

Company Registration No. SC389638 (Scotland)

CGLMC LIMITED
(LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

SCOTTISH CHARITY NUMBER: SC045236

Henderson Black & Co.
Chartered Accountants, St. Andrews

**CGLMC LIMITED
(LIMITED BY GUARANTEE)
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**CGLMC LIMITED
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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

The Trustees have pleasure in presenting their report together with the audited financial statements of the charity for the year ended 31 March 2016.

The financial statements have been prepared in accordance with the accounting policies set out on pages 18 to 20 and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2016, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014.

Chairman's Report

2015 saw Carnoustie host another of golf's great historical tournaments, the British Amateur Championship. First played in 1885, the Championship has a proud and distinguished history, and was for many years one of golf's major championships. It has a particular connection to Carnoustie, as the Dalhousie Golf Club, one of the constituent golf clubs of CGLMC, was one of the 11 golf clubs who commissioned the original trophy.

Once again the Championship Course was presented in magnificent condition for the event, which was played in fine weather in front of small, but enthusiastic crowds. My particular thanks go to the many volunteers, who willingly gave up their time and who are essential to the successful running of these tournaments.

2015 was also notable, because for the first time, CGLMC was able to make direct financial contributions to the town, in the form of charitable grants. This will now form an important part of the annual activities of CGLMC, as we seek to fulfil our charitable responsibilities.

I would like to pay tribute to the efforts of all Trustees during 2015. Trustees, particularly the sub-committee convenors, devote many unpaid hours to the management of the Carnoustie golf courses.

I also want to thank our staff, who once again produced golf courses in magnificent condition, and looked after our customers so well.

A huge effort was made in 2015 to consult as many people as possible on the proposed extension to the Golf Centre and I am pleased to say that the proposal was generally welcomed by the majority of the local community – both golfers and non-golfers alike.

The Crows Nest Tassie continued to be an incredibly popular event, being sold out in less than 10 minutes when the entries opened in January. The Tassie brings over 300 golfers to Carnoustie every year and is of huge importance to the local economy.

Much environmental work was undertaken during the year. We are engaged in Operation Pollinator, which is a national initiative to conserve and improve the nation's bee population. We commissioned a full ecological survey by Dr Bob Taylor of STRI, which will provide us with the guidance needed to actively manage the rich coastal grassland and protect the wildlife which inhabit this sensitive environment.

There was a significant increase in the investment we made to support junior golf, up £23,000 from the previous year. This support for the future is a fundamental responsibility of CGLMC and one to which the Trustees remain very committed.

In closing, I would like to thank all the golfers who supported us by coming to play over our 3 courses in 2015 and, by doing so, allowed us to carry out our Trustees duties, and to maintain the golf courses for the future enjoyment of everyone who wishes to come and play our great game.

Patricia Sawers, Chairman of Trustees

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Objects and Activities of the Charity

CGLMC Limited was granted charitable status by the Office of the Scottish Regulator (OSCR) on 17 November 2014 since when our key drivers are our charitable purposes.

These objects demand of us:-

- to promote the provision or development of recreational facilities in the Carnoustie area with the object of improving the recreational facilities or activities available to citizens residing within the Carnoustie area;
- to promote the advancement of the arts, heritage and culture for the benefit of citizens residing within the Carnoustie area;
- to promote the advancement of community development for the benefit of citizens residing within the Carnoustie area; and
- to promote the advancement of environmental protection or improvement.

With three 18-hole links courses, the Championship Course, Buddon Links and Burnside, Carnoustie is open to the public and has three superb golf courses to cater for every golfer. The golf courses are open every day welcoming visiting golfers from all over the world, CGLMC season ticket holders and Angus residents.

We have recently undertaken a strategic assessment of our business and how we take our business forward in accordance with our clear strategic intention to be:

Recognised as a world leading golfing experience that is accessible to all and that benefits the local community.

As a Charity, our key mission is reflected in (i) our Articles of Association and (ii) our contractual and legal obligations to Angus Council, our principal client for delivery of key services. Our continued success is dependent on continued fulfilment and delivery of our obligation to maintain our golf courses to a standard capable of achieving Open Championship status (which event generates an estimated £140m for the wider community). The Championship status of our course attracts visitors globally who in turn contribute circa 75-80% of our annual income. At the same time, we must look after local players and season ticket holders making golf accessible and available locally. More broadly we also seek to benefit the local community of Carnoustie and each year we assess applications for grants for local good causes.

In 2015/16, the Trustees attended a series of workshops which focused on securing delivery of these key goals by:

- ▶ *Keeping our courses challenging, enjoyable, safe and in outstanding playing condition, continuing to attract the Open Championship and other prestigious golf tournaments*

Building on our previous success and experience, we are delighted to have been invited to host the Open Championship 2018. In order to secure this event and future events we must first and foremost focus on the condition of our courses.

