

Registered number: 04994127

The Holbrook Club

Unaudited

Directors' Report and Financial Statements

For the Year Ended 31 December 2020

The Holbrook Club

Company Information

Directors

T Chapman
I M S Etherington (appointed 1 January 2020)
D A Preston (appointed 19 October 2020)
C Christensen (appointed 23 October 2020)
D Gill (appointed 23 October 2020)
M M McMilligan (appointed 12 July 2021)
S G Bussi (appointed 12 July 2021)

Registered number

04994127

Registered office

Club Office
North Heath Lane
Horsham
West Sussex
RH12 5PJ

The Holbrook Club

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The Holbrook Club

Directors' Report For the Year Ended 31 December 2020

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

Directors

The directors who served during the year and who were appointed post year end were:

T Chapman
P V Finn (resigned 21 June 2021)
A Tucker (resigned 7 February 2020)
B King (resigned 22 September 2020)
L Brocki (resigned 22 September 2020)
C Charman (appointed 28 February 2020, resigned 2 October 2020)
S G Charman (resigned 2 October 2020)
I M S Etherington (appointed 1 January 2020)
C A Peters (resigned 21 June 2021)
D A Preston (appointed 19 October 2020)
J Booth (appointed 23 October 2020, resigned 1 July 2021)
C Christensen (appointed 23 October 2020)
D Gill (appointed 23 October 2020)
M Jeremiah (appointed 23 October 2020, resigned 11 January 2021)
M M McMilligan (appointed 12 July 2021)
S G Bussi (appointed 12 July 2021)

Going concern

The directors recognise that action needs to be taken to improve the company's financial position due to the lack of available reserves. The board of directors has considered potential options available and are confident that they can find a solution to enable the company to continue to operate as a going concern. The directors have considered the level of reserves held, the expected level of income and expenditure for the 12 months from authorising these financial statements and the plans for the company for the future. Taking all these factors into account, the directors consider it reasonable to prepare the financial statements on a going concern basis.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



I M S Etherington
Director

Date: 8th September 2021

The Holbrook Club

Chartered Accountants' Report to the Board of Directors on the preparation of the Unaudited Statutory Financial Statements of The Holbrook Club for the Year Ended 31 December 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Holbrook Club for the year ended 31 December 2020 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of The Holbrook Club, as a body, in accordance with the terms of our engagement letter dated 30 September 2020. Our work has been undertaken solely to prepare for your approval the financial statements of The Holbrook Club and state those matters that we have agreed to state to the Board of Directors of The Holbrook Club, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Holbrook Club and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that The Holbrook Club has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of The Holbrook Club. You consider that The Holbrook Club is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of The Holbrook Club. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

We draw your attention to note 2.2 in the financial statements which explain the impact of Coronavirus on the company and the directors' conclusion regarding the appropriateness of the going concern basis of accounting.



Kreston Reeves LLP

Chartered Accountants

Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

Date:

14 September 2021

The Holbrook Club

Statement of Income and Retained Earnings For the Year Ended 31 December 2020

	2020 £	2019 £
Turnover	355,029	888,073
Cost of sales	(206,493)	(400,515)
Gross profit	148,536	487,558
Administrative expenses	(459,838)	(604,597)
Other operating income	321,178	31,072
Operating profit/(loss)	9,876	(85,967)
Interest receivable and similar income	3	314
Profit/(loss) before tax	9,879	(85,653)
Profit/(loss) after tax	9,879	(85,653)
Retained earnings at the beginning of the year	(382,156)	(296,503)
	(382,156)	(296,503)
Profit/(loss) for the year	9,879	(85,653)
Retained earnings at the end of the year	(372,277)	(382,156)

The notes on pages 5 to 9 form part of these financial statements.

The Holbrook Club
Registered number: 04994127

Balance Sheet
As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	73,658	110,906
Current assets			
Stocks		6,909	9,198
Debtors: amounts falling due within one year	5	4,070	36,293
Cash at bank and in hand		88,402	68,464
		<u>99,381</u>	<u>113,955</u>
Creditors: amounts falling due within one year	6	<u>(91,425)</u>	<u>(153,126)</u>
Net current assets/(liabilities)		7,956	(39,171)
Net assets		81,614	71,735
Capital and reserves			
Other reserves		453,891	453,891
Profit and loss account		(372,277)	(382,156)
		<u>81,614</u>	<u>71,735</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



I M S Etherington
 Director

8 September 2021

The notes on pages 5 to 9 form part of these financial statements.

The Holbrook Club

Notes to the Financial Statements For the Year Ended 31 December 2020

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional currency of the company, and rounded to the nearest £1.

The following principal accounting policies have been applied:

2.2 Going concern

The Coronavirus (COVID-19) pandemic developed rapidly in 2020. The actions taken by the UK Government to reduce the spread of COVID-19, by way of national lockdown restrictions which saw the closure of gyms, leisure and hospitality venues, has had a detrimental impact on the company's results during the year and post year end.

The directors have considered the level of cash reserves held, the expected level of income and expenditure for the 12 month period from authorising these financial statements and their plans for the company for the future. Taking all of these factors into account, notwithstanding the ongoing economic uncertainty that COVID-19 presents, the directors consider that the company can continue in operational existence for the foreseeable future and it is therefore reasonable to prepare the financial statements on a going concern basis.

2.3 Revenue

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 the 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.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	10% - 50% straight line
Motor vehicles	-	33% straight line
Other fixed assets	-	5% - 10% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

2.6 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.

2.7 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.

