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**DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD**

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**COMMITTEE OF MANAGERMENTS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

## DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD

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### SOCIETY INFORMATION

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<b>Committee of Management</b>	K J Usher (Chairman) M S Cottenham (Treasurer) P J Thornton (Secretary) (appointed 15 June 2016) B M Clark (Secretary) (resigned 15 June 2016)
<b>Secretary</b>	P J Thornton
<b>Society number</b>	12433
<b>Registered office</b>	Lewes Road Danehill West Sussex RH17 7ER
<b>Independent auditors</b>	DMC Partnership Limited Chartered Accountants & Registered Auditors Yew Tree House Lewes Road Forest Row East Sussex RH18 5AA
<b>Bankers</b>	Barclays Bank PLC 17/21 High Street East Grinstead West Sussex RH19 3AH

## DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD

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**COMMITTEE OF MANAGERMENTS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Committee of Management present their report and the financial statements for the year ended 31 December 2016.

**Committee of Managements' responsibilities statement**

The Committee of Management are responsible for preparing the Committee of Managements' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Committee of Management to prepare financial statements for each financial year. Under that law the Committee of Management have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Committee of Management 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 Society and of the surplus or deficit of the Society for that period.

In preparing these financial statements, the Committee of Management are required to:

- select suitable accounting policies for the Society's financial statements 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 Society will continue in business.

The Committee of Management are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Committee of Management**

The Committee of Management who served during the year were:

K J Usher (Chairman)  
M S Cottenham (Treasurer)  
P J Thornton (Secretary) (appointed 15 June 2016)  
B M Clark (Secretary) (resigned 15 June 2016)

**Disclosure of information to auditors**

Each of the persons who are Committee of Management at the time when this Committee of Managements' report is approved has confirmed that:

- so far as the Committee of Management is aware, there is no relevant audit information of which the Society's auditors are unaware, and
- the Committee of Management has taken all the steps that ought to have been taken as a Committee of Management in order to be aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

**COMMITTEE OF MANAGEMENTS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Auditors**

The auditors, DMC Partnership Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the Committee of Management have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 21 June 2017 and signed on its behalf.

P J Thornton  
Secretary

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DANEHILL AND CHELWOOD GATE  
SOCIAL CLUB LTD**

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We have audited the financial statements of Danehill and Chelwood Gate Social Club Ltd for the year ended 31 December 2016, set out on pages 5 to 13. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Society's members, as a body, in accordance with regulations made under Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an Auditors' 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Directors and Auditors**

As explained more fully in the Committee of Managements' responsibilities statement on page 1, the Committee of Management 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 Financial Reporting Council'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 Society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Committee of Management; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Committee of Managements' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 Society's affairs as at 31 December 2016 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 Co-operative and Community Benefit Societies Act 2014.

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DANEHILL AND CHELWOOD GATE  
SOCIAL CLUB LTD (CONTINUED)**

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**Opinion on other matter 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 Committee of Managements' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Committee of Managements' report.

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

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 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 Committee of Managements' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Committee of Management were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Committee of Managements' report and take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Estelle Sherlock MA, BSc, FCA, CTA (Senior statutory auditor)

for and on behalf of

**DMC Partnership Limited**

Chartered Accountants  
Registered Auditors

Yew Tree House  
Lewes Road  
Forest Row  
East Sussex  
RH18 5AA

27 July 2017

**DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD**

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**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
Gross loss		<b>30,702</b>	38,406
Administrative expenses		<b>(35,672)</b>	(44,074)
<b>Loss before taxation</b>		<b>(4,970)</b>	(5,668)
<b>Loss for the financial year</b>		<b>(4,970)</b>	(5,668)
Retained earnings at the beginning of the year		<b>42,076</b>	47,744
		<b>42,076</b>	47,744
Loss for the year		<b>(4,970)</b>	(5,668)
<b>Retained earnings at the end of the year</b>		<b>37,106</b>	42,076

The notes on pages 7 to 13 form part of these financial statements.



**DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD**  
**REGISTERED NUMBER:12433**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Fixed assets</b>			
Tangible assets	5	<b>158,063</b>	162,848
		<b>158,063</b>	162,848
<b>Current assets</b>			
Stocks	6	<b>2,650</b>	3,134
Debtors		<b>1,093</b>	834
Cash at bank and in hand		<b>2,076</b>	1,642
		<b>5,819</b>	5,610
Creditors: amounts falling due within one year	9	<b>(19,879)</b>	(19,486)
<b>Net current liabilities</b>		<b>(14,060)</b>	(13,876)
<b>Total assets less current liabilities</b>		<b>144,003</b>	148,972
<b>Net assets</b>		<b>144,003</b>	148,972
<b>Capital and reserves</b>			
Called up share capital		<b>146</b>	145
Revaluation reserve	11	<b>106,751</b>	106,751
Profit and loss account	11	<b>37,106</b>	42,076
		<b>144,003</b>	148,972

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 June 2017.

**K J Usher (Chairman)**  
Committee of Management

**M S Cottenham (Treasurer)**  
Committee of Management

**P J Thornton (Secretary)**  
Committee of Management

The notes on pages 7 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1. General information**

The legal form of the entity is that of a registered society under the Co-operative and Community Benefit Societies Act 2014. The country of incorporation of the Society was England and Wales. The Society's registered office is Lewes Road, Danehill, Haywards Heath, West Sussex, RH17 7ER.

The principal activity of the Society during the year was that of providing recreational facilities for its members.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The members have agreed to the preparation of abridged accounts for this accounting period in accordance with Section 444(2A) of the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Society has transferred the significant risks and rewards of ownership to the buyer;
- the Society retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Society will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2.3 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**2. Accounting policies (continued)**

**2.3 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and on a reducing balance method.

Depreciation is provided on the following basis:

Freehold property	-	2% straight-line
Fixtures & fittings	-	10% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

**2.4 Revaluation of tangible fixed assets**

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of income and retained earnings unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

**2.5 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**2. Accounting policies (continued)****2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.8 Financial instruments**

The Society only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

**2.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.10 Interest income**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

**3. Auditors' remuneration**

	<b>2016</b> £	<b>2015</b> £
Fees payable to the Society's auditor and its associates for the audit of the Society's annual financial statements	<b>800</b>	<b>800</b>
<b>Fees payable to the Society's auditor and its associates in respect of:</b>		
Audit-related assurance services	<b>400</b>	<b>400</b>
Accountancy	<b>400</b>	<b>400</b>
	<b>800</b>	<b>800</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**4. Employees**

The average monthly number of employees, including the Committee of Managements, during the year was as follows:

	<b>2016 No.</b>	<i>2015 No.</i>
Committee of Management	<b>3</b>	<i>3</i>
Employee	<b>1</b>	<i>1</i>
	<u><b>4</b></u>	<u><i>4</i></u>

**5. Tangible fixed assets**

	<b>Freehold property £</b>	<b>Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 January 2016	<b>230,000</b>	<b>28,887</b>	<b>258,887</b>
At 31 December 2016	<u><b>230,000</b></u>	<u><b>28,887</b></u>	<u><b>258,887</b></u>
<b>Depreciation</b>			
At 1 January 2016	<b>69,000</b>	<b>27,039</b>	<b>96,039</b>
Charge for the year on owned assets	<b>4,600</b>	<b>185</b>	<b>4,785</b>
At 31 December 2016	<u><b>73,600</b></u>	<u><b>27,224</b></u>	<u><b>100,824</b></u>
<b>Net book value</b>			
At 31 December 2016	<u><b>156,400</b></u>	<u><b>1,663</b></u>	<u><b>158,063</b></u>
<i>At 31 December 2015</i>	<u><i>161,000</i></u>	<u><i>1,848</i></u>	<u><i>162,848</i></u>

The net book value of land and buildings may be further analysed as follows:

	<b>2016 £</b>	<i>2015 £</i>
Freehold	<b>156,400</b>	<i>161,000</i>
	<u><b>156,400</b></u>	<u><i>161,000</i></u>

**DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

Cost or valuation at 31 December 2016 is as follows:

	<b>Land and buildings £</b>
<b>At cost</b>	<b>123,249</b>
<b>At valuation:</b>	
May 2001	<b>106,751</b>
	<b>230,000</b>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	<b>2016 £</b>	<b>2015 £</b>
Cost	<b>123,249</b>	123,249
Accumulated depreciation	<b>(39,440)</b>	(36,975)
<b>Net book value</b>	<b>83,809</b>	86,274

