

# ASHTEAD VILLAGE CLUB

## REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2006

The Management Committee submits their report and the audited financial statements for the year ended 31st December 2006.

### Principal Activities

The objects of the Club are to afford to its members the means of social intercourse, mutual helpfulness, mental and moral improvement and rational recreation.

### Review of Results

The Club's results for the year showed a loss of £11,748 (2005 loss £10,802). Total income was £255,465 which is 9.5% lower than 2005 (£282,160). This is largely due to a drop in both bar and gaming machine income. Very careful control over expenditure has reduced it by 6.4%, despite the write-off of assets that have been replaced.

### Responsibilities of the Members of the Management Committee

The committee are required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Club and of the surplus or deficit for the period. In preparing the financial statements, the Committee are required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Club will continue in operation.

The Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Club and to enable them to ensure that the financial statements give a true and fair view and comply with the relevant legislation and Statutory Instruments. They are also responsible for safeguarding the assets of the Club and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above statement should be read in conjunction with the statement of auditors' responsibilities set out in the auditors' report.

### Auditors

Brown & Co Audit Limited have expressed their willingness to continue in office as auditors.

*William Adams*

Secretary

Date: *19th March 2007*

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASHTEAD VILLAGE CLUB**

We have audited the financial statements of Ashtead Village Club for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the members, as a body, in accordance with the Friendly Societies Act 1974. Our audit work has been undertaken so that we might state to the 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 Club and the Club's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Committee of Management and Auditors**

The Committee of Management is responsible for preparing the Annual Report including, as described on page 2, the financial statements. Our responsibilities as independent auditors are established by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair and are properly prepared in accordance with the Friendly Societies Act 1974 and the regulations made under it. We also report to you our opinion as to whether the Report of the Committee of Management has been prepared in accordance with the Friendly Societies Act 1974 and the regulations made under it, and as to whether the information given therein is consistent with the accounting records and financial statements.

We further report to you if, in our opinion, the Lodge has not kept proper accounting records or if we have not received all the information, explanations and access to documents that we require for our audit.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of Opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Lodge's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the Club as at 31 December 2006 and of the income and expenditure of the Club for the year then ended and have been properly prepared in accordance with the Friendly Societies Act 1974.

In our opinion the Report of the Committee of Management on page 2 has been prepared in accordance with The Friendly Societies Act 1974 and the regulations made under it and the information given therein is consistent with the accounting records and the financial statements for the year.

4 High Street  
Brasted  
Kent, TN16 IJA

**Brown & Co Audit Ltd**  
**Registered Auditors**

*Brown & Co*

Date: *21st March 2007*

# ASHTEAD VILLAGE CLUB

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2006

		2006		2005	
<i>BAR SALES</i>	1		<b>209,908</b>		<b>230,012</b>
<i>PURCHASES (adjusted for stock)</i>			<u><b>99,801</b></u>		<u><b>113,974</b></u>
<i>GROSS PROFIT ON BAR SALES</i>		<b>52.45%</b>	<b>110,107</b>	<b>50.45%</b>	<b>116,038</b>
<i>OTHER INCOME</i>					
Subscriptions			<b>7,569</b>		<b>7,323</b>
Gaming machines	2		<b>31,257</b>		<b>38,385</b>
Snooker and pool	3		<b>4,294</b>		<b>3,422</b>
Bank interest			<b>180</b>		<b>483</b>
Nett Miscellaneous income	4		<u><b>2,257</b></u>		<u><b>2,535</b></u>
			<b>45,557</b>		<b>52,148</b>
			<u><b>155,664</b></u>		<u><b>168,186</b></u>
<i>EXPENSES</i>					
Wages and employers costs	5		<b>88,468</b>		<b>87,921</b>
Honorariums	6		<b>7,000</b>		<b>7,000</b>
Rates and insurance	7		<b>7,141</b>		<b>8,713</b>
Light and heat	8		<b>2,964</b>		<b>8,360</b>
Repairs and maintenance of premises	9		<b>5,954</b>		<b>7,003</b>
Repairs to furniture and fittings	10		<b>4,792</b>		<b>3,945</b>
Entertainments	11		<b>20,896</b>		<b>22,048</b>
Games	3		<b>1,231</b>		<b>747</b>
Gaming machines	2		<b>6,718</b>		<b>7,011</b>
Printing and stationery	12		<b>283</b>		<b>758</b>
Postage and telephone (net)	13		<b>1,040</b>		<b>1,235</b>
Stocktaking charges			<b>1,540</b>		<b>1,445</b>
Legal & other professional fees	14		<b>110</b>		<b>0</b>
Sundry expenses	15		<b>4,097</b>		<b>5,429</b>
Bank charges			<b>722</b>		<b>968</b>
Loan interest			<b>643</b>		<b>856</b>
Audit fee			<b>920</b>		<b>800</b>
Depreciation - Furniture and fittings	16		<b>8,073</b>		<b>8,632</b>
Depreciation - Freehold property	17		<b>2,093</b>		<b>2,093</b>
Loss on sale of assets	18		<u><b>2,727</b></u>		<u><b>4,024</b></u>
			<b>167,412</b>		<b>178,988</b>
<i>Excess expenditure over income</i>			<u><b>(11,748)</b></u>		<u><b>(10,802)</b></u>

