

Knighton Heath Golf Club Ltd

Annual Report & Financial Statements

Year ended 30th June 2017

Knighton Heath Golf Club Limited

NOTICE IS HEREBY GIVEN that the 41st Annual General Meeting of Knighton Heath Golf Club Ltd will be held on Thursday 19th October, 2017 in the Club House, Knighton Heath Golf Club, Francis Avenue, Bournemouth, BH11 8NX at 19:30.

AGENDA

1. Apologies.
2. In Memoriam
3. Approve the minutes of 40th AGM held on 20th October 2016.
4. Management & Captains Committee Resolutions
5. Members Resolutions
6. Chairman's Report
7. Finance Directors Report
8. Captain's Report.
9. Appointment of the Auditors
10. Election of the following Office Bearers:
 - a) Club Captain
 - b) Club Vice-Captain
11. Election of Directors
 - a) Club Captain
 - b) Club Vice-Captain
 - c) Other Directors
12. Any Other Business
Notice must be given in writing to the General Manager, on the approved pro-forma, at least seven days (close of business Wednesday 11 October 2017) prior to the date of the Meeting.
13. Close

ALL completed resolution forms for the nomination of Office Bearers and Directors must be received by the General Manager by close of business, Wednesday 4 October 2017.

Reunert Bauser – General Manager & Company Secretary

Board of Directors - the resigning & retiring members are:-

Mr B Channon is retiring after serving a 3 year term and is not available for re-election.

The remaining Directors are:

Messrs J Airth, K Harrington, C Knight, B Lennon, B O'Hara & D Spencer,

Voting:

Only those who are currently playing members over the age of 18 years and Life members will be entitled to vote at the AGM.

Except for rule changes, which require a two-thirds majority, all other resolutions shall be decided by a simple majority.

Members unable to attend: Any registered members who are unable to attend the meeting may submit a pro-forma or an electronic voting form (members area of the website), duly completed, to the General Manager by close of business, Wednesday 18 October 2017.

Minutes of the 40th Annual General Meeting of Knighton Heath Golf Club Ltd held on Thursday 20 October 2016 at 19:30pm in the Clubhouse, Francis Avenue, Bournemouth, BH11 8NX,

The President, Alan Hebditch welcomed all members and especially the new members who are attending for the first time.

He introduced the top table; Chairman, Martin Collins, Captain, Pat Peiro, new Ladies Captain & Finance Consultant, Debbie Lennon, General Manager, Reunert Bauser and Mark Magrath from Harrisons, the club auditors.

The President confirmed that as 74 members entitled to vote were in attendance, with 52 votes received from members unable to attend, this constituted a quorum in terms of Rule 19.5 of the Articles of Association and declared the meeting open.

1 social member was also in attendance.

1. Apologies

Apologies were received from: David & Debbie Barrett, Gary Cutler, George Davies, Len & Jan Elliott, Maurice Randall, Paul Townsend, Trevor Townsend, & Mike Wakeham as well as the 52 members who voted, but were unable to attend.

2. In Memoriam

All those present stood in silence in memory of all long-standing and well-respected members who had passed away since the last meeting.

The President mentioned Les Tanswell, David Gill, Derek Collins, Eddie Cockrill, Jack Johnson, Mike Kirby & Mick Brown and any others missed.

3. Minutes of last meeting

The minutes of the 39th AGM held on 22 October 2015 had been circulated.

Mr B Kennedy proposed that the minutes of 16 October 2014 be taken as read.

Seconded: D Gritt

On a show of hands the minutes of 22 October 2015 were unanimously confirmed as a true record and the President was authorised to sign them.

There were no matters arising.

4. Management & Captains Committee Resolution

Before the President handed over to the club Chairman, Mr J Bowden raised the following questions as to resolution 4 (a) rationale;

- Over-burdening of officers & under-utilisation of others
- Blurred lines of authority
- Lack of clarity for members

The Chairman, Mr M Collins, tabled the following statement in support of the single committee structure.

"As you can see there are 2 resolutions on this years" agenda.

The 1st resolution is to combine the two existing committees', the Captains and Management Committees, to form one administration and management body, the Board of Directors.

If you turn to page 12 and 13 you can read the rationale for the proposed single committee.

On Page 14 and 15 you will see the proposed amendments to the Articles of Association to affect the change to a single committee structure.

From a personal point of view, having been on the Management and Captains Committees, I have seen an awful lot of repetition and decisions being passed back and forth between the two.

As the club is in direct competition with other surrounding clubs, to retain and increase our membership, the club has to be run as effectively and efficiently as possible within a modern business structure.

Tradition has its place and always will in a golf club, but in the modern business world the club needs to be focused with a single unified body making sound business decisions, but never forgetting that we are still a member's golf club.

Therefore I would like, on behalf of both Committees, to propose the adoption of item 4 (a) on the agenda together with the relevant amendments as detailed in the Article of Association.

Mr B Kennedy then tabled and read out the following statement:

"First two points for clarification:

- Please confirm that if any Captain or Vice-Captain is elected as a Director their term of office will be for the one year only. The Chairman confirmed that this was the case as detailed in the proposed amendments to the Articles.
- Please also confirm that an alternative (i.e. his or her Vice if elected as a Director) may only attend a meeting if the relevant Captain cannot attend. The Chairman confirmed that this was the case as detailed in the proposed amendments to the Articles.

Prior to 1997 we had a combination of Captains and Directors as the Management Committee (or Board). Up to 17 sat at each meeting. The meetings were very long and frequently indecisive. The AGM that year agreed to form two committees – one to use the facilities and the other to provide them. This is the current structure. It works well provided they each keep to their own areas of responsibility. The referee to ensure this is the President supported by the General Manager.

The smaller Management Committee meant that those most suitable for election as Directors could be nominated. Golf Captains are not necessarily the best qualified to manage, although there are exceptions of course.

One of the most important issues for good management is continuity. The proposed structure could provide at least three Directors who, whatever their capability, would serve for just one year. It takes time for a Director to bed in and no sooner has he or she done so they must retire. Continuity would certainly be affected.

One additional point is that fostering Juniors in the club is important in growing future membership. The proposed Board does not provide a suitable voice for either the Juniors or the Club Professional.

Although I support the idea of a small, tight and capable Board to manage the club's affairs I seriously question the value of the current proposal to provide such a body.

I strongly suggest that the proposal is shelved and that both committees examine a much more suitable alternative structure such as one along the lines recently adopted by Bridport Golf Club."

M Collins responded and said that both Committees had given the proposed structure a great deal of thought and agreed that the proposal on the table was the one that best suited KHGC. The Juniors would be represented by one of the Directors as part of the portfolio.

After a lengthy debate on the pros and cons of the structure the majority of the members agreed that item 4 (a) should be voted on immediately. Members were instructed to tear off the top half of the voting paper in order to vote on the 2 items.

The Chairman, Mr M Collins tabled and read out a statement in support of Mr E Hiscock receiving Life Membership.

“Both the Management and Captain's committee would like to propose Mr Eric Hiscock for life membership.

Eric has been a member for at least 30 years. In fact I think according to the club records it's probably 38 years, I've ask him and he can't remember it was that long ago.

Eric has supported the club in so many ways over the years I could make a list as long as my arm covering the things he has done, so I will highlight just a few.

