

Registered number: 04994127

The Holbrook Club

Unaudited

Directors' Report and Financial Statements

For the Year Ended 31 December 2021

The Holbrook Club

Company Information

Directors M M McGilligan (appointed 12 July 2021)
S G Bussi (appointed 12 July 2021)
J Packer (appointed 20 December 2021)
E Overington (appointed 20 December 2021)
P Baker (appointed 25 April 2022)

Registered number 04994127

Registered office Club Office
North Heath Lane
Horsham
West Sussex
RH12 5PJ

The Holbrook Club

Contents

	Page
Directors' Report	1
Accountants' Report	2
Statement of Income and Retained Earnings	3
Balance Sheet	4
Notes to the Financial Statements	5 - 9
The following pages do not form part of the statutory financial statements:	
Detailed Profit and Loss Account and Summaries	10 - 13

The Holbrook Club

Directors' Report For the Year Ended 31 December 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors

The directors who served during the year were:

T Chapman (resigned 1 March 2022)
P V Finn (resigned 21 June 2021)
I M S Etherington (resigned 31 January 2022)
C A Peters (resigned 21 June 2021)
D A Preston (resigned 6 January 2022)
J Booth (resigned 1 July 2021)
C Christensen (resigned 25 April 2022)
D Gill (resigned 1 February 2022)
M Jeremiah (resigned 11 January 2021)
M M McGilligan (appointed 12 July 2021)
S G Bussi (appointed 12 July 2021)
J Packer (appointed 20 December 2021)
E Overington (appointed 20 December 2021)
P Baker (appointed 25 April 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 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 2021

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 2021 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 loss 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 2021**

	2021 £	2020 £
Turnover	346,372	355,029
Cost of sales	(178,107)	(206,493)
Gross profit	<u>168,265</u>	<u>148,536</u>
Administrative expenses	(304,699)	(459,838)
Other operating income	98,918	321,178
Operating (loss)/profit	<u>(37,516)</u>	<u>9,876</u>
Interest receivable and similar income	-	3
(Loss)/profit before tax	<u>(37,516)</u>	<u>9,879</u>
(Loss)/profit after tax	<u>(37,516)</u>	<u>9,879</u>
Retained earnings at the beginning of the year	<u>(372,277)</u>	<u>(382,156)</u>
	(372,277)	(382,156)
(Loss)/profit for the year	(37,516)	9,879
Retained earnings at the end of the year	<u>(409,793)</u>	<u>(372,277)</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 2021


	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	46,234	73,658
Current assets			
Stocks		5,406	6,909
Debtors: amounts falling due within one year	5	21,007	4,070
Cash at bank and in hand		32,593	88,402
		<u>59,006</u>	<u>99,381</u>
Creditors: amounts falling due within one year	6	(61,142)	(91,425)
Net current (liabilities)/assets		(2,136)	7,956
Net assets		44,098	81,614
Capital and reserves			
Other reserves		453,891	453,891
Profit and loss account		(409,793)	(372,277)
		<u>44,098</u>	<u>81,614</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 Baker
 Director

Date: 27 JUNE 2022

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 2021

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 and 2021. 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. In April and May 2021 gyms, leisure and hospitality venues were able to re-open as national lockdown restrictions were lifted allowing the company to operate again.

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, 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 2021**

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.

The Holbrook Club

Notes to the Financial Statements For the Year Ended 31 December 2021

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 20 (2020 - 32).

The Holbrook Club

Notes to the Financial Statements
For the Year Ended 31 December 2021

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Other fixed assets £	Total £
Cost or valuation				
At 1 January 2021	438,745	4,065	208,326	651,136
Additions	2,752	-	-	2,752
At 31 December 2021	<u>441,497</u>	<u>4,065</u>	<u>208,326</u>	<u>653,888</u>
Depreciation				
At 1 January 2021	381,085	4,065	192,328	577,478
Charge for the year on owned assets	23,471	-	6,705	30,176
At 31 December 2021	<u>404,556</u>	<u>4,065</u>	<u>199,033</u>	<u>607,654</u>
Net book value				
At 31 December 2021	<u>36,941</u>	<u>-</u>	<u>9,293</u>	<u>46,234</u>
At 31 December 2020	<u>57,660</u>	<u>-</u>	<u>15,998</u>	<u>73,658</u>

