years

Stocks

Stocks are stated at the lower of cost and net realisable value.

Pension Scheme

The Club operates a money purchase defined contribution pension scheme. Contributions are charged to the income and expenditure account as they become payable.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2. Turnover

Turnover represents the gross income of the Club exclusive of value added tax.

3. Operating surplus	2008	2007
This is stated after charging / (crediting):	£	£
Operating lease rentals	40,047	39,921
Auditor's remuneration	2,700	2,600
Depreciation	25,013	24,719
Gain on sale of equipment	(6,000)	-
Honoraria	2,000	3,200
Pension costs	5,221	4,517
	<hr/>	<hr/>

Notes to the Financial Statements
For the Year ended 31 December 2008 (Continued)

4. Taxation	2008 £	2007 £
UK Corporation tax	5,410	4,336

5. Tangible Fixed Assets

	Land & Buildings £	Clubhouse Furnishings £	Course Equipment £	Total £
Cost				
At 1 January 2008	429,932	197,165	257,335	884,432
Additions	-	8,942	34,924	43,866
Disposals	-	-	(29,907)	(29,907)
At 31 December 2008	429,932	206,107	262,352	898,391
Depreciation				
At 1 January 2008	101,257	159,957	202,003	463,217
Charge for the year	5,801	6,670	12,543	25,014
Written back on disposals	-	-	(25,357)	(25,357)
At 31 December 2008	107,058	166,627	189,189	462,874
Net Book Value				
At 31 December 2008	322,874	39,480	73,163	435,517
At 31 December 2007	328,675	37,208	55,332	421,215

	2008 £	2007 £
6. Stock		
Bar	4,865	4,868
Badges & ties	500	525
	5,365	5,393

Notes to the Financial Statements
For the Year ended 31 December 2008 (Continued)

	2008 £	2007 £
7. Debtors		
Prepayments and accrued income	6,628	6,238
Other debtors	6,674	6,977
	<u>13,302</u>	<u>13,215</u>

8. Creditors

Trade creditors	11,258	15,460
Other taxes & social security costs	5,596	5,781
Other creditors & accruals	12,042	9,504
Corporation tax	5,238	4,336
Subscriptions received in advance	82,928	65,769
	<u>117,062</u>	<u>100,850</u>

9. Movement on Reserves

	£
At 1 January 2008	518,842
Surplus for the year	24,386
	<u>543,228</u>
At 31 December 2008	

10. Pension Commitments

The Club operates a defined contribution pension scheme. The assets of the scheme are held separately in an independently administered fund.

11. Operating Lease Commitment

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

	2008 £	2007 £
Expiry date:		
Two to five years	40,047	40,047
	<u>40,047</u>	<u>40,047</u>

12. Non – Audit Services

In common with other entities our size and nature, we also use our auditors to prepare tax returns, assist with the preparation of financial statements and to provide general advisory services.

BROOMIEKNOWE GOLF CLUB LIMITED

**Detailed Income and Expenditure Account
For the Year ended 31 December 2008**

	Notes	2008 £	2007 £
Income			
Members subscriptions		364,258	340,525
Entry fees		19,794	23,192
Green fees		40,652	42,888
Bar surplus	1	2,188	7,429
Gaming machine surplus	2	5,681	4,126
Rents		7,065	7,802
Other income		4,582	4,313
Bank interest received		18,175	15,021
		<hr/>	<hr/>
		462,395	445,296
		<hr/>	<hr/>
Expenditure			
General clubhouse expenses	3	68,741	61,100
Course expenses	4	257,223	246,622
Professional's retainer		22,091	18,109
Administrative expenses	5	65,408	70,170
Centenary expenditure		349	404
Irrecoverable Vat		18,787	16,203
		<hr/>	<hr/>
		432,599	412,608
		<hr/>	<hr/>
Surplus before Taxation		<hr/>	<hr/>
		29,796	32,688

These figures do not form part of the audited financial statements

BROOMIEKNOWE GOLF CLUB LIMITED

**Notes to the Detailed Income & Expenditure Account
For the Year ended 31 December 2008**

	2008 £	2007 £
1. Bar Account		
Bar sales	145,017	141,277
Bar purchases	<u>72,816</u>	<u>72,730</u>
Gross Profit for the Year (2008 49.79% 2007 48.52%)	72,201	68,547
 Wages & national insurance	<u>70,013</u>	<u>61,118</u>
Bar Surplus	<u>2,188</u>	<u>7,429</u>
 2. Gaming Machine Account		
Gaming machine income	8,844	7,301
Gaming machine hire & licence	<u>3,163</u>	<u>3,175</u>
Gaming Machine Surplus	<u>5,681</u>	<u>4,126</u>
 3. Clubhouse Expenses		
Heat & light	17,990	11,370
Cleaning & laundry	12,510	13,469
Repairs & replacements	19,794	17,532
Rates	1,697	1,590
Depreciation – furnishings	6,670	8,102
Depreciation – buildings	5,369	5,369
Loss on social events	<u>4,711</u>	<u>3,668</u>
	<u>68,741</u>	<u>61,100</u>

These figures do not form part of the audited financial statements

BROOMIEKNOWE GOLF CLUB LIMITED**Notes to the Detailed Income & Expenditure Account
For the Year ended 31 December 2008 (Continued)**

	2008 £	2007 £
4. Course Expenses		
Rates	1,551	1,760
Water rates	5,764	5,951
Wages & national insurance	144,165	135,958
Greenkeeper's house expenses	6,475	1,477
Materials	36,001	32,250
Repairs & renewals	15,165	18,057
Hire of machinery	41,128	39,921
Depreciation – course equipment	12,543	10,817
Gain on sale of equipment	(6,000)	-
Depreciation – buildings	431	431
	<hr/> 257,223	<hr/> 246,622
5. Administrative Expenses		
Wages & national insurance	27,848	26,701
Administrative & professional fees	5,660	7,577
Audit & accounting fees	2,700	2,600
Honoraria	2,000	3,200
Captain's fund	718	1,389
Printing, stationery & advertising	2,608	7,569
Telephone & postage	3,230	3,050
Insurance	5,757	6,497
Bank charges	2,159	958
Sundries	1,794	2,541
Donations	24	988
Grant to Ladies section	608	875
Match expenses	10,302	6,225
	<hr/> 65,408	<hr/> 70,170

These figures do not form part of the audited financial statements