He has served on the committee at least 3 times dedicating his time to help run the club through the good and bad times.

He has played in countless numbers of new members, in fact I dare say many of you here tonight were played in by him.

He has organised many charity events at the club. Helped out in and supplied the halfway house over the years. He has marshalled and refereed many competitions. Organised turkey trots when we still got turkey's if you won.

He has put his name to one of our trophy events played for every year.

Most of you won't know that he was one of the people who designed the club logo we all wear on our t shirts and jumpers.

He has been an active member of the Dorset captains and still attends some of the functions organised during the year. I can say he is excellent company at the annual Dorset golf dinner.

If you have ever spoken to him you will know he is Knighton Heath through and through. He adores the club and even when many of his piers left for supposedly better clubs he stayed and supported the development of what we have today.

I dare say that Eric was probably due the honour of life membership many years ago.

Finally Eric has also been club captain and president during which he and others like him have helped grow this club into what it is today, a healthy club firmly grounded in its core values of being a welcoming and friendly club with an excellent but challenging course, a club to be proud of.

It is therefore with great pleasure that I support the proposal from both committees to bestow the honour of Life Membership on Mr Eric Hiscock. “

The President then asked the members to vote on items 4 (a) and (b).

4 (a) that the Club's Committee structure is changed to achieve a single, slimmer and more efficient and focused management group named the Board of Directors.

The members voted by ballot and the result was;
For – 70, Against – 38, Abstentions – 8 (64.8%)

The resolution did not acquire the necessary $\frac{2}{3}$ (72) majority and was therefore not passed.

4 (b) Mr E Hiscock – Life Membership

The members voted by ballot and the result was;
For – 98, Against – 9, Abstentions – 9

The resolution did acquire the necessary 50% majority and was therefore passed.
Mr Hiscock would become a Life Member of the club.

5. Members Resolutions

None

6. Chairman's Report

A detailed report had been circulated.

Mr Collins highlighted the following;

"The club has had another positive year. The course is in great shape, membership is continuing to grow and the finances are looking favourable.

Plans for the refurbishment are well on the way and will start this winter. It has been a long wait for the locker rooms to be done, and I feel it will make a big difference to the look and feel of the club house.

In my report there is a long list of thank you's, but just to recap:

Many thanks to all the staff of this club both in house and on the course, they have done fantastic work and it's been noticed by many of the visitors. Thanks also go to Andy our Pro, to Reunert for his work again this year keeping the club running smoothly and for his valuable advice.

As you are all aware, this is my last year on the Board. I think I am standing down at a time when the club is in good health, and its future looks even better.

This is due to a lot of hard work from a lot of people. The Directors and Captains have helped immensely and I thank all the past and present committee members for their dedication to the club.

I will be watching you all from the side lines, making sure you all keep the positive momentum in the club.

Thank you all for your support over the years, it has been an education!!"

The President thanked Mr Collins for his tireless work during the years on the Committee.

The majority of the members voted, by a show of hands, to accept the adoption of the report.

7. Financial Director's Report

A detailed report had been circulated.

Mrs Lennon highlighted the following;

"Good evening everyone. I hope you have all had a chance to read through the annual accounts for the year ending June 2016.

I am pleased that I can sit here and present the Finance Report for a year that has been a much more positive one from a financial perspective. As you are all aware we have gained a large number of new members and the winter weather was much kinder to us than in previous years.

I do not intend to read out my report from the Annual Report this evening however the main point to note is that whilst overall we reported a surplus of £11,354 for the year the reclaiming of voluntary/compulsory loans from members (*rule 5.9.3*) who had left the club of £11k was a major factor in us reporting a profit.

As many of our new members joined only part way through the year the full effect on the accounts will not be shown until the accounts for next year.

Income increased year on year by £28k. Apart from the reclaiming of voluntary /compulsory loans this was due to Increased Subscription and Green fee income, £17k.

Expenses increased year on year by £20k. The main contributing factors were;

- Course upkeep increased by £22k, salaries (additional staff member) and course improvements
- Services to members decreased by £4k – as a result of a change in the timing of our payment to the DCGU for our affiliation fees this is now made following renewals. The amount reported reflects only a part year payment and this figure will therefore be significantly larger next year.
- Club house expenses increased by £2k or 2%
- Admin increased by £11k – just to clarify to everyone this increase was due to the full year effect of a member of staff moving into Administration, the salary increase for the General Manager as a result of his increased responsibilities and the annual pay-rise awarded.
- Finance down by £5k due mainly to reduction in bank interest payable and a reduction in hire purchase/ finance leases charges
- Depreciation down by £5k due to the write off of assets in the Fixed Asset Register.

The Seniors and Ladies sections both reported surpluses in their Profit and Loss accounts and contributed a further £3k to the Club surplus for the year.

During the year we purchased some capital items for the course including a hedge trimmer, fairway brush, hand mower and a panel van (£1800) which is mainly used to transport fuel to the club. In addition 4 winter tee mats were purchased (£1400). In the clubhouse a number of small value items were purchased including a new touch screen TV (£500) in the lobby and a fridge and freezer for the kitchen.

Since I wrote my report we have an additional 34 new playing Members bringing the total Playing members to 516. Our total club membership is now 615, this includes Juniors and Social members.

The future is certainly looking brighter for Knighton Heath Golf Club.

I wish my successor, Des Spencer, all the very best in his role as FD. I would like to also take this opportunity to thank Reunert , Pat, Alan, Sandra and Trish and all their staff very much for all their help and support during my time on the Management Committee”

Mr B Kennedy asked as to the cost of the clubhouse refurbishment. Mrs Lennon said that the total cost was £85k funded by a loan from the bank at base plus 3%.

There were no further questions and Mr D Gritt proposed the adoption of the report with Mrs D Knight seconding.

The majority of the members voted, by a show of hands, to accept the adoption of the report.

8. Captain's Report

Mr Peiro highlighted items from his report which had been circulated.

He also added that it was an honour and a privilege to serve KHGC and that he had enjoyed his year.

During his year £ 1 739.59 had been raised by the members, which would go towards upgrading the playing part of the course.

The majority of the members voted, by a show of hands, to accept the adoption of the report.

9. Appointment of Auditors

The President proposed that Harrisons had been the club auditors since 1997 and he saw no reason to dispense with their services.

Mr M Collins seconded the proposal.

On a show of hands the majority of the members voted in favour of retaining the services of Harrisons.

Mr Magrath thanked the members and said that the club had recorded a healthy surplus in 2016 and that the forecast for 2017 was just as good with both clubhouse and course improvements.

10. Election of Office Bearers

a) Captain - Mr T Townsend - proposed Mr P Peiro, seconded by Mr J Airth.

The members voted by a ballot as follows:

For – 111 Against – 3 Abstentions – 5

Mr T Townsend was duly elected as Club Captain for 2016/17

Mr Townsend was unfortunately unable to attend the meeting, however the President read out a statement;

"Firstly please accept my humblest apologies for not being able to make this very short speech in person, but I am sunning myself in Portugal.

I am delighted to be Captain of the club for the coming year. I feel it is an honour to be selected and being in this position as an ambassador for the club, is, in my opinion all about promoting the course, the staff and above all you the members.

I will do as much as I can to support each section where necessary as well as being available to all members either on the phone or email, no matter how trivial the question may be.

