

Registration number: 04994127

The Holbrook Club

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2016

The Holbrook Club

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The Holbrook Club

Company Information

Directors

C Charman
T Chapman
S G Charman
P V Finn
J F Maher
N Morrison
A Phillips
R Sutton
A Ahluwalia

Registered office

Club Office
North Heath Lane
Horsham
West Sussex
RH12 5PJ

Accountants

Kreston Reeves LLP
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

The Holbrook Club

Directors' Report for the Year Ended 31 December 2016

The directors present their report and the unaudited financial statements for the year ended 31 December 2016.

Directors of the company

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

C Charman
T Chapman
S G Charman
P V Finn
J F Maher
N Morrison
A Phillips
R Sutton
A Ahluwalia

Principal activity

The principal activity of the company is that of a private members' sports club.

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 surplus or deficit 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The Holbrook Club

Directors' Report for the Year Ended 31 December 2016

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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

.....
P V Finn
Director

Directors' statement

We confirm that as directors we have met our duty in accordance with the Companies Act 2006 to:

- ensure that the company has kept adequate accounting records;
- prepare accounts which give a true and fair view of the state of affairs of the company as at 31 December 2016 and of its profit and loss for the year then ended in accordance with the Financial Reporting Standard 102 Section 1A; and
- follow applicable accounting policies, subject to any material departures disclosed and explained in the notes to the accounts.

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

.....
P V Finn
Director

The Holbrook Club

Chartered Accountants' Independent Assurance Report to the Directors on the Unaudited Financial Statements of The Holbrook Club for the year ended 31 December 2016

We have reviewed the financial statements of The Holbrook Club for the year ended 31 December 2016, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law, including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's directors, as a body, in accordance with the terms of our engagement letter. Our review has been undertaken so that we may state to the company's directors those matters we have agreed with them in our engagement letter 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 directors as a body for our work, for this report or the conclusions we have formed.

Directors' responsibility for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Accountants' responsibility

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), 'Engagements to review historical financial statements' and ICAEW Technical Release TECH 09/13AAF 'Assurance review engagements on historical financial statements'. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

Scope of the assurance review

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 31 December 2016, and of its loss for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- in accordance with the requirements of the Companies Act 2006.

.....
Kreston Reeves LLP
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

Date:.....

The Holbrook Club

Statement of Income and Retained Earnings for the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover		816,762	794,214
Cost of sales		<u>(312,142)</u>	<u>(319,853)</u>
Gross surplus		504,620	474,361
Administrative expenses		(569,073)	(570,800)
Other operating income		<u>19,020</u>	<u>17,117</u>
Operating deficit		(45,433)	(79,322)
Other interest receivable and similar income		<u>17</u>	<u>16</u>
Deficit before tax	4	(45,416)	(79,306)
Taxation		<u>(800)</u>	<u>548</u>
Deficit for the financial year		(46,216)	(78,758)
Retained earnings brought forward		<u>(91,346)</u>	<u>(12,588)</u>
Retained earnings carried forward		<u><u>(137,562)</u></u>	<u><u>(91,346)</u></u>

The above results were derived from continuing operations.

The Holbrook Club

(Registration number: 04994127) Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	5	174,630	233,787
Current assets			
Stocks		7,864	8,333
Debtors	6	41,880	47,754
Cash at bank and in hand		<u>186,856</u>	<u>161,022</u>
		236,600	217,109
Creditors: Amounts falling due within one year	7	<u>(94,901)</u>	<u>(88,351)</u>
Net current assets		<u>141,699</u>	<u>128,758</u>
Net assets		<u>316,329</u>	<u>362,545</u>
Capital and reserves			
Other reserves		453,891	453,891
Profit and loss account		<u>(137,562)</u>	<u>(91,346)</u>
Total equity		<u>316,329</u>	<u>362,545</u>

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with provisions of FRS 102 Section 1A - small entities.

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

.....

P V Finn
Director

The Holbrook Club

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

The company is a private company limited by guarantee incorporated in England and Wales.

The address of its registered office and principal place of business is:

Club Office
North Heath Lane
Horsham
West Sussex
RH12 5PJ

[Authorised for issue date](#)

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 have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £.

This is the first year in which the financial statements have been prepared under FRS 102. Details of the transition to FRS 102 are set out in notes to the accounts.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable in respect of subscriptions, guest fees and pay as you go fees, meeting room and facilities hire and miscellaneous income plus income from bar, kitchen and fruit machine activities in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Amounts invoiced and relating to future periods are included as deferred income in other creditors and released to profit or loss in the period to which they relate.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

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Notes to the Financial Statements for the Year Ended 31 December 2016

Tangible assets

Tangible assets are stated in the balance sheet 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, less their estimated residual value, over their estimated useful economic lives, as follows:

Asset class	Depreciation method and rate
Other tangibles	5% - 10% straight line
Plant and equipment	10% - 50% straight line
Motor vehicles	33% straight line

Other tangibles comprise of tennis courts, sports hall and improvements to the grounds.

Plant and equipment comprise of gymnasium equipment, subscriptions software, ground equipment, play equipment and equipment and fittings.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

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Notes to the Financial Statements for the Year Ended 31 December 2016

Financial instruments

Classification

Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Other employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

3 Staff numbers

The average number of persons employed by the company during the year, was 48.