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

2. Accounting policies (continued)

2.8 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 to 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.

2.9 Government grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.10 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 services, the excess is recognised as a prepayment.

2.11 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.

2.12 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. Employees

The average monthly number of employees, including directors, during the year was 32 (2019 - 46).

The Holbrook Club

Notes to the Financial Statements
For the Year Ended 31 December 2020

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Other fixed assets £	Total £
Cost or valuation				
At 1 January 2020	438,745	4,065	208,326	651,136
At 31 December 2020	<u>438,745</u>	<u>4,065</u>	<u>208,326</u>	<u>651,136</u>
Depreciation				
At 1 January 2020	354,265	4,065	181,900	540,230
Charge for the year on owned assets	26,820	-	10,428	37,248
At 31 December 2020	<u>381,085</u>	<u>4,065</u>	<u>192,328</u>	<u>577,478</u>
Net book value				
At 31 December 2020	<u>57,660</u>	-	<u>15,998</u>	<u>73,658</u>
At 31 December 2019	<u>84,480</u>	-	<u>26,426</u>	<u>110,906</u>

5. Debtors

	2020 £	2019 £
Trade debtors	412	8,721
Prepayments and accrued income	3,658	27,572
	<u>4,070</u>	<u>36,293</u>

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	5,913	54,034
Other taxation and social security	7,726	19,512
Other creditors	13,118	14,023
Accruals and deferred income	64,668	65,557
	<u>91,425</u>	<u>153,126</u>

The Holbrook Club

Notes to the Financial Statements For the Year Ended 31 December 2020

7. 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.

8. Other financial commitments

The total amount of financial commitments not included in the balance sheet is £141,366 (2019 - £224,491). Of this amount £110,800 (2019 - £180,000) is in respect of the club's property lease which is payable over the next two years until the first break clause on 22 December 2022.

The Holbrook Club

**Detailed profit and loss account
For the Year Ended 31 December 2020**

	Note	2020 £	2019 £
Turnover		355,029	888,073
Cost Of Sales		(206,493)	(400,515)
Gross profit		<u>148,536</u>	<u>487,558</u>
Gross profit %		41.8 %	54.9 %
Other operating income		321,178	31,072
Less: overheads			
Administration expenses		(185,192)	(233,795)
Establishment expenses		(274,646)	(370,802)
Operating profit/(loss)		<u>9,876</u>	<u>(85,967)</u>
Interest receivable		3	314
Profit/(Loss) for the year		<u>9,879</u>	<u>(85,653)</u>

The Holbrook Club

**Schedule to the Detailed Accounts
For the Year Ended 31 December 2020**

	2020 £	2019 £
Turnover		
Subscriptions	42,934	80,239
Guests and pay as you go fees	12,986	25,589
Sports equipment income	3	8
Kitchen sales	18,833	101,215
Bar income	80,942	273,941
Facilities income	31,796	92,600
Fruit machines	9	440
Club Plus - Gymnasium	105,115	216,963
Miscellaneous classes income	61,303	83,506
Miscellaneous reception income	51	130
Miscellaneous entertainment income	514	13,442
Meeting Room Income	150	-
Baby ballers income	393	-
	<u>355,029</u>	<u>888,073</u>
	2020 £	2019 £
Cost of sales		
Opening stocks - finished goods	9,198	11,120
Closing stocks - finished goods	(6,909)	(9,198)
Bar	74,930	175,384
Kitchen	38,289	94,676
Fruit machines	1,667	2,304
Club Plus	68,579	87,654
Entertainment	3,972	20,823
Miscellaneous classes expenditure	10,905	17,014
Sports equipment purchases	650	738
Baby baller expenses	5,212	-
	<u>206,493</u>	<u>400,515</u>
	2020 £	2019 £
Other operating income		
Rental income	18,910	19,072
Government grants receivable	168,373	-
Sundry income	133,895	12,000
	<u>321,178</u>	<u>31,072</u>

The Holbrook Club

**Schedule to the Detailed Accounts
For the Year Ended 31 December 2020**

	2020 £	2019 £
Administration expenses		
Staff life insurance	2,026	1,871
Reduntancy payments	34,236	-
Staff training	-	4,196
Staff welfare	(287)	863
Motor running costs	(152)	1,126
Staff entertainment	-	1,842
Hotels, travel and subsistence	14	7
Printing and stationery	-	21
Telephone and fax	4,984	5,482
General office expenses	36,320	44,358
Advertising and promotion	7,831	27,751
Legal and professional	666	3,600
Bookkeeping and accounts	35,267	48,045
Accountancy fees	5,400	4,800
Bank charges	2,088	4,333
Bad debts	1,407	(17)
Sundry expenses	(2)	(20)
Depreciation - plant and machinery	37,248	51,007
Reception costs	12,341	27,900
Office photocopier costs	1,432	1,909
Human resources	4,373	4,721
	<u>185,192</u>	<u>233,795</u>
	2020 £	2019 £
Establishment		
Rent - non-operating leases	55,800	55,400
Rates	7,809	27,052
Light and heat	23,609	40,432
Insurances	12,796	11,253
Wages and salaries	109,526	124,761
Pavilion	11,888	24,650
Ground	52,887	86,159
Flat rental expenses	331	1,095
	<u>274,646</u>	<u>370,802</u>

The Holbrook Club

**Schedule to the Detailed Accounts
For the Year Ended 31 December 2020**

	2020 £	2019 £
Interest receivable		
Bank interest receivable	3	314
	<u>3</u>	<u>314</u>
	<u>3</u>	<u>314</u>