

Company Registration No 03983209 (England and Wales)

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

**REGISTRAR'S COPY  
OF ACCOUNTS**

FRIDAY



\*L2HS7IQX\*  
L17 27/09/2013 #302  
COMPANIES HOUSE

**Cavendish**  
Chartered Certified Accountants  
Statutory Auditor  
4th Floor, Centre Heights  
137 Finchley Road  
London NW3 6JG

Reference 6286

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**COMPANY INFORMATION**

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<b>Directors</b>	P G Blacker C M Parker
<b>Company number</b>	03983209
<b>Registered office</b>	4th Floor, Centre Heights 137 Finchley Road London NW3 6JG
<b>Auditors</b>	Cavendish Chartered Certified Accountants 4th Floor, Centre Heights 137 Finchley Road London NW3 6JG
<b>Bankers</b>	Barclays Bank Plc 1 Churchill Place London E14 5HP

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
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# **THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**

## **TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**

### **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2012***

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The directors present their report and financial statements for the year ended 31 December 2012

#### **Principal activities and review of the business**

The principal activity of the company continued to be that of a golf and country club

Due to the ongoing difficult trading conditions in the UK, an operating loss was incurred again in 2012

#### **Results and dividends**

The results for the year are set out on page 5

#### **Future developments**

The directors are satisfied that trading performance will improve in the future and that there will be a return to profitability

#### **Directors**

The following directors have held office since 1 January 2012

P G Blacker  
C M Parker

#### **Auditors**

Cavendish were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

#### **Statement of directors' responsibilities**

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 of 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 judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**DIRECTORS' REPORT (CONTINUED)**

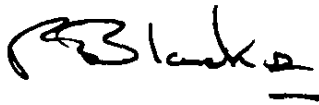
***FOR THE YEAR ENDED 31 DECEMBER 2012***

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**Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



**G Blacker**

**Director**

24 September 2013

# **THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**

## **TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE MEMBERS OF THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**

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We have audited the financial statements of The Cranleigh Golf & Leisure Club Limited for the year ended 31 December 2012 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

#### **Emphasis of matter**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1.1 of the financial statements concerning the company's ability to continue as a going concern. At 31 December 2012, the company had net current liabilities of £670,756 and net liabilities of £1,566,353 and the net current liabilities and net liabilities of the group of which the company is part, amounted to approximately £1.75 million and £6.66 million respectively. These conditions, along with other matters explained in note 1.1 to the financial statements, indicate the existence of material uncertainties which may cast doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED  
TRADING AS CRANLEIGH GOLF & COUNTRY CLUB  
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

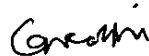
**TO THE MEMBERS OF THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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



**Sonja Henry ACA (Senior Statutory Auditor)  
for and on behalf of Cavendish**

25 September 2013

**Chartered Certified Accountants  
Statutory Auditor**

4th Floor, Centre Heights  
137 Finchley Road  
London NW3 6JG

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £	2011 £
Turnover	2	1,877,977	1,849,907
Cost of sales		(1,017,074)	(995,490)
<b>Gross profit</b>		<b>860,903</b>	<b>854,417</b>
Administrative expenses		(1,266,853)	(1,008,901)
<b>Operating loss</b>	3	<b>(405,950)</b>	<b>(154,484)</b>
Amounts written off investments		-	(2,400,330)
Interest payable and similar charges	4	(15,061)	(15,163)
<b>Loss on ordinary activities before taxation</b>		<b>(421,011)</b>	<b>(2,569,977)</b>
Tax on loss on ordinary activities	5	-	-
<b>Loss for the year</b>	13	<b>(421,011)</b>	<b>(2,569,977)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account



**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**BALANCE SHEET**

**AS AT 31 DECEMBER 2012**

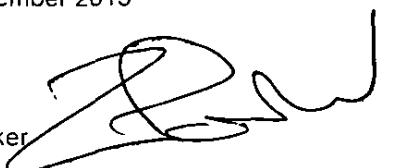
	Notes	2012 £	2011 £
<b>Fixed assets</b>			
Tangible assets	6	3,564,396	3,600,000
<b>Current assets</b>			
Stocks	7	18,320	16,492
Debtors	8	51,711	103,239
Cash at bank and in hand		14,693	6,305
		<u>84,724</u>	<u>126,036</u>
<b>Creditors amounts falling due within one year</b>	9	<u>(755,480)</u>	<u>(614,033)</u>
<b>Net current liabilities</b>		<u>(670,756)</u>	<u>(487,997)</u>
<b>Total assets less current liabilities</b>		2,893,640	3,112,003
<b>Creditors amounts falling due after more than one year</b>	10	<u>(4,459,993)</u>	<u>(4,257,345)</u>
		<u>(1,566,353)</u>	<u>(1,145,342)</u>
<b>Capital and reserves</b>			
Called up share capital	12	3,350,002	3,350,002
Profit and loss account	13	<u>(4,916,355)</u>	<u>(4,495,344)</u>
<b>Shareholders' funds</b>	14	<u>(1,566,353)</u>	<u>(1,145,342)</u>