4 Loss before tax

Arrived at after charging/(crediting):

	2016	2015
	£	£
Depreciation expense	<u>62,467</u>	<u>66,275</u>

The Holbrook Club

Notes to the Financial Statements for the Year Ended 31 December 2016

5 Tangible assets

	Other tangibles £	Plant and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2016	208,326	361,142	4,065	573,533
Additions	-	3,310	-	3,310
At 31 December 2016	<u>208,326</u>	<u>364,452</u>	<u>4,065</u>	<u>576,843</u>
Depreciation				
At 1 January 2016	56,105	280,376	3,265	339,746
Charge for the year	<u>31,631</u>	<u>30,098</u>	<u>738</u>	<u>62,467</u>
At 31 December 2016	<u>87,736</u>	<u>310,474</u>	<u>4,003</u>	<u>402,213</u>
Carrying amount				
At 31 December 2016	<u>120,590</u>	<u>53,978</u>	<u>62</u>	<u>174,630</u>
At 31 December 2015	<u>152,221</u>	<u>80,766</u>	<u>800</u>	<u>233,787</u>

6 Debtors

	2016 £	2015 £
Trade debtors	8,172	11,504
Other debtors	<u>33,708</u>	<u>36,250</u>
Total current trade and other debtors	<u>41,880</u>	<u>47,754</u>

7 Creditors

	2016 £	2015 £
Due within one year		
Trade creditors	25,265	22,823
Taxation and social security	14,767	13,810
Other creditors	<u>54,869</u>	<u>51,718</u>
	<u>94,901</u>	<u>88,351</u>

8 Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

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Notes to the Financial Statements for the Year Ended 31 December 2016

9 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £15,621 (2015 - £5,980).

10 Transition to FRS 102

This is the first year that the company has presented its financial statements under FRS 102. The company has applied Section 35 'Transition to this FRS', of FRS 102 in preparing these financial statements. The last financial statements for the year ended 31 December 2015 were prepared under the previous Financial Reporting Standards and the transition date to FRS 102 is therefore 1 January 2015.

In adopting FRS 102 there have been no changes to the company's reported reserves.

The Holbrook Club

Detailed Profit and Loss Account for the Year Ended 31 December 2016

	2016 £	2015 £
Turnover	816,762	794,214
Cost of sales	<u>(312,142)</u>	<u>(319,853)</u>
Gross surplus	<u>504,620</u>	<u>474,361</u>
Gross surplus (%)	61.78%	59.73%
Administrative expenses		
Establishment costs	(336,293)	(340,052)
General administrative expenses	(168,101)	(161,857)
Finance charges	(2,212)	(2,616)
Depreciation costs	<u>(62,467)</u>	<u>(66,275)</u>
	(569,073)	(570,800)
Other operating income	<u>19,020</u>	<u>17,117</u>
Operating deficit	(45,433)	(79,322)
Other interest receivable and similar income	<u>17</u>	<u>16</u>
Deficit before tax	<u><u>(45,416)</u></u>	<u><u>(79,306)</u></u>

The Holbrook Club

Detailed Profit and Loss Account for the Year Ended 31 December 2016

	2016 £	2015 £
Turnover		
Subscriptions	107,959	125,276
Guests and pay as you go fees	37,310	40,178
Sports equipment income	194	436
Bar income	215,652	196,547
Kitchen income	80,621	82,246
Facilities income	117,957	105,924
Fruit machines	5,390	8,650
Club Plus - Gymnasium	217,828	198,935
Miscellaneous classes income	19,796	22,810
Miscellaneous reception income	688	298
Miscellaneous entertainment income	13,367	12,914
	<u>816,762</u>	<u>794,214</u>
Cost of sales		
Opening stock	8,333	10,013
Bar	149,730	134,297
Kitchen	79,653	89,739
Fruit machines	9,899	10,930
Club Plus	55,689	63,906
Entertainment	14,194	16,626
Miscellaneous classes expenditure	1,208	457
Sports equipment purchases	1,300	749
Closing stock	(7,864)	(8,333)
Staff pensions	-	1,469
	<u>312,142</u>	<u>319,853</u>
Establishment costs		
Wages and salaries	78,851	76,252
Rent	60,993	61,000
Rates	25,347	27,277
Light, heat and power	35,574	36,642
Insurance	10,244	10,295
Pavillion	19,988	23,091
Ground	100,547	88,352
Flat rental expenses	4,749	17,143
	<u>336,293</u>	<u>340,052</u>

This page does not form part of the statutory financial statements.

The Holbrook Club

Detailed Profit and Loss Account for the Year Ended 31 December 2016

General administrative expenses

Staff life insurance	1,878	1,556
Staff training	2,125	2,390
Staff uniforms	740	424
Telephone and fax	8,600	11,390
Office photocopier costs	1,275	1,145
Reception costs	19,480	18,824
Office expenses	40,728	35,712
HR costs	3,229	3,958
Printing, postage and stationery	285	278
Sundry expenses	-	65
Motor expenses	2,567	2,716
Advertising	31,513	32,169
Staff entertaining	895	996
Accountancy fees	3,840	3,965
Legal and professional fees	5,704	2,562
Bookkeeping and accounts	45,242	43,707
	<u>168,101</u>	<u>161,857</u>

Finance charges

Bank charges	<u>2,212</u>	<u>2,616</u>
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Depreciation costs

Depreciation of tangible assets	<u>62,467</u>	<u>66,275</u>
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Other operating income

Loyalty rebate	-	3,642
Rent receivable	19,020	13,454
Other operating income	-	21
	<u>19,020</u>	<u>17,117</u>

Other interest receivable and similar income

Bank interest receivable	<u>17</u>	<u>16</u>
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