

**Registered number: 04994127**

## **The Holbrook Club**

**Unaudited**

**Directors' Report and Financial Statements**

**For the Year Ended 31 December 2022**

## **The Holbrook Club**

### **Company Information**

#### **Directors**

M M McGilligan  
E Overington  
P G Baker (appointed 25 April 2022)  
R Hodgson (appointed 28 September 2022)  
B D Panther (appointed 28 September 2022)

#### **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 2022**

The directors present their report and the financial statements for the year ended 31 December 2022.

#### **Directors**

The directors who served during the year were:

T Chapman (resigned 1 March 2022)  
I M S Etherington (resigned 31 January 2022)  
D A Preston (resigned 6 January 2022)  
C Christensen (resigned 25 April 2022)  
D Gill (resigned 1 February 2022)  
M M McGilligan  
S G Bussi (resigned 28 September 2022)  
J Packer (resigned 28 September 2022)  
E Overington  
P G Baker (appointed 25 April 2022)  
R Hodgson (appointed 28 September 2022)  
B D Panther (appointed 28 September 2022)

#### **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.

.....  
P G Baker  
Director

Date:

## **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 2022**

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 2022 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.

#### **Kreston Reeves LLP**

Chartered Accountants

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 2022

	2022 £	2021 £
Turnover	556,689	346,372
Cost of sales	<u>(248,287)</u>	<u>(178,107)</u>
<b>Gross profit</b>	<b>308,402</b>	168,265
Administrative expenses	<b>(327,546)</b>	(304,699)
Other operating income	<b>29,126</b>	98,918
<b>Operating profit/(loss)</b>	<b>9,982</b>	<u>(37,516)</u>
<b>Profit/(loss) after tax</b>	<b>9,982</b>	<u>(37,516)</u>
Retained earnings at the beginning of the year	<b>(409,793)</b>	<u>(372,277)</u>
	<b>(409,793)</b>	<u>(372,277)</u>
Profit/(loss) for the year	<b>9,982</b>	(37,516)
Transfer to profit and loss reserve	<b>453,891</b>	-
<b>Retained earnings at the end of the year</b>	<b>54,080</b>	<u>(409,793)</u>

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 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets		<b>21,508</b>	46,234
<b>Current assets</b>			
Stocks		<b>5,406</b>	5,406
Debtors: amounts falling due within one year	5	<b>22,726</b>	21,007
Cash at bank and in hand		<b>56,537</b>	32,593
		<u>84,669</u>	<u>59,006</u>
Creditors: amounts falling due within one year	6	<b>(52,097)</b>	(61,142)
<b>Net current assets/(liabilities)</b>		<b>32,572</b>	(2,136)
<b>Net assets</b>		<u><b>54,080</b></u>	<u>44,098</u>
<b>Capital and reserves</b>			
Other reserves	8	-	453,891
Profit and loss account	8	<b>54,080</b>	(409,793)
		<u><b>54,080</b></u>	<u>44,098</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 by:

.....  
P G Baker  
Director

Date:

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 2022

#### 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 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 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 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.

##### 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.



**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**2. Accounting policies (continued)**

**2.4 Tangible fixed assets (continued)**

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 2022**

**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 12 (2021 - 20).

## The Holbrook Club

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Other fixed assets £	Total £
<b>Cost or valuation</b>				
At 1 January 2022	441,497	4,065	208,326	653,888
Additions	1,872	-	-	1,872
At 31 December 2022	<u>443,369</u>	<u>4,065</u>	<u>208,326</u>	<u>655,760</u>
<b>Depreciation</b>				
At 1 January 2022	404,556	4,065	199,033	607,654
Charge for the year on owned assets	19,898	-	6,700	26,598
At 31 December 2022	<u>424,454</u>	<u>4,065</u>	<u>205,733</u>	<u>634,252</u>
<b>Net book value</b>				
At 31 December 2022	<u>18,915</u>	-	<u>2,593</u>	<u>21,508</u>
At 31 December 2021	<u>36,941</u>	-	<u>9,293</u>	<u>46,234</u>

#### 5. Debtors

	2022 £	2021 £
Trade debtors	7,776	3,990
Prepayments and accrued income	14,950	17,017
	<u>22,726</u>	<u>21,007</u>

#### 6. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	9,344	15,870
Other taxation and social security	5,067	5,775
Other creditors	7,981	8,529
Accruals and deferred income	29,705	30,968
	<u>52,097</u>	<u>61,142</u>

## **The Holbrook Club**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

#### **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. Reserves**

The other reserves balance of £453,891 arose on the transfer of the trade and assets of the sports club to the company. The directors have reviewed the nature of the other reserves balance and consider there is no legal or constitutional reason to distinguish this account balance from the company's profit and loss account reserve. Accordingly, the balance has been transferred to the profit and loss reserve.