Approved by the Board and authorised for issue on 24 September 2013

P G Blacker  
 Director



C M Parker  
 Director



Company Registration No 03983209

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

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**1 Accounting policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

As at 31 December 2012, the company had net liabilities amounting to £1,566,353 and had incurred a loss of £421,011 for the year then ended. The company meets its working capital requirements via a long-term interest free loan from the parent company. The parent company is funded by a bank loan. The bank loan was partly repaid in February 2013 from the proceeds of the sale of one of the golf clubs and at the same time the terms of the repayments were extended to 30 January 2017. As part of the security for the bank loan there is a legal charge over Cranleigh Golf & Leisure Club Limited's tangible assets, and a floating charge over all of the company's present and future assets.

The ability of the company to continue in business for the foreseeable future is dependent on the funding from the parent company remaining available. In addition it is dependent on the parent company's bank loan facilities remaining available. The directors are of the opinion that the parent company funding will continue and that the bank loan will remain available. Accordingly the directors consider it appropriate for the accounts to be prepared on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of parent company support, or a withdrawal of support from the lender.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

**1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

**1.3 Turnover**

Turnover represents the total amounts receivable by the company derived from its ordinary activities for goods and services net of VAT and trade discounts.

Membership income is accounted for on a time basis. Such income and deposits received relating to future accounting periods is treated as a creditor and recorded as turnover in the period to which it relates.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Nil
Plant, fixtures and equipment	3 to 5 years straight line

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

**1 Accounting policies**

**(continued)**

It is the company's policy to maintain its freehold buildings in a continual state of sound repair and to make improvements thereto from time to time. The directors review the valuation of the buildings annually for impairment in their value and as they consider that the residual value at the end of their useful economic life will not be less than the present carrying value, no depreciation is chargeable.

**1.5 Leasing**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**1.6 Stock**

Stock is valued at the lower of cost (first-in first-out) and net realisable value.

**1.7 Pensions**

The company contributes to money purchase pension schemes. Such contributions are held in trustee administered funds independently of the company's finances. The pension costs charged in the profit and loss account represent the contributions payable by the company during the period.

**1.8 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

**2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

**3 Operating loss**

**2012**

**2011**

**£**

**£**

Operating loss is stated after charging

Depreciation of tangible assets

54,066

68,876

Auditors' remuneration (including expenses and benefits in kind)

4,996

4,998

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

<b>4</b>	<b>Interest payable</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	-	102
	Lease finance charges	15,061	15,061
		<u>15,061</u>	<u>15,163</u>
<b>5</b>	<b>Taxation</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	<b>Total current tax</b>	<u>-</u>	<u>-</u>
	<b>Factors affecting the tax charge for the year</b>		
	Loss on ordinary activities before taxation	<u>(421,011)</u>	<u>(2,569,977)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.00% (2011 - 26.00%)	<u>(101,043)</u>	<u>(668,194)</u>
	Effects of		
	Non deductible expenses	4,569	-
	Depreciation add back	12,976	17,907
	Capital allowances	(40,681)	(52,046)
	Impairment of tangible fixed assets	-	624,086
	Tax losses arising	124,179	78,247
		<u>101,043</u>	<u>668,194</u>
	<b>Current tax charge for the year</b>	<u>-</u>	<u>-</u>

The company has estimated losses of £3,164,000 (2011 £2,889,000) available for carry forward against future trading profits

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

**6 Tangible fixed assets**

	Freehold land and buildings	Plant, fixtures and equipment	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 January 2012	3,489,258	628,394	4,117,652
Additions	1,111	17,351	18,462
	<u>3,490,369</u>	<u>645,745</u>	<u>4,136,114</u>
At 31 December 2012			
<b>Depreciation</b>			
At 1 January 2012	-	517,652	517,652
Charge for the year	-	54,066	54,066
	<u>-</u>	<u>571,718</u>	<u>571,718</u>
At 31 December 2012			
<b>Net book value</b>			
At 31 December 2012	<u>3,490,369</u>	<u>74,027</u>	<u>3,564,396</u>
At 31 December 2011	<u>3,489,258</u>	<u>110,742</u>	<u>3,600,000</u>