To this end we will continue to invest in specialist equipment and machinery building on our existing stock at a capital cost of £236-270k per annum. A detailed operational plan with an estimated operating cost of £430-£450k per annum including course improvements/winter works, increasing by inflation each year, will ensure delivery of the courses to the required standard throughout the period of this plan with particular emphasis to ensure best in class condition in 2018.

- ▶ *Providing welcoming, attractive facilities to which our members and visitors wish to return*

We recognise that visitors and members have increasing expectations and if we are to continue to attract visitors upon whom we depend on for the significant share of our revenue we must offer convenient and top quality associated facilities. To this end we are in the initial stages of a major capital

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project to build and develop bar and restaurant facilities, office accommodation, golf club facilities and simulator bays for practice and warming up. The R&A, organisers of the Open Championship, have indicated that these new facilities will undoubtedly help Carnoustie's application to secure future Open Championships.

We currently offer a high quality retail facility through Carnoustie Golf Links Limited (Pro-shop) to visitors, season ticket holders and the general public, which returns a good annual profit making a significant contribution to the reputation and revenue of CGLMC. The new facility should continue to secure this profitable facility which contributes to the overall income.

► *Developing our People to maintain the highest standards of customer service*

These facilities will also enable us to centralise our operations and expand the range of services offered to customers. Key to our success is the commitment, input and drive of Trustees who make a considerable voluntary contribution, through their knowledge and experience, to the continuing ability to attract major championships and, at the same time, balance the interests of constituent clubs and season ticket holders.

We have a constant resource profile of c.70 full time employees (FTE) of which around 25% are employed on a seasonal basis. Employment terms and conditions are attractive including payment of the Living Wage. Notwithstanding the percentage of seasonal workers, high levels of staff retention affords greater opportunity to invest in training and development. The introduction of Bag Handling and Meet/Greet staff in 2015 reflect new services and initiatives CGLMC will undertake to secure provision of an enhanced customer experience as identified in our recently approved strategy for the Customer Experience.

We recognise that key to success is an ability to deliver outstanding customer service through our employees and agents. We must always ensure our high standards and professionalism are reflected by all persons engaged by, or representing CGLMC, and its Pro Shop company (Carnoustie Golf Links Limited). We will continue to train and develop our people to meet high standards.

► *Communicate openly and effectively*

To be effective in our marketing and in managing our people, supply chain, customers and other stakeholders, we attempt always to be proactive and clear in what and how we communicate.

We recognise effective and clear communication is essential to customer service and also underpins good employee relations. To support effective engagement with our employees we established Employee Engagement groups in 2015/16 to seek views and test new initiatives.

We began to develop a new approach to stakeholder management with a clear, planned and structured approach on when and how we communicate. Constructive messages that are also professional, positive and consistent, will make our employees, trustees, suppliers and members proud to be part of, and associated with, CGLMC.

► *Provide excellent value.*

In addition to providing excellent facilities we must provide value to those using our facilities. To remain competitive and attractive as well as ensuring continued accessibility to our season ticket holders we must ensure value from our operations. As a charitable organisation we have an obligation to ensure we achieve value with responsible fiscal management.

As we embark upon greater ambitions to secure our place as a world-leading golf experience, we are building on existing platforms and we are now strengthening our corporate governance and financial systems to ensure they are suitable for an organisation of our size.

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- ▶ *Promote a sustainable business by adopting appropriate environmental practice and supporting our community*

To continue to attract visitors and prestigious Championships our business practices, including our approach to the environment, must be sustainable. It is important that we protect the environment and our accreditation from the Golf Environment Organisation, awarded in 2013, will be maintained, always ensuring our sourcing and other environmental policies and practices are fit for purpose.

In addition, we are committed to supporting sustainability in our community which is the source of many of our employees and customers. As an employer we pay the Living Wage and seek to develop our people. We actively contribute to Education and cultural activities and local good causes, and where appropriate we seek opportunities to recruit modern apprentices.