Of course, all barracking from the 19th will be welcomed and encouraged, so long as it is finished with Mr Captain SIR !!

Whilst this may not be the right time, I wanted to add something. A good club usually has a good club professional. A great club has a great club professional. And we are a great club. So from me personally, I would like to thank Andy for everything he has done over the last year. He really is an asset to the club.

I'd like to take this opportunity to say thank you to you all in anticipation of a very successful year for the club at all levels."

c) Vice-Captain – Mr A Groom - proposed by Mr T Townsend, seconded by Mr M Randall.

The members voted by a ballot as follows:

For – 113 Against – 0 Abstentions – 3

Mr A Groom was duly elected as Vice-Captain for 2016/17.

11. Election of Finance Director

Mr D Spencer - proposed by Mrs D Lennon, seconded by Mr M Collins

Mr B Kennedy said that as a point to note that there was no restriction on the length of time a Director had to be a member.

The members voted by a ballot as follows:

For – 110 Against – 0 Abstentions – 3

Mr D Spencer was duly elected as Finance Director for 2016/17.

The President thanked Mrs Lennon for her service to the club over the last 7 years.

12. Election of Directors

The President said that according to our Articles the Committee can accommodate up to nine Directors.

Each proposer was invited in turn to introduce their proposed candidate. The candidate was also asked to stand and say a few words about what he/she feels that they would be able to contribute to the good management of the Club.

The nominations received were:

Mr D Gritt – Proposed by Mr B Lennon and seconded by Mr P Greenwood

Mr K Harrington – Proposed by Mr K Taylor and seconded by Mr S Rook

Mrs D Knight – Proposed by Mr C Knight and seconded by Mrs L Levens

Mr B Lennon – Proposed by Mr S Howlett and seconded by Mr D Gritt

Mr R O'Hara – Proposed by Mr C Flay and seconded by Mr V Goldband

The members voted by a ballot as follows:

Mr D Gritt	For – 89	Against – 9	Abstentions – 12
Mr K Harrington	For – 73	Against – 14	Abstentions – 15
Mrs D Knight	For – 32	Against – 51	Abstentions – 11
Mr B Lennon	For – 83	Against – 28	Abstentions – 4
Mr R O'Hara	For – 83	Against – 3	Abstentions – 13

Messrs Gritt, Harrington, Lennon and O'Hara were duly elected as Directors for a 3 year term of office.

The President congratulated the new Directors of Knighton Heath Golf Club Limited.

12. Any other business

No items had been received in terms of the club rules.

Closing of the meeting

The President thanked everyone for attending the AGM and those who had made their contribution to it by way of their reports. He thanked Mark Magrath for attending on behalf of Harrisons, and also the volunteers who checked attendees in and the vote counters.

He acknowledged the contribution made by the Junior Committee with Andy Windsor and once again with Barry Channon at the helm.

Finally he thanked Reunert Bauser; Alan Magee and his crew; David and Trish and their teams, Pat and Sandra in the office, Andy Windsor and his assistant Jack Baker and Alan Pocock.

The President thanked the members for attending and closed the meeting at 21:00.

President
A HEBDITCH

Dated

CHAIRMAN'S REPORT

On behalf of the Management Committee I am pleased to report a great year for Knighton Heath Golf Club in all respects in the running of the Club.

For me it has been an interesting and on occasions challenging year and yet I have enjoyed the honour of being your Chairman.

We have seen many new members from various clubs in the region join, a belated welcome. I hope that you now feel part of the Club and will fully integrate with existing members.

The year did not start as well as expected with an attempt through a cyber-attack to defraud the Club of money. The cyber-attack was immediately spotted by our General Manager and with his team the attempt was prevented from damaging the Club. Following this attempt to defraud the Club the Committee reviewed what had happened and how. It was realised that some of our procedures and policies were not as robust as we had thought. To that end over the last six months much work has been undertaken to create a process to protect the Club and prevent the incident reoccurring. Passwords and computer operating programmes have also been changed to further protect our Club.

At this moment in time the Committee is confident that the Club is in a better and safer position than before, but things do change, so the team will have to remain vigilant at all times.

Knighton Heath has had record numbers of visitors this year. This in turn has placed many demands on our small team of greenkeepers led by Alan. What the team produce is a credit to them, and it is all produced within budget constraints. Apart from the weather interference, the course is always presented in the best possible condition, for playing the game we love – many thanks Alan and to your team.

With that in mind the main thrust of planning is where it should be - on the golf course

The Committee has just approved Alan's proposal of work for this winter:

- Install winter mats on the last two tees – 3rd & 9th
- Create and improve the path from 6th green to 7th tee
- Level the 13th tee box and remove trees front right to improve view of the hole
- Install new drainage in front left of 4th green and shallow steepness of banking at the rear
- Attempt to install drainage under the practice green to improve all year use

As you can see they will be busy and I ask for your patience while the work is completed. Please bear in mind that this list is not exhaustive, but just part of what Alan would like to do in the up and coming years.

The Committee has also approved the renewal of the machinery contract for a further five years, this will result in half of our aging equipment being replaced and you will see the benefits of this being used out on the course. We have been given a long term loan of a greens iron, so we will have to wait and see if it helps to straighten out the putting for some of our members!

This year has also seen the start of a programme to refurbish areas within the Clubhouse, hopefully you have seen and approve of what we are trying to achieve in moving the Club forward. The work will continue as and when the Committee feels that the Club is in a position to do so, some of the things being planned – Showers (male & female), Patio area (enlarging).

I would like to thank both Reunert Bauser (General Manager) and Des Spencer (Finance Director) for their hard work in balancing the books and keeping the Committee within budgets.

I would also like to thank my fellow Directors for their support this year and for their honesty in the discussions and decisions that have been made through the year – not always easy.

Please do remember that the Committee is made up of members, who give up their time freely to run the golf club on behalf of the membership.

A golf club is often measured by the atmosphere people feel when they come in through the front door and that is created by the staff that welcomes them.

In the bar David, Tom and team, in the kitchen Trish and team – a big thank you from me. The feedback we get from visitors speaks volumes for their work.

I also thank our professional Andy and his team, since the day Andy arrived he has enhanced the standing of Knighton Heath Golf Club, where ever he goes Andy promotes the Club, for this and much more I thank you on behalf of the membership.

The Club Captain, Trevor Townsend, has overseen a busy year and has managed to balance work and his role very well, ably supported by his Vice Captain Andy Groom

Finally I thank the members for all of their continued support and input as to how the Club can and should improve – another big thank you from me.

I look forward to another year of debate around a table, with a diverse collection of people looking to the future and making Knighton Heath Golf Club one of the best.

Jim Airth

Advertising & Membership – Bill Lennon

This year has seen a steady increase in membership across the majority of categories.

We have been fortunate enough to benefit from both the closure of Canford GC both directly and as a result of the re-settling of their membership via other local clubs, notably Bulbury Woods.

We increased our Full members by 69 during the year June 2016 to June 2017 with the overall Total Playing membership increasing by 93 over the same period.

Resignations for the year totalled 61 which, was in line with expected budget numbers.

At the end of June 2017, Full Members stood at 342, whilst the total Playing membership was a healthy 499.

These compared to June 2016 closing numbers of 345 and 480 respectively.