5. Debtors

	2021 £	2020 £
Trade debtors	3,990	412
Prepayments and accrued income	17,017	3,658
	<u>21,007</u>	<u>4,070</u>

6. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	15,870	5,913
Other taxation and social security	5,775	7,726
Other creditors	8,529	13,118
Accruals and deferred income	30,968	64,668
	<u>61,142</u>	<u>91,425</u>

The Holbrook Club

Notes to the Financial Statements For the Year Ended 31 December 2021

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 £70,382 (2020 - £141,366). Of this amount £53,882 (2020 - £110,800) is in respect of the club's property lease which is payable until the first break clause on 22 December 2022.

The Holbrook Club

Detailed profit and loss account
For the Year Ended 31 December 2021

	2021 £	2020 £
Turnover	346,372	355,029
Cost Of Sales	(178,107)	(206,493)
Gross profit	168,265	148,536
Gross profit %	48.6 %	41.8 %
Other operating income	98,918	321,178
Less: overheads		
Administration expenses	(91,907)	(185,192)
Establishment expenses	(212,792)	(274,646)
Operating (loss)/profit	(37,516)	9,876
Interest receivable	-	3
(Loss)/Profit for the year	(37,516)	9,879

The Holbrook Club

Schedule to the Detailed Accounts For the Year Ended 31 December 2021

	2021 £	2020 £
Turnover		
Subscriptions	41,930	42,934
Guests and pay as you go fees	10,557	12,986
Sports equipment income	-	3
Kitchen income	-	18,833
Bar income	82,571	80,951
Facilities income	48,894	31,796
Club Plus - Gymnasium	96,293	105,115
Miscellaneous classes income	57,438	61,303
Miscellaneous reception income	4,840	51
Miscellaneous entertainment income	1,961	514
Meeting Room Income	-	150
Baby ballers income	1,888	393
	<u>346,372</u>	<u>355,029</u>
	2021 £	2020 £
Cost of sales		
Opening stocks - finished goods	6,909	9,198
Closing stocks - finished goods	(5,406)	(6,909)
Bar	75,056	74,930
Kitchen	2,277	38,289
Fruit machines	2,471	1,667
Club Plus	74,075	68,579
Entertainment	11,465	3,972
Miscellaneous classes expenditure	9,644	10,905
Sports equipment purchases	(923)	650
Baby baller expenses	2,539	5,212
	<u>178,107</u>	<u>206,493</u>
	2021 £	2020 £
Other operating income		
Rental income	18,145	18,910
Government grants receivable	49,202	168,373
Sundry income	31,571	133,895
	<u>98,918</u>	<u>321,178</u>

The Holbrook Club

**Schedule to the Detailed Accounts
For the Year Ended 31 December 2021**

	2021 £	2020 £
Administration expenses		
Staff life insurance	743	2,026
Redundancy payments	-	34,236
Staff training	1,295	-
Staff welfare	-	(287)
Motor running costs	363	(152)
Staff entertainment	137	-
Hotels, travel and subsistence	-	14
Printing and stationery	11	-
Telephone and fax	7,367	4,984
General office expenses	13,471	36,320
Advertising and promotion	3,178	7,831
Legal and professional	-	666
Bookkeeping and accounts	13,770	35,267
Accountancy fees	3,000	5,400
Bank charges	2,777	2,088
Bad debts	(572)	1,407
Sundry expenses	-	(2)
Repairs and maintenance	96	-
Depreciation- plant and machinery	30,176	37,248
Reception costs	10,122	12,341
Office photocopier costs	1,199	1,432
Human resources	4,774	4,373
	<u>91,907</u>	<u>185,192</u>
	2021 £	2020 £
Establishment		
Rent - non-operating leases	41,850	55,800
Rates	5,361	7,809
Light and heat	19,332	23,609
Insurances	11,821	12,796
Wages and salaries	97,458	109,526
Pavilion	10,189	11,888
Ground	26,701	52,887
Flat rental expenses	80	331
	<u>212,792</u>	<u>274,646</u>

The Holbrook Club

Schedule to the Detailed Accounts
For the Year Ended 31 December 2021

	2021 £	2020 £
Interest receivable		
Bank interest receivable	-	3
	<u>-</u>	<u>3</u>
	<u>-</u>	<u>3</u>