**6. Stocks**

	<b>2016 £</b>	<b>2015 £</b>
Finished goods and goods for resale	<b>2,650</b>	3,134
	<b>2,650</b>	3,134

**7. Debtors**

	<b>2016 £</b>	<b>2015 £</b>
Trade debtors	<b>626</b>	376
Other debtors	<b>467</b>	458
	<b>1,093</b>	834

**DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**8. Cash and cash equivalents**

	<b>2016 £</b>	<b>2015 £</b>
Cash at bank and in hand	<b>2,076</b>	<b>1,642</b>
	<b>2,076</b>	<b>1,642</b>

**9. Creditors: Amounts falling due within one year**

	<b>2016 £</b>	<b>2015 £</b>
Trade creditors	<b>5,088</b>	<b>5,206</b>
Other taxation and social security	<b>1,040</b>	<b>806</b>
Other creditors	<b>3,647</b>	<b>2,348</b>
Accruals and deferred income	<b>10,104</b>	<b>11,126</b>
	<b>19,879</b>	<b>19,486</b>

**10. Financial instruments**

	<b>2016 £</b>	<b>2015 £</b>
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<b>2,076</b>	<b>1,642</b>
	<b>2,076</b>	<b>1,642</b>

Financial assets measured at fair value through profit or loss comprise cash.

**11. Reserves**

**Revaluation reserve**

The freehold property was revalued on an open market basis in May 2001 by Blanchards Estate Agents. The Revaluation reserve of £106,751 represents the difference in cost and revaluation.

**Profit & loss account**

At 1 January 2016	42,076
Loss for year	(4,970)
<b>At 31 December 2016</b>	<b><u>£ 37,106</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**12. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.



**DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD**

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**DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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	Note	2016 £	2015 £
Turnover		55,526	69,999
Cost Of Sales		(24,824)	(31,594)
<b>Gross profit</b>		<b>30,702</b>	<b>38,405</b>
		<hr/>	<hr/>
<b>Gross profit %</b>		<b>55.3 %</b>	<b>54.9 %</b>
<b>Less: overheads</b>			
Administration expenses		(35,672)	(44,073)
<b>Operating loss</b>		<b>(4,970)</b>	<b>(5,668)</b>
		<hr/>	<hr/>
<b>Loss for the year</b>		<b>(4,970)</b>	<b>(5,668)</b>
		<hr/>	<hr/>

**DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<b>£</b>
<b>Turnover</b>		
Sales of refreshments	<b>48,160</b>	<i>57,158</i>
Subscriptions	<b>1,050</b>	<i>1,150</i>
Donations	<b>55</b>	<i>200</i>
Games receipts	<b>-</b>	<i>3</i>
Fruit machine receipts	<b>4,764</b>	<i>8,120</i>
Juke box receipts	<b>497</b>	<i>1,180</i>
Lottery cards	<b>1,000</b>	<i>2,188</i>
	<b>55,526</b>	<i>69,999</i>
	<b>2016</b>	<i>2015</i>
	<b>£</b>	<b>£</b>
<b>Cost of sales</b>		
Purchases	<b>24,824</b>	<i>31,594</i>
	<b>24,824</b>	<i>31,594</i>

**DANEHILL AND CHELWOOD GATE SOCIAL CLUB LTD**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Administration expenses</b>		
Wages	<b>3,970</b>	3,686
Honorariums	<b>7,423</b>	7,396
Honorariums of Members of Committee of Management	<b>4,265</b>	5,900
Fruit machine licence	-	320
Fruit machine rent	-	179
Entertainment	<b>777</b>	2,093
Telephone and fax	<b>872</b>	757
Legal and professional	<b>180</b>	222
Auditors' remuneration	<b>800</b>	800
Charity donations	-	150
Lottery cards	-	497
Accountancy fees	<b>1,000</b>	4,814
Bank charges	<b>1,062</b>	1,113
Sundry expenses	<b>256</b>	300
Recycling	<b>487</b>	436
Waste	<b>512</b>	493
Rates	<b>867</b>	851
Light and heat	<b>3,667</b>	4,149
Insurances	<b>1,421</b>	1,417
Repairs and maintenance	<b>3,328</b>	3,695
Depreciation - fixtures and fittings	<b>185</b>	205
Depreciation - freehold property	<b>4,600</b>	4,600
	<b>35,672</b>	44,073