

Company registration number SC645632 (Scotland)

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

COMPANY INFORMATION

Directors	Mr J M Pert Mr G S Henderson Mr R J Sim Mrs C Lyon Mr Alan Mercer Mr P I Wood	(Appointed 27 February 2024) (Appointed 27 February 2024)
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Company number	SC645632
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Registered office	Traill Drive Montrose Angus DD10 8SW
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Accountants	Cunningham Grant CA Unit G6 The Granary Business Centre Coal Road Cupar Fife KY15 5YQ
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ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Income and expenditure account	3
Balance sheet	4 - 5
Statement of changes in equity	6
Notes to the financial statements	7 - 11

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2024

The directors present their annual report and financial statements for the year ended 31 October 2024.

Principal activities

The principal activity of the company continued to be that of operating a members golf club.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J M Pert	
Mr M E Gove	(Resigned 27 February 2024)
Ms E J Wallwork	(Resigned 27 February 2024)
Mr G S Henderson	
Dr V Jamieson	(Resigned 27 February 2024)
Mr R J Sim	
Mrs C Lyon	
Mr Alan Mercer	(Appointed 27 February 2024)
Mr P I Wood	(Appointed 27 February 2024)

Small companies exemption

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

On behalf of the board

Mrs C Lyon

Director

5 February 2025

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Royal Montrose Mercantile Golf Club Limited for the year ended 31 October 2024 which comprise the income and expenditure account, the balance sheet, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the ICAS we are subject to its ethical and other professional requirements which are detailed at <https://icas.com/icas-framework-preparation-of-accounts>.

This report is made solely to the board of directors of Royal Montrose Mercantile Golf Club Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Royal Montrose Mercantile Golf Club Limited and state those matters that we have agreed to state to the board of directors of Royal Montrose Mercantile Golf Club Limited, as a body, in this report in accordance with the requirements of the ICAS as detailed at <https://icas.com/icas-framework-preparation-of-accounts>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Royal Montrose Mercantile Golf Club Limited and its board of directors as a body, for our work or for this report.

It is your duty to ensure that Royal Montrose Mercantile Golf Club Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of Royal Montrose Mercantile Golf Club Limited. You consider that Royal Montrose Mercantile Golf Club Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Royal Montrose Mercantile Golf Club Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Cunningham Grant CA

Unit G6
The Granary Business Centre
Coal Road
Cupar
Fife
KY15 5YQ

5 February 2025

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2024

	2024 £	2023 £
Income	620,043	441,479
Cost of sales	(157,960)	(100,089)
	<hr/>	<hr/>
Gross surplus	462,083	341,390
Administrative expenses	(418,978)	(304,428)
	<hr/>	<hr/>
Operating surplus	43,105	36,962
Interest receivable and similar income	5,232	3,078
Interest payable and similar expenses	(5,025)	(2,713)
	<hr/>	<hr/>
Surplus before taxation	43,312	37,327
Tax on surplus	-	-
	<hr/>	<hr/>
Surplus for the financial year	<u>43,312</u>	<u>37,327</u>

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		906,718		628,085
Current assets					
Stocks		10,206		8,270	
Debtors	5	13,777		20,044	
Cash at bank and in hand		118,159		289,981	
		<u>142,142</u>		<u>318,295</u>	
Creditors: amounts falling due within one year	6	<u>(108,320)</u>		<u>(75,652)</u>	
Net current assets			33,822		242,643
Total assets less current liabilities			940,540		870,728
Creditors: amounts falling due after more than one year	7		(185,000)		(155,000)
Deferred income			<u>(17,500)</u>		<u>(21,000)</u>
Net assets			<u>738,040</u>		<u>694,728</u>
Reserves					
Revaluation reserve			204,445		204,445
Capital redemption reserve			364,232		364,232
Income and expenditure account			<u>169,363</u>		<u>126,051</u>
Members' funds			<u>738,040</u>		<u>694,728</u>

For the financial year ended 31 October 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 OCTOBER 2024

The financial statements were approved by the board of directors and authorised for issue on 5 February 2025 and are signed on its behalf by:

Mr J M Pert
Director

Mr R J Sim
Director

Company registration number SC645632 (Scotland)

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2024

	Revaluation reserve	Capital redemption reserve	Income and expenditure	Total
	£	£	£	£
Balance at 1 November 2022	204,445	364,232	88,724	657,401
Year ended 31 October 2023:				
Surplus and total comprehensive income	-	-	37,327	37,327
Balance at 31 October 2023	204,445	364,232	126,051	694,728
Year ended 31 October 2024:				
Surplus and total comprehensive income	-	-	43,312	43,312
Balance at 31 October 2024	204,445	364,232	169,363	738,040