A better than expected increase in the ladies section saw numbers rise from 55 to 68 during the last year.

Overall Total Playing members are at the highest since June 2012, but still below those recorded as at June 2011, when we had 510 Playing Members.

Expectations are that current numbers will continue to increase during 2017-2018 across the majority of categories.

Please be assured that the directors are monitoring the overall numbers regularly to ensure the correct balance is maintained to ensure the best proposition for all our members going forward.

Course – Barry Channon

I would like to thank Alan and his team for all the hard work they put into our golf course they work with limited man power but still produce a great course for the enjoyment of all our members.

The course work that has been done over this year, paths, winter mats has only added to the playability of the course during the winter months, our greens staff must be commended for carrying out these works in house and not outsourcing to outside contractors saving the club a great amount of money.

We still have a issue with a large number of trees around the course, these issues are a ongoing challenge to our Green keepers, many have been assessed as having a risk to members and the occupants of the houses along the 15th fairway, with some very important work required to keep our neighbours safe. Other trees and tree roots are also causing us some issues with the substructure of a number of greens causing us issues with the quality of the grass on the greens, this problem I'm afraid to say this is not going to go away with the trees getting older more work is going to be required.

The "stones in bunkers" is an issue that's worsening and will definitely need to be addressing sooner rather than later, it's a constant item on our agenda with no miracle quick fix solution.

With the delivery of the new green keeping machinery this will help Alan and his team to produce an even better looking course throughout the year, hopefully this time next year the membership will agree this was money well spent.

The course is going in the right direction we have had an increased number of visitors and societies at the club this year with many repeat bookings, our open competitions have all had a full start sheets with plenty of comments on how great the course looked, our membership numbers are increasing we understand the need to keep up all the hard work that has been carried out over a great number of years, we can't take anything for granted we need to keep improving and moving the course forward. With another winter projects season coming up there will be plenty of work going on to improve the course.

We are trying to keep the membership updated with newsletters, notice board postings, it's an ongoing issue to keep the membership up-to-date with the latest projects that are going on throughout the year, if I doubt please ask.

Finance – Des Spencer

Report on Period ending 30th June 2017 – Audited Accounts

You will note changes to our audited Financial Statements with terms changed and additional reports. These differences are due to the first year of Financial Reporting Standard 102 (FRS102) the requirements under this standard mean greater disclosure and changes to terms and layouts.

During the year the Club was subject to changes in both the minimum wage and workplace pension scheme, all of which increased costs. A further cost was incurred in updating all of our computer software to maintain our defences against malware, plus a review of our Human Resources documentation required us to update the Contract(s) of Employment and Company Handbook to comply with the ever changing legislation.

A further change in the year was the change in banking procedures which now mean that two people are required before any monies can move from our current account.

Statement of Comprehensive Income (Profit & Loss Account)

The financial year 1st July 2016 to the 30th June 2017 was a good year for the Club with increases in both Members subscriptions, Green Fees and a profitable outcome from the Bar & Catering operation. There was also the payment by HMRC of our VAT claim (£21,454). Overall the Profit for the Year was £71,073.

Total Turnover increased from £653,358 to £786,318.

The Bar & Catering Operations produced a surplus of £26,443 in 2017 which was better than the previous year's £24,078.

The Upkeep of the Course expenses was £201,505 which was more than the previous year's £179,065. The increase in expenses included for:-

Increases in wage costs, Repairs to Tractor, Replacement of Irrigation Control, Contracted Maintenance (Verti-Drain & Aeration), Tree Maintenance (this as our trees reach maturity will be a significant area of expenditure), Course Marshall (this position has now been made redundant)

The Services to Members expenses for 2017 were £50,741 against £41,882 for 2016. The main areas of increased expenditure are:-

EGU/DGU Fees, with more members the expense is greater, also the fees were increased and lastly there was a change by DGU in the timing of collection of the fees. Members Discount for Bar & Catering was higher as Members spent more.

The Clubhouse expenses were only slightly more than last year despite having to spend over £3,000 on emergency roof repairs, some items that were specific for the catering operations have been moved out of this cost centre and moved to the expenses section of Catering where they properly belong.

The Administration expenses rose from £76,422 in 2016 to £83,863 in 2017. Increases in expenses for Payroll, Audit, Computer and Advertising rose due to recruitment adverts and fees payable to our Agent in respect of the VAT repayment.

The Finance and interest charges for the year were £38,708 against £32,145 in 2016. The Bank interest was higher as the Club took out an additional loan in November 2016 to pay for the upgrade of the locker rooms and additional items. Our lease payments fell as we draw near to the end of our contract (however we have spent over £175K in September 2017 on new course machinery which will increase this cost next year. The irrecoverable VAT rose to £21,263 from £17,802 last year. Our recoverable percentage is now 32%.

Depreciation charges (a non-cash item that is used to write off the value of an asset over its expected life) were higher this year at £33,745 which is more than last year's £30,958, however the Asset value from which this is calculated has risen (see Balance Sheet) .

Balance Sheet

The Fixed Assets have increased to £601,675 from £557,464 in 2016. The changes are due to the write off of the depreciation and the purchase of Carpets Lockers, new Switchboxes, Boiler, Ice M/C, Computers, Notice Boards, Coffee m/c, Till, & Hand Driers in total £97,311. The disposals were writing off of the old changing room items and its accumulated depreciation.

The Club has four long term loans with Lloyds Bank totalling £148,694 as at 30th June 2017 the principal repayments last year totalled £32,250 and £7,257 for interest payments. Two of these loans will come to an end in September 2017.

Additionally the Club has had a long term arrangement for the green-keeping machines purchased nearly five years ago (monthly payments around £2,600). This also ends in September 2017 this is being replaced with a further facility to cover the purchase of new equipment costing over £175,000 (£150k for costs but plus 20K in irrecoverable VAT charge) this will cost £31,645 per annum for 5 years

Finally I wish to thank Reunert for his hard work and support and assistance during the year.

CAPTAIN'S REPORT

Well, how time flies.

My year of captaincy is nearly over, and to be honest I have enjoyed it. I have not been able to dedicate as much time as I would have liked due to a challenging year at work, but maybe I can make amends for that sometime in the future.

There have been up's and down's along the way but with 500 – 600 members there will be times when things don't go to plan or people get upset. But let's face it, that's life. Its more about how we deal with the situation and move on from it. We are only here once so make the most of it.

Hopefully I have been around enough for people to come and talk to me and discuss things, but if not then I can only apologise.

We are lucky to have a great course here, which has been maintained in to a very high standard throughout the year by our fantastic green staff, led by Alan McGee, and we as members should recognise the effort they put in on our behalf.

Our bar and kitchen staff are great ambassadors for the club and always do us proud. My thanks go to them all. And yes Tom I'll get you a drink.

Reunert and the office staff (Pat and Sandra) – Thanks for all the support and assistance you have offered me during my tenure. Very much appreciated.

One thing I have learnt whilst on the committee is that they are all very focussed on the success of the club, and have the interests of all of you at heart. And if something hasn't been done, it is usually for a good reason.

My Captains Day was really well supported by you; 180 players made it a long but very enjoyable day, so thanks to all of you who took part.

Now to the club Professional and his staff, Andy has been a consummate professional and I cannot thank him enough for all the time and effort he puts into the club.