#### **9. Other financial commitments**

The total amount of financial commitments not included in the balance sheet is £287,250 (2021 - £70,382). Of this amount £275,634 (2021 - £53,882) is in respect of the club's property lease which is payable until the second break clause on 21 December 2027.

## The Holbrook Club

### Detailed profit and loss account For the Year Ended 31 December 2022

	2022 £	2021 £
Turnover	556,689	346,372
Cost of sales	(248,287)	(178,107)
<b>Gross profit</b>	<b>308,402</b>	<b>168,265</b>
<b>Gross profit %</b>	<b>55.4 %</b>	<b>48.6 %</b>
Other operating income	29,126	98,918
<b>Less: overheads</b>		
Administration expenses	(77,828)	(91,907)
Establishment expenses	(249,718)	(212,792)
<b>Operating profit/(loss)</b>	<b>9,982</b>	<b>(37,516)</b>
<b>Profit/(Loss) for the year</b>	<b>9,982</b>	<b>(37,516)</b>

## The Holbrook Club

### Schedule to the Detailed Accounts For the Year Ended 31 December 2022

	2022 £	2021 £
<b>Turnover</b>		
Subscriptions	51,298	41,930
Guests and pay as you go fees	20,632	10,557
Bar income	164,042	82,571
Facilities income	90,818	48,894
Club Plus - Gymnasium	133,625	96,293
Miscellaneous classes income	73,651	57,438
Miscellaneous reception income	3,719	4,840
Miscellaneous entertainment income	18,904	1,961
Baby ballers income	-	1,888
	<u>556,689</u>	<u>346,372</u>
	2022 £	2021 £
<b>Cost of sales</b>		
Opening stocks - finished goods	5,406	6,909
Closing stocks - finished goods	(5,406)	(5,406)
Bar	118,923	75,056
Kitchen	-	2,277
Drink machines	1,149	2,471
Club Plus	90,115	74,075
Entertainment	14,621	11,465
Miscellaneous classes expenditure	19,340	9,644
Sports equipment purchases	7	(923)
Baby baller expenses	4,132	2,539
	<u>248,287</u>	<u>178,107</u>
	2022 £	2021 £
<b>Other operating income</b>		
Rental income	20,126	18,145
Government grants receivable	-	49,202
Sundry income	9,000	31,571
	<u>29,126</u>	<u>98,918</u>

## The Holbrook Club

### Schedule to the Detailed Accounts For the Year Ended 31 December 2022

	2022 £	2021 £
<b>Administration expenses</b>		
Staff life insurance	1,000	743
Staff training	-	1,295
Motor running costs	-	363
Staff entertainment	112	137
Printing and stationery	-	11
Telephone and fax	8,602	7,367
General office expenses	7,178	13,471
Advertising and promotion	1,137	3,178
Bookkeeping and accounts	10,822	13,770
Accountancy fees	7,974	3,000
Bank charges	4,253	2,777
Bad debts	180	(572)
Repairs and maintenance	-	96
Depreciation- plant and machinery	26,596	30,176
Reception costs	3,851	10,122
Office photocopier costs	1,291	1,199
Human resources	4,832	4,774
	<u>77,828</u>	<u>91,907</u>
	2022 £	2021 £
<b>Establishment</b>		
Rent - non-operating leases	55,800	41,850
Rates	18,113	5,361
Light and heat	39,210	19,332
Insurances	13,313	11,821
Wages and salaries	70,102	97,458
Pavilion	10,115	10,189
Ground	43,065	26,701
Flat rental expenses	-	80
	<u>249,718</u>	<u>212,792</u>