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant, fixtures and equipment
	£
<b>Net book values</b>	
At 31 December 2012	<u>35,286</u>
At 31 December 2011	<u>63,420</u>
<b>Depreciation charge for the year</b>	
At 31 December 2012	<u>28,134</u>
At 31 December 2011	<u>28,134</u>

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

<b>7</b>	<b>Stocks</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Goods for resale	18,320	16,492

<b>8</b>	<b>Debtors</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Amounts owed by group undertakings	-	18,242
	Other debtors	11,133	25,776
	Prepayments and accrued income	40,578	59,221
		51,711	103,239

Amounts falling due after more than one year and included in the debtors above are

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Other debtors	-	14,395

<b>9</b>	<b>Creditors amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Net obligations under finance leases	24,136	32,033
	Trade creditors	155,153	139,768
	Amounts owed to group undertakings	241,959	193,890
	Taxes and social security costs	135,251	79,110
	Other creditors	139,384	135,368
	Accruals and deferred income	59,597	33,864
		755,480	614,033

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

<b>10 Creditors amounts falling due after more than one year</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases	8,595	33,219
Other creditors	242,982	177,982
Amounts owed to group undertakings	4,208,416	4,046,144
	<u>4,459,993</u>	<u>4,257,345</u>
<b>Net obligations under finance leases</b>		
Repayable within one year	24,136	32,033
Repayable between one and five years	8,595	33,219
	<u>32,731</u>	<u>65,252</u>
Included in liabilities falling due within one year	(24,136)	(32,033)
	<u>8,595</u>	<u>33,219</u>

**11 Pension and other post-retirement benefit commitments**

**Defined contribution**

The company contributes to defined contribution pension schemes. The assets of the schemes to which contributions are made are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds.

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	<u>3,293</u>	<u>3,293</u>

**12 Share capital**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Allotted, called up and fully paid		
3,350,002 Ordinary shares of £1 each	<u>3,350,002</u>	<u>3,350,002</u>

**THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

**13 Statement of movements on profit and loss account**

	Profit and loss account £
Balance at 1 January 2012	(4,495,344)
Loss for the year	(421,011)
Balance at 31 December 2012	<u>(4,916,355)</u>

**14 Reconciliation of movements in shareholders' funds**

	2012 £	2011 £
Loss for the financial year	(421,011)	(2,569,977)
Opening shareholders' funds	<u>(1,145,342)</u>	<u>1,424,635</u>
Closing shareholders' funds	<u>(1,566,353)</u>	<u>(1,145,342)</u>

**15 Contingent liabilities**

The company has provided cross guarantees to the parent company as part of the security for certain of that company's bank loans. As at 31 December 2012, the maximum potential liability was £11,410,000 (2011 £11,225,000)

Land & buildings with a book value of £3,490,369 are secured by the lender under the terms of the cross guarantee

**16 Financial commitments**

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013

	Other 2012 £	2011 £
Operating leases which expire Within one year	<u>-</u>	<u>890</u>



• **THE CRANLEIGH GOLF & LEISURE CLUB LIMITED**  
**TRADING AS CRANLEIGH GOLF & COUNTRY CLUB**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

**17 Employees**

**Number of employees**

The average monthly number of employees (including directors) during the year was

	<b>2012</b>	<b>2011</b>
	<b>Number</b>	<b>Number</b>
Administration	5	5
Food and beverage	21	21
Greenkeeping	7	7
Health and fitness	20	20
Pro shop	1	1
	<u>54</u>	<u>54</u>

**Employment costs**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Wages and salaries	684,967	691,451
Social security costs	59,634	61,614
Other pension costs	3,293	3,293
	<u>747,894</u>	<u>756,358</u>

**18 Control**

The company's immediate and ultimate parent company and controlling party is British Ensign Golf Limited

British Ensign Golf Limited prepares group financial statements and copies can be obtained from Companies House

The company's ultimate controlling party is Mr P G Blacker, by virtue of his shareholding in British Ensign Golf Limited

**19 Related party relationships and transactions**

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group

Included in other creditors due after more than one year is an amount of £242,982 (2011 £177,982) due to British Ensign Investments Limited, a company in which Mr P G Blacker is a director and the ultimate controlling party