My final thanks go to all of you who put up with me for this year. We saw our membership grow I have had the privilege of playing with a lot of you during the play-in rounds. It was always a pleasure despite how good or bad I played.

Now it's time for me to hand over the role of Captain to Andy Groom. Please give him all the support you can and help in making his year a very successful one. He has said for the Captains Drive in, anything over 75 yards will be good.

Thanks again

Trevor Townsend

Ladies Section – Debbie Lennon

I don't really know where the last year has gone. I have found that it is a very busy but rewarding job to be the Lady Captain. Over the past two years I have also learnt how hard the Ladies committee works to try and provide an enjoyable and varied golfing diary for the Ladies section.

Over the last 18 months the ladies section has grown to a healthy 77 playing members. This is extremely encouraging and has meant that the tee times in many competitions in recent weeks have been fully booked.

We have not had many external golf successes this year. However the one exception to this was that Knighton Heath got through to the final of the Parkin Cup which is a county organised competition for the Bronze players. We beat Broadstone, Came Down and Crane Valley (the 2016 champions) to get to the Final. The Final was played at Came Down against Dudsbury on September 9th with Dudsbury being the eventual winners.

We continued to play Interclub, Beales and Friendly matches throughout the summer with mixed results. Despite the size of the section it has been difficult to get ladies to play in some of the matches which has been disappointing. I am hoping that next year more ladies will be willing to have a go and take part in our match teams. Thank you to the team captains and all those who played this year.

We were extremely lucky this year in that we had good weather for the Ladies Open in May, Lady Captain's Day in June and the Ladies Invitation day in July. Many thanks, to everyone who played in these events or helped with the day to ensure that the events ran smoothly.

As many people will know I have not had a vice-captain this year so I have agreed to remain as Lady Captain for another year. I am pleased that Jackie Wilson has agreed to be my vice-captain for 2017-18 and I look forward to working with her.

I would like to take this opportunity to thank my committee, the office staff and Andy Windsor and his team for their support this year and I look forward to a busy and successful golfing year in 2017-18.

Juniors – Andy Windsor

The Junior Section has seen a slight decline over the year with 21 juniors currently attached at the club, which is just down from the previous year and something that we aim to address in the future.

We have recruited 4 new juniors in the year, with the latest addition being Noah Williams (Grandson of Senior Member Anthony Williams) who joins to boost the under 14's section. The junior section has had a good year with some notable individual achievements.

Junior Captain: Jordan White
Vice-Captain: Cameron Laird

Dorset Junior Knock-Out Shield:

This year the Junior Section were drawn against Dudsbury in the Quarter Finals and with 3 of our top Juniors unavailable the team played excellently to draw the Away Leg at Dudsbury GC. Unfortunately, back on home soil the team fought well but were beaten by Dudsbury 4-2 and so didn't make this year's Finals.

Knighton Heath Juniors have however, qualified to go through to represent Dorset at the Regional Finals again, to played this year at East Berks Golf Club, on 23rd September.

Triangular:

This year saw the withdrawal of the Shanklin & Sandown Junior Team, due to too few Junior players to make up a team. A new Junior Organiser had been appointed earlier in the year, but had resigned the post soon after. The Shanklin & Sandown leg went ahead with just Knighton Heath and Bramshaw teams playing.

Bramshaw played well and took an early lead after the 1st leg. Bramshaw hosted the 2nd leg and our Juniors played very well winning the day and closing the gap on Bramshaw with the home leg to go.

The Knighton Heath leg was hotly contested and it was a very close result with Bramshaw winning by a single point and therefore they won the now Two Club Challenge.

Recent consultations with the former Junior Organiser of Shankin & Sandown Golf Club has confirmed that next year an Isle of Wight team will be formed in an attempt to keep this competition running, so we anticipate playing with all three teams next year.

Junior Open results:

This year's Junior Open had a good turnout of 30 juniors with Alex Johnston winning the Gross with 74 and Will Chesterman winning the Nett with 68.

Achievements:

Club Champion 36 Hole (Scratch): Rhys Card

Club Championship (18 Hole Stableford): Leah Houlton

Club Champion 36 Hole (Nett): Cameron Laird

Order of Merit: Rhys Card (leading currently)

Andy Su: has reduced his handicap from 20 to 14 and has recently been selected to represent Dorset County Under 12's team matches throughout the year.

Cameron Laird: has had a fantastic year, winning both the Parkstone Junior Open and the Isle of Purbeck Junior Open. He has reduced his handicap this year from 12 to 8. Cameron was selected to represent Dorset U16's against Somerset here at Knighton Heath where he won both his Foursomes and Singles matches as Dorset won convincingly 10-2.

Jordan White: is this year's Junior Captain and defended his Beck Cup trophy admirably, reaching the Final again, but eventually losing on the 21st hole to Richard Pearce.

Leah Houlton: played really well and won the Girls prize at the Knighton Heath Junior Open. New additions to the Junior team have been Ethan Knight, who recently got his first handicap and has played very well and will be a great addition to the team.

We very much look forward to the Regional Finals of Junior Team Golf at Burhill Golf Club in Surrey on 24th September as a final away trip for all of the juniors who have played well this year.

Next year we hope to boost the section as much as we can and continue the success.

DCGU – Bill Kennedy

Other than in the County Seniors' events the club did not feature much at all. Indeed, entries from Knighton Heath in County events have been extremely sparse.

Cameron Laird played for the County U16s and entered the Boys and the Age Group championships.

Harry Shaw was our only entry in the County Amateur Championship, coming 25th in the stroke-play qualifier.

Jordan White and Dad came a creditable 2nd in the Adult/Junior Greensomes at Weymouth, and Chris and Debbie Knight featured in the County Mixed foursomes as our handicap pair.

A brighter picture emerges from our Senior's representation. Bob Dilkes played for the County Seniors, and Graham Taylor had a place in a friendly against Wiltshire.

The Seniors Championship was staged at Knighton Heath this year with five entries from the club. In the 65-69 Age Group Mike Welch took the scratch title with Bob Dilkes as runner-up, with Henryk Klepacz winning the handicap category. In the overall scratch table Bob came 3rd, Graham 5th, Mike 9th, Pat Peiro 19th and Henryk 32nd.

As my final note I'd like to see many more entries from the club in the county events, especially from our Juniors and mainstream players.

DLGU – Grace Burke

2017 County golf year comes to an end on 18th October and I finally take over as President of the DLGGA for my two years in office, I think I am looking forward to it!!

Knighton Heath ladies have always been excellent supporters of County events but this year the competitions didn't always fall when they were available so the early meetings at Broadstone, Lyme Regis and Sherborne GC achieved no individual successes. However Pam Chard and Pat Steer managed best back nine with 20 points at the County Veterans Spring meeting at Sherborne, this is always a popular event with a big field so well done Pam and Pat.

They are also playing in the Veterans Autumn meeting at Bulbury Woods at the end of September, so good luck to them.

Debbie Knight came 10th gross out of 47 at Crane Valley in the Silver Autumn meeting, well played Debbie.

Amelia Gutteridge one of our junior girls came 2nd with 39 points in the fourth round of the Peter Alliss Trophy, sadly Amelia was unable to play in the previous rounds so didn't make the finals at Ferndown in April. Hopefully she will enter the competition again and progress to the finals next year.