# ASHTEAD VILLAGE CLUB

## BALANCE SHEET AS AT 31 DECEMBER 2006

		2006		2005
<i>FIXED ASSETS</i>				
Freehold land and buildings	17	209,273		209,273
less Accumulated depreciation		<u>28,534</u>		<u>26,441</u>
		<u>180,739</u>		<u>182,832</u>
Furniture and fittings	16	173,014		171,439
less Accumulated depreciation		<u>100,358</u>	72,656	<u>93,753</u>
		<u>253,395</u>		<u>260,518</u>
<i>CURRENT ASSETS</i>				
Stock at cost	19	8,853		7,825
Debtors and prepayments	20	7,578		9,228
Bank and cash balances	21	<u>11,935</u>		<u>26,524</u>
		28,366		43,577
<i>CURRENT LIABILITIES</i>				
Creditors and accruals	22	<u>28,941</u>	(575)	<u>36,546</u>
				7,031
<i>LONG TERM LIABILITIES</i>				
Bank loan			(4,940)	(7,921)
		<u>247,880</u>		<u>259,628</u>
<i>SURPLUS ACCOUNT</i>				
As at 31 December 2005		249,018		259,820
Excess income over expenditure		<u>(11,748)</u>		<u>(10,802)</u>
Total on surplus account			237,270	249,018
Reserve for surplus on revaluation of buildings			10,610	10,610
		<u>247,880</u>		<u>259,628</u>

*Robert Gibb*

Chairman

*Andrew Cunningham*

Committee member

*Paul Scoble*

Committee member

# ASHTEAD VILLAGE CLUB

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2006

### 1. ACCOUNTING POLICIES

The principal accounting policies of the Club have remained unchanged from the previous year and are set out below

#### 1.1 Accounting Convention

The financial statements have been prepared in accordance with applicable Accounting Standards and under the Historical Cost Convention as modified by the revaluation of certain assets.

#### 1.2 Depreciation

Depreciation is charged on the following bases to reduce the cost of the Club's tangible fixed assets to their net realisable values over their estimated useful lives at the following rates:-

Freehold Property	-	1% on cost
Furniture and fittings	-	10% on net book value

#### 1.3 Stocks

Stocks are stated at the lower of cost and net realisable value.

#### 1.4 Turnover

Turnover is the total amount receivable by the Club for goods supplied and services provided.

### 2. FIXED ASSETS

<u>VALUATION/COST</u>	<u>Freehold</u> <u>Property</u>	<u>Furniture</u> <u>&amp; fittings</u>	<u>Total</u>
At 1st January 2006	209,273	171,439	380,712
Additions	0	5,771	5,771
Disposals	0	-4,196	-4,196
At 31st December 2006	<u>209,273</u>	<u>173,014</u>	<u>382,287</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2006**

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**2. FIXED ASSETS - continued**

<u>DEPRECIATION</u>	<u>Freehold Property</u>	<u>Furniture &amp; fittings</u>	<u>Total</u>
At 1st January 2006	26,441	93,753	120,194
Charge for the year	2,093	8,073	10,166
Released	<u>0</u>	<u>(1,468)</u>	<u>-1,468</u>
At 31st December 2006	<u>28,534</u>	<u>100,358</u>	<u>128,892</u>

NET BOOK VALUE

At 31st December 2005	<u>182,832</u>	<u>77,686</u>	<u>260,518</u>
At 31st December 2006	<u>180,739</u>	<u>72,656</u>	<u>253,395</u>

The amount of £39,273 shown under Freehold Property represents additions at cost from 1st January 1988.

If the freehold property had not been revalued then the property would have been included in the accounts at 31st December as follows:-

	<u>2006</u>	<u>2005</u>
Historical cost	<u>£198,663</u>	<u>£198,663</u>
Accumulated depreciation	<u>£27,263</u>	<u>£25,170</u>

The freehold property was revalued on 31st December 1987 at £170,000 by Messrs. Osenton Lamden & Co of The Crescent, Leatherhead, Surrey. It was revalued again on 29th July 1998 by Edward Symmons Hotel & Leisure, 11/14 Grafton Street, Mayfair, London for the Cooperative bank plc at £185,000.

**3. STOCK**

	<u>2006</u>	<u>2005</u>
<i>The Club's stock comprised:-</i>		
Bar stock	<u>8,853</u>	<u>7,825</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2006**

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<b>4. DEBTORS</b>	<u>2006</u>	<u>2005</u>
Prepayments	<u>7,578</u>	<u>9,228</u>

All amounts included above are considered receivable within one year of the balance sheet date.

<b>5. CREDITORS</b>	<u>2006</u>	<u>2005</u>
<i>Amounts falling due within one year</i>		
Trade creditors	17,773	24,182
Social Security and other taxes	8,300	7,456
Accruals	1,168	3,208
Bank loan	1,700	1,700
	<u>28,941</u>	<u>36,546</u>

<b>6. CREDITORS</b>	<u>2006</u>	<u>2005</u>
<i>Amount falling due after one year:</i>		
Bank loan	<u>£4,940</u>	<u>£7,921</u>

The bank loan is secured by a charge over the freehold property of Ashtead Village Club.

**7. CONTINGENT LIABILITIES**

The Club had no contingent liabilities as at the end of the year.

**8. CAPITAL COMMITMENTS**

There had no capital commitments as at the end of the year.

**9. RELATED PARTY TRANSACTIONS**

In the year under review, the following committee members carried out services for the club:-

Andrew Cunningham	£921.90 <sub>Ex VAT</sub>
Robert Gibb	£360.00
Leslie Benjamin	£1,852.50