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

Company information

Royal Montrose Mercantile Golf Club Limited is a private company limited by guarantee incorporated in Scotland. The registered office is Traill Drive, Montrose, Angus, DD10 8SW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation
Plant and equipment	25% reducing balance
Fixtures and fittings	15% reducing balance
Computer equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Taxation

The company is exempt from corporation tax, it being a company not carrying on a business for the purposes of making a profit.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2024 Number	2023 Number
Total	20	19

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

4 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 November 2023	593,046	33,011	6,987	6,610	639,654
Additions	233,422	32,820	33,078	1,297	300,617
At 31 October 2024	826,468	65,831	40,065	7,907	940,271
Depreciation and impairment					
At 1 November 2023	-	4,589	3,204	3,776	11,569
Depreciation charged in the year	-	15,313	5,529	1,142	21,984
At 31 October 2024	-	19,902	8,733	4,918	33,553
Carrying amount					
At 31 October 2024	826,468	45,929	31,332	2,989	906,718
At 31 October 2023	593,046	28,422	3,783	2,834	628,085

5 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	8,112	1,249
Other debtors	5,665	18,795
	13,777	20,044

6 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	57,756	26,522
Taxation and social security	14,732	-
Deferred income	4,250	5,000
Other creditors	20,565	24,930
Accruals and deferred income	11,017	19,200
	108,320	75,652

7 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Other creditors	185,000	155,000

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

8 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

9 Directors' transactions

During the year, the director, Mr J M Pert lent £40,000. The balance due to Mr J M Pert as at 31 October 2024 was £50,000 and a balance due to Mr G S Henderson was £10,000.

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2024

	2024 £	2024 £	2023 £	2023 £
Income				
Food and drink sales		404,495		245,089
Merchandise sales		802		613
Tournament and competition income		31,728		25,019
Sections		14,620		16,469
Charity events		6,143		6,434
Miscellaneous income		63,628		62,558
Prize draw income		5,720		5,570
Subscriptions and membership income		92,907		79,727
		<u>620,043</u>		<u>441,479</u>
Cost of sales				
Opening stock of finished goods	8,270		7,706	
	<u> </u>		<u> </u>	
<i>Purchases and other direct costs</i>				
Food and bar purchases	159,428		100,505	
Merchandise purchases	468		148	
	<u> </u>		<u> </u>	
Total purchases and other direct costs	159,896		100,653	
	<u> </u>		<u> </u>	
Closing stock of finished goods	10,206		8,270	
	<u> </u>		<u> </u>	
Total cost of sales		(157,960)		(100,089)
		<u> </u>		<u> </u>
Gross surplus	74.52%	462,083	77.33%	341,390

ROYAL MONTROSE MERCANTILE GOLF CLUB LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

	2024 £	2024 £	2023 £	2023 £
Administrative expenses				
Wages and salaries	233,550		141,987	
Social security costs	7,908		-	
Staff training	-		125	
Staff pension costs defined contribution	2,744		1,661	
Rates	5,025		5,820	
Light and heat	31,347		23,052	
Repairs, renewals and maintenance	21,889		6,565	
Other premises costs	546		1,946	
Locker costs	3,850		10,473	
Cleaning	4,860		4,707	
Premises insurance	5,766		5,711	
Computer running costs	3,933		5,122	
Printing, postage and stationery	1,311		1,784	
Pool expenses	223		386	
Senior section expenses (Gents)	11,822		9,271	
Am Am Tour	-		2,628	
Prize draw winnings	2,750		2,230	
Social expenses	4,844		1,457	
Matches and competition expenses	18,430		19,547	
Catering expenses	-		21,688	
Fundraising expenses	4,141		599	
Subscriptions	19,856		22,319	
Legal and professional fees	210		632	
Consultancy fees	-		370	
Accountancy	1,264		2,528	
Bank charges	2,409		2,081	
Credit card charges	5,017		2,273	
Telecommunications	2,963		3,140	
Other office costs	336		568	
Depreciation of plant and machinery	15,313		2,145	
Depreciation of fixtures and fittings	5,529		667	
Depreciaiton of computer equipment	1,142		946	
		(418,978)		(304,428)
Operating surplus		43,105		36,962
Interest receivable and similar income				
Bank interest received	5,232		3,078	
		5,232		3,078
Interest payable and similar expenses				
Non bank interest on loans		(5,025)		(2,713)
Surplus before taxation	6.99%	43,312	8.45%	37,327