With Georgia Hall a past Dorset junior doing so well this year it would be great to see some more home grown talent coming through.

Our Silver Interclub and Beales Bronze teams have had an indifferent year but the Parkin Cup team (scratch bronze) played Dudsbury in the final at Came Down on the 9th September. It was a very blustery day with intermittent down pours, although I kept everything crossed, Dudsbury were the eventual winners 2/1. Well done to Pam chard, Linda Levens and Glynis Cook who played in the final and Debbie Lennon who played in two of the previous rounds, to get us there.

We can look forward to 2018 in good spirits and thank you to all who supported the County events in 2017.

Knighton Heath Golf Club Limited
Company Limited by Guarantee
Financial Statements
30 June 2017

HARRISONS

Chartered Accountants & Statutory Auditor
4 Brackley Close
Bournemouth International Airport
Christchurch
BH23 6SE

Knighton Heath Golf Club Limited
Company Limited by Guarantee
Financial Statements
Year ended 30 June 2017

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Knighton Heath Golf Club Limited

Company Limited by Guarantee

Directors' Report

Year ended 30 June 2017

The directors present their report and the financial statements of the company for the year ended 30 June 2017.

Principal activities

The principal activity of the company during the year continued to be that of a Golf Club.

Directors

The directors who served the company during the year were as follows:

Mr J Airth	
Mr B Channon	
Mr C Knight	
Mr W Lennon	
Mr T Townsend	
Mr A Groom	(Appointed 20 October 2016)
Mr K Harrington	(Appointed 20 October 2016)
Mr R O'Hara	(Appointed 20 October 2016)
Mr D Spencer	(Appointed 20 October 2016)
Mr M Collins	(Resigned 20 October 2016)
Mrs D Knight	(Resigned 20 October 2016)
Mr P Peiro	(Resigned 20 October 2016)
Mr D Gritt	(Served from 20 October 2016 to 12 April 2017)

Directors' responsibilities statement

The directors are responsible for preparing the directors' 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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 30 June 2017

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 11 September 2017 and signed on behalf of the board by:



Mr D Spencer
Director

Registered office:
Francis Avenue
Bournemouth
Dorset
BH11 8NX

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Knighton Heath Golf Club Limited

Year ended 30 June 2017

Opinion

We have audited the financial statements of Knighton Heath Golf Club Limited for the year ended 30 June 2017 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Knighton Heath Golf Club Limited *(continued)*

Year ended 30 June 2017

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Knighton Heath Golf Club Limited *(continued)*

Year ended 30 June 2017

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Knighton Heath Golf Club Limited *(continued)*

Year ended 30 June 2017

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Mr M Magrath (Senior Statutory Auditor)

For and on behalf of
Harrisons
Chartered Accountants & Statutory Auditor
4 Brackley Close
Bournemouth International Airport
Christchurch
BH23 6SE

14 September 2017

Knighton Heath Golf Club Limited
Company Limited by Guarantee
Statement of Comprehensive Income
Year ended 30 June 2017

	Note	2017 £	2016 £
Turnover	5	786,318	653,358
Cost of sales		<u>425,247</u>	<u>372,881</u>
Gross profit		361,071	280,477
Establishment expenses		115,816	113,068
Administrative expenses		180,537	158,030
Other operating income		<u>15,080</u>	<u>10,950</u>
Operating profit	6	79,798	20,329
Other interest receivable and similar income		1,325	313
Interest payable and similar expenses	9	<u>9,788</u>	<u>9,225</u>
Profit before taxation		71,335	11,417
Tax on profit	10	<u>262</u>	<u>63</u>
Profit for the financial year and total comprehensive income		<u>71,073</u>	<u>11,354</u>

All the activities of the company are from continuing operations.

Knighton Heath Golf Club Limited
Company Limited by Guarantee
Balance Sheet
30 June 2017

	Note	2017 £	£	2016 £
Fixed assets				
Tangible assets	11		601,675	537,464
Current assets				
Stocks	12	18,089		17,635
Debtors	13	69,798		66,707
Cash at bank and in hand		269,811		215,346
		<u>357,698</u>		<u>299,688</u>
Creditors: amounts falling due within one year	14	<u>408,867</u>		<u>410,416</u>
Net current liabilities			<u>51,169</u>	<u>110,728</u>
Total assets less current liabilities			<u>550,506</u>	<u>426,736</u>
Creditors: amounts falling due after more than one year	15		<u>139,266</u>	<u>86,569</u>
Net assets			<u>411,240</u>	<u>340,167</u>
Capital and reserves				
Seniors section	19		9,108	7,548
Ladies section	19		4,263	4,559
Designated course and clubhouse reserve	19		—	8,000
Profit and loss account	19		<u>397,869</u>	<u>320,060</u>
Members funds			<u>411,240</u>	<u>340,167</u>

These financial statements were approved by the board of directors and authorised for issue on 11 September 2017, and are signed on behalf of the board by:



Mr D Spencer
Director

Company registration number: 01270334

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Statement of Changes in Equity

Year ended 30 June 2017

	Seniors section £	Ladies section £	Designated course and clubhouse reserve £	Profit and loss account £	Total £
At 1 July 2015	4,894	4,150	—	319,769	328,813
Profit for the year				11,354	11,354
Other comprehensive income for the year:					
Transfer to/(from) profit and loss account	2,654	409	8,000	(11,063)	—
Total comprehensive income for the year	2,654	409	8,000	291	11,354
At 30 June 2016	7,548	4,559	8,000	320,060	340,167
Profit for the year				71,073	71,073
Other comprehensive income for the year:					
Transfer to/(from) profit and loss account	1,560	(296)	(8,000)	6,736	—
Total comprehensive income for the year	1,560	(296)	(8,000)	77,809	71,073
At 30 June 2017	<u>9,108</u>	<u>4,263</u>	<u>—</u>	<u>397,869</u>	<u>411,240</u>

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 30 June 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	71,073	11,354
<i>Adjustments for:</i>		
Depreciation of tangible assets	33,751	30,958
Other interest receivable and similar income	(1,325)	(313)
Interest payable and similar expenses	9,788	9,225
Gains on disposal of tangible assets	(6)	—
Tax on profit	262	63
Accrued expenses/(income)	2,441	(1,119)
<i>Changes in:</i>		
Stocks	(454)	(1,393)
Trade and other debtors	(3,091)	5,845
Trade and other creditors	12,809	48,733
Cash generated from operations	125,248	103,353
Interest paid	(9,788)	(9,225)
Interest received	1,325	313
Tax paid	(63)	(49)
Net cash from operating activities	<u>116,722</u>	<u>94,392</u>
Cash flows from investing activities		
Purchase of tangible assets	(97,956)	(10,899)
Net cash used in investing activities	<u>(97,956)</u>	<u>(10,899)</u>
Cash flows from financing activities		
Proceeds from borrowings	55,088	(24,775)
Payments of finance lease liabilities	(19,389)	(17,607)
Net cash from/(used in) financing activities	<u>35,699</u>	<u>(42,382)</u>
Net increase in cash and cash equivalents	54,465	41,111
Cash and cash equivalents at beginning of year	215,346	174,235
Cash and cash equivalents at end of year	<u>269,811</u>	<u>215,346</u>

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 June 2017

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Francis Avenue, Bournemouth, Dorset, BH11 8NX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 July 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 23.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

The turnover shown in the profit and loss account represents amounts receivable during the year from members and visitors for goods provided and services rendered.