A review of our achievements and performance

2015/16 was a busy and productive 12 months. In the course of the year we delivered:

- **Hosting British Amateur Championships – June 2015**
One of the world's great amateur events came to Carnoustie, and we prepared the Championship course in outstanding condition for the tournament. The ability to produce the golf course in such outstanding condition is down to years of preparation and the efforts of a highly skilled and motivated workforce. Once again, the greenkeeping team, led by Links Superintendent Sandy Reid, produced a fabulous stage for the world's best amateurs.
- **Hosting Dunhill Links – October 2015**
The Dunhill Links is one of the most important European Tour events of the year, which Carnoustie hosts along with St Andrews and Kingsbarns. The 2105 event was blessed with glorious weather and the course looked superb on the television coverage.
- **Hosting World Hickory Golf Tournament and Craw's Nest Tassie**
Amateur events such as the Hickory tournament and the Tassie attract hundreds of handicap golfers from the UK and further afield. Not only do these players have a wonderful time playing the Carnoustie courses for a very reasonable cost, they contribute significantly to the local economy by using hotels, guesthouses, restaurants, bars etc. Hosting these events delivers less revenue to CGLMC than would be achieved from normal visitor sales, but we see them as part of our contribution to supporting amateur golf and the local community.
- **Dunhill Links Contract extended to 2020**
The Dunhill Links has been a long standing and successful event for Carnoustie and we were pleased to secure an extension of the contract until 2020
- **We have delivered "Customer Experience" Strategy – Jan 2016**
Our customer service is crucial as to how the organisation is regarded by the people who come to play golf at Carnoustie, and who, by doing so, provide the income for us to function. In 2015, we introduced new strategies to ensure that all customers received the best level of service we could provide. This required additional staff and the introduction of new technology. We intend to review and assess our "Customer Experience" each year, so that we can develop and improve our service.
- **Plans were developed, a business case produced and planning permission applied for and achieved for the new Capital Project Golf Centre Extension development- November 2015**
This extension is seen as essential to maintaining Carnoustie as one the world's premier golf destinations, as well as providing much needed facilities for local golfers. It will also assist greatly in maintaining Carnoustie as one of the 10 Open Championship venues in the UK.

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- We are in the course of developing a Scheme of Delegation with clarity of roles and responsibilities and accountabilities within the organisation.
This scheme of delegation will provide clear and precise instructions as to the responsibilities, and authority levels, of the Trustees and senior management. It will allow for much better audit trails and more efficient and effective decision making.
- Trustees and the Senior Management Team have embarked upon strategic development and management training. December 2015 – ongoing
Several development and training workshops have taken place with Trustees and senior management so that Trustees in particular have a better understanding of their roles and responsibilities, and how they can best fulfil their duties as a Trustee. This will be an ongoing process as we develop and improve our governance of the charity.
- Charitable donations to local good causes
Local organisations were invited to apply for charitable grants and we were pleased to make significant awards in our first charitable year.

Charitable grants

Carnoustie Golf Links has always been a strong supporter of local charities and our activities are detailed below. However, since we became a charity in November 2014, we have actively carried out work directly related to our charitable objects.

In order to fulfil the requirements of the charitable objects, we have produced a charitable grants application form and placed it prominently on our website in order to encourage community groups to apply for funding. We formed a Charitable Applications sub-committee to review the applications received and to make recommendations to the full board of Trustees. We have agreed that we will consider applications twice a year in May and November. We made our first set of community donations in November 2015.

The charitable grants we have donated in 2015 so far come to £15,700 in total, These are comprised of:-

- i. Carnoustie Community Helpline - £2,500
- ii. Carnoustie Memories Club - £2,000
- iii. Carnoustie Coastguard - £700
- iv. Carnoustie Panmure Football Club - £5,000
- v. Carnoustie Golf Club - £3,500
- vi. Carnoustie Musical Society - £2,000

Golfing vouchers

CGLMC has always had a policy of donating golfing vouchers for charity. In 2015/16, we donated over £12,000 worth of golfing vouchers to charity.

We also provide charity raffle prizes from the Golf Professionals shop and in 2015/16, these have a value in excess of £10,000.

VC War Memorial

In 2015, in conjunction with the Carnoustie British Legion we erected and paid for a war memorial in commemoration of the Carnoustie recipients of the Victoria Cross. This was in conjunction with a UK wide initiative to remember the VC heroes from the First World War.

The cost was £12,570 and we are also responsible for cleaning the memorial and any other ongoing maintenance.

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Junior golf

CGLMC provides free junior golf coaching to young people in Angus and Carnoustie. This includes tuition by PGA qualified professionals, playing lessons on the courses and tournament support. The professionals visit the local primary schools and provide lessons to the pupils on site. We also pay all golf club subscriptions for juniors up to the age of 18 years. The cost of this in the financial year 2015/16 was £41,649.

CGLMC also built a 6 hole junior golf course which is maintained to an excellent standard by the greenkeeping staff.

Environmental Booklet

As part of our environmental objects, we commissioned an Environmental booklet to be produced by Dr Bob Taylor, lead ecologist of the Sports Turf Research Institute. This booklet is provided free of charge to anyone who wishes a copy. Copies have been placed in the Golf Centre and local golf clubs. Copies have also been distributed to the 3 Carnoustie Primary Schools.

Other Charitable Initiatives