Taxation

Current tax is recognised on taxable profit for the current and, where not previously recognised, past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- See note below
Plant & Equipment	- 25% straight line / 10% straight line
Furniture & Fittings	- 25% straight line / 10% straight line
Huts & Washdown	- 5% straight line
Watering System	- 10% straight line

All course plant and equipment purchased since 1 July 2012, and costing in excess of £5,000, shall be depreciated on a straight line basis over its expected useful life of 10 years.

The estimated residual value of the company's freehold properties is in excess of its net book value. It is the company's policy to maintain this property so that the estimated residual value will not be impaired over time. The costs of this maintenance are charged to the profit and loss account as incurred. The directors are of the opinion that any depreciation in respect of the company's freehold property would be immaterial and consequently no provision is made in the accounts for such depreciation.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the balance sheet as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Pension costs

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised in the Statement of Comprehensive Income when due.

4. Company limited by guarantee

The company is limited by guarantee and does not have a share capital. The liability of each member in the event of the company being wound up is set out in note 20 to the financial statements.

5. Turnover

Turnover arises from:

	2017	2016
	£	£
Bar & Catering	216,649	191,206
Subscriptions	472,896	384,456
Green fees	68,197	54,137
Other income	28,576	23,559
	<u>786,318</u>	<u>653,358</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

6. Operating profit

Operating profit or loss is stated after charging:

	2017	2016
	£	£
Depreciation of tangible assets	33,751	30,958
Gains on disposal of tangible assets	(6)	—

7. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	4,000	3,800

8. Staff numbers

The average number of persons employed by the company during the year, including the directors, amounted to:

	2017 No.	2016 No.
Administrative staff	3	3
Course maintenance staff	5	5
Club house staff	4	4
Catering staff	5	6
	<u>17</u>	<u>18</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017	2016
	£	£
Wages and salaries	266,765	251,238
Social security costs	16,174	14,998
Other pension costs	7,044	7,201
	<u>289,983</u>	<u>273,437</u>

9. Interest payable and similar expenses

	2017	2016
	£	£
Interest on banks loans and overdrafts	8,525	6,180
Interest on obligations under finance leases and hire purchase contracts	1,263	3,045
	<u>9,788</u>	<u>9,225</u>

Knighton Heath Golf Club Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 June 2017

10. Tax on profit**Major components of tax expense**

	2017 £	2016 £
Current tax:		
UK current tax expense	262	63
Tax on profit	<u>262</u>	<u>63</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.75% (2016: 20%).

	2017 £	2016 £
Profit on ordinary activities before taxation	71,335	11,417
Profit on ordinary activities by rate of tax	14,433	2,283
Effect of expenses not deductible for tax purposes	(14,433)	(2,283)
Effect of capital allowances and depreciation	262	63
Tax on profit	<u>262</u>	<u>63</u>

11. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Huts & washdown £	Automatic watering £	Total £
Cost						
At 1 Jul 2016	375,198	276,618	132,866	141,351	65,467	991,500
Additions	—	645	97,311	—	—	97,956
Disposals	—	—	(21,423)	—	—	(21,423)
At 30 Jun 2017	<u>375,198</u>	<u>277,263</u>	<u>208,754</u>	<u>141,351</u>	<u>65,467</u>	<u>1,068,033</u>
Depreciation						
At 1 Jul 2016	35,000	213,894	80,813	60,822	63,507	454,036
Charge for the year	—	12,324	13,711	7,068	648	33,751
Disposals	—	—	(21,429)	—	—	(21,429)
At 30 Jun 2017	<u>35,000</u>	<u>226,218</u>	<u>73,095</u>	<u>67,890</u>	<u>64,155</u>	<u>466,358</u>
Carrying amount						
At 30 Jun 2017	<u>340,198</u>	<u>51,045</u>	<u>135,659</u>	<u>73,461</u>	<u>1,312</u>	<u>601,675</u>
At 30 Jun 2016	<u>340,198</u>	<u>62,724</u>	<u>52,053</u>	<u>80,529</u>	<u>1,960</u>	<u>537,464</u>

Knighton Heath Golf Club Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 June 2017

11. Tangible assets *(continued)***Finance leases and hire purchase contracts**

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery
	£
At 30 June 2017	45,981
At 30 June 2016	<u>54,949</u>

12. Stocks

	2017	2016
	£	£
Stock	<u>18,089</u>	<u>17,635</u>

13. Debtors

	2017	2016
	£	£
Prepayments and accrued income	30,239	31,931
Other debtors	<u>39,559</u>	<u>34,776</u>
	<u>69,798</u>	<u>66,707</u>

14. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	22,691	23,955
Payments received on account	304,090	293,593
Trade creditors	55,209	54,892
Accruals and deferred income	10,842	8,401
Corporation tax	262	63
Social security and other taxes	7,363	8,284
Obligations under finance leases and hire purchase contracts	3,405	19,389
Other creditors	<u>5,005</u>	<u>1,839</u>
	<u>408,867</u>	<u>410,416</u>

Bank loans are secured on the freehold property and by way of a fixed charge over the assets of the Club.

Included in creditors are balances due on finance lease contracts of £3,405 (2016: £19,389) which are secured over the assets to which they relate.

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

15. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	127,066	70,714
Obligations under finance leases and hire purchase contracts	—	3,405
Compulsory loans	12,200	12,450
	<u>139,266</u>	<u>86,569</u>

Included within creditors: amounts falling due after more than one year is an amount of £47,612 (2016: £29,324) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Bank loans are secured on the freehold property and by way of a fixed charge over the assets of the Club. 3 loans are repayable over 10 years with interest rates of base plus 2%, 5.91% and 7.45%. The other loan is repayable over 8 years with interest rates of base plus 2.9%.

Included in creditors are balances due on finance lease contracts of £nil (2016: £3,405) which are secured over the assets to which they relate.

16. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2017	2016
	£	£
Not later than 1 year	3,405	19,389
Later than 1 year and not later than 5 years	—	3,405
	<u>3,405</u>	<u>22,794</u>

17. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £7,044 (2016: £7,201).

18. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2017	2016
	£	£
Financial assets that are debt instruments measured at amortised cost		
Other debtors	<u>39,559</u>	<u>34,776</u>

Knighton Heath Golf Club Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

18. Financial instruments *(continued)*

	2017 £	2016 £
Financial liabilities measured at amortised cost		
Bank loans and overdrafts	149,757	94,669
Trade creditors	55,209	54,892
Obligations under finance leases and hire purchase contracts	3,405	22,794
Other creditors	3,265	1,839
Compulsory loans	12,200	12,450
	<u>223,836</u>	<u>186,644</u>

19. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

Seniors section - This reserve records the funds attributable to the Seniors section.

Ladies section - This reserve records the funds attributable to the Ladies section.

Designated course and clubhouse reserve - This reserve records funds allocated for the future improvement of the course and clubhouse.

20. Members liabilities

Every member undertakes to contribute an amount not exceeding £6 for ordinary members, £5 for lady members, and 10p for other members in the event of the club being wound up.

At the year end the total number of fee paying members who had renewed for the following year was as follows:

	2017 <u>499</u>	2016 <u>480</u>
Total		

21. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
Not later than 1 year	4,308	4,308
Later than 1 year and not later than 5 years	3,949	8,257
	<u>8,257</u>	<u>12,565</u>

22. Related party transactions

The general manager was resident during the current and prior year in premises owned by the club. No rent is paid for this. The financial consultant and both the Mens and Ladies captains from the prior year were not required to pay their membership subscriptions of £1,018.50 in the current year.

Knighton Heath Golf Club Limited
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 30 June 2017

23. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 July 2015.

No transitional adjustments were required in equity or profit or loss for the year.

Knighton Heath Golf Club Limited
Company Limited by Guarantee
Management Information
Year ended 30 June 2017

The following pages do not form part of the financial statements.

KNIGHTON HEATH GOLF CLUB
COMPANY LIMITED BY GUARANTEE
TRADING AND PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2017

		2017		2016	
		£	£	£	£
INCOME					
Subscriptions	1	472,896		384,456	
Green fees		68,197		54,137	
Surplus on amusement machines	2	1,774		1,628	
Bar and catering profit	3	26,443		24,078	
Locker rents		6,204		5,368	
Surplus on buggy rental		2,530		912	
Pool table income		-		52	
Bank interest receivable		804		313	
Interest receivable on VAT on green fees refund		521		-	
Other operating income		<u>15,080</u>		<u>10,950</u>	
			594,449		481,894
EXPENSES					
Upkeep of course	4	201,505		179,065	
Service to members	5	50,741		41,882	
Club house expenses	6	115,816		113,068	
Administration	7	83,863		76,422	
Finance	8	38,708		32,145	
Depreciation	9	<u>33,745</u>		<u>30,958</u>	
			524,378		473,540
SURPLUS FOR THE YEAR BEFORE TAXATION			70,071		8,354
Taxation			<u>262</u>		<u>63</u>
CLUB RETAINED SURPLUS			69,809		8,291
SENIORS SECTION SURPLUS	10		1,560		2,654
LADIES SECTION (DEFICIT)/SURPLUS	11		<u>(296)</u>		<u>409</u>
OVERALL RETAINED SURPLUS			<u>71,073</u>		<u>11,354</u>

KNIGHTON HEATH GOLF CLUB
COMPANY LIMITED BY GUARANTEE
TRADING AND PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2017

	2017		2016	
	£	£	£	£
1. Subscriptions				
Subscriptions		<u>472,896</u>		<u>384,456</u>
2. Surplus on amusement machines				
Subscriptions		<u>1,774</u>		<u>1,628</u>
3. Bar and catering profit				
Bar income	127,503		110,522	
Bar purchases	<u>(51,218)</u>		<u>(45,257)</u>	
Bar gross profit		76,285		65,265
Catering income	105,878		94,836	
Catering purchases	<u>(38,914)</u>		<u>(35,698)</u>	
Catering gross profit		66,964		59,138
Total gross profit		<u>143,249</u>		<u>124,403</u>
Wages and salaries	(101,700)		(91,941)	
NIC on wages and salaries	(5,844)		(4,766)	
Staff pension contributions	(1,194)		(253)	
Equipment maintenance	(6,773)		(2,749)	
Crockery replacement	<u>(1,295)</u>		<u>(616)</u>	
		(116,806)		(100,325)
		<u>26,443</u>		<u>24,078</u>

KNIGHTON HEATH GOLF CLUB
COMPANY LIMITED BY GUARANTEE
TRADING AND PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2017

	2017		2016	
	£	£	£	£
4. Upkeep of course				
Course wages and salaries	110,142		106,517	
Employers National Insurance contributions	9,080		9,161	
Staff pension contributions	<u>2,732</u>		<u>2,921</u>	
		121,954		118,599
Captain's charity fund		-		(4,720)
Course maintenance and improvement	20,994		12,524	
Course machinery repairs and maintenance	16,249		13,291	
Water rates	8,514		7,109	
Course sundries	399		1,055	
Furniture	3,076		2,532	
Health and safety	2,764		1,684	
Materials	22,907		20,931	
Fuel and oil	<u>4,648</u>		<u>6,060</u>	
		<u>201,505</u>		<u>179,065</u>
5. Services to members				
Professional retainer	20,808		20,400	
Affiliation fees	8,812		3,005	
Juniors Designated Fund	3,001		2,584	
Competition	388		741	
Sponsorship	1,000		1,000	
Bar discount	10,351		8,781	
Catering discount	<u>6,381</u>		<u>5,371</u>	
		<u>50,741</u>		<u>41,882</u>

KNIGHTON HEATH GOLF CLUB
COMPANY LIMITED BY GUARANTEE
TRADING AND PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2017

	2017		2016	
	£	£	£	£
6. Clubhouse expenses				
Rates including sewerage and trade waste charges		42,073		42,865
Insurance		9,636		8,778
Heat and Light		17,045		19,748
House maintenance		12,751		9,129
General maintenance		2,767		5,980
Cleaning		15,894		15,732
Laundry		2,245		2,088
Security		2,979		2,613
TV and music licences		699		768
Sky TV		4,550		1,399
House sundries		1,789		1,724
House equip hire/lease		602		671
Other liceneeces		965		554
Health and safety		1,821		1,019
		<u>115,816</u>		<u>113,068</u>

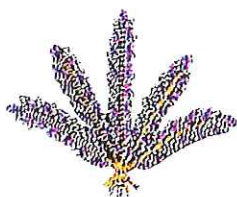
7. Administration

Administrative staff salaries	54,923		52,780	
Employers National Insurance contributions	4,250		4,071	
Employers National Insurance allowance	(3,000)		(3,000)	
Staff pension contributions	<u>3,118</u>		<u>4,027</u>	
	59,291			57,878
Telephone	3,585			3,215
Printing, postage and stationery	3,423			4,209
Computer software maintenance	6,023			4,152
Staff welfare	303			98
Sundry expenses	1,668			745
Advertising	2,383			1,475
Legal and professional fees	2,197			-
Stock-taking fees	790			780
Accountancy fees	200			70
Auditors remuneration	<u>4,000</u>			<u>3,800</u>
	<u>83,863</u>			<u>76,422</u>

KNIGHTON HEATH GOLF CLUB
COMPANY LIMITED BY GUARANTEE
TRADING AND PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2017

	2017 £	2016 £
8. Finance		
Bank interest payable	8,525	6,180
Hire purchase and finance lease charges	1,263	3,045
Bank charges	7,657	5,118
Irrecoverable VAT	21,263	17,802
	<u>38,708</u>	<u>32,145</u>
9. Depreciation		
Depreciation of plant and machinery	12,324	14,581
Depreciation of fixtures and fittings	13,711	8,661
Depreciation of huts and washdown	7,068	7,068
Depreciation of watering system	648	648
Profit on disposal of fixed assets	(6)	-
	<u>33,745</u>	<u>30,958</u>
10. Seniors section		
Income	11,996	11,131
Expenditure	(10,436)	(8,477)
	<u>1,560</u>	<u>2,654</u>
11. Ladies section		
Income	6,072	4,468
Expenditure	(6,368)	(4,059)
	<u>(296)</u>	<u>409</u>

NOTES:



Knighton Heath Golf Club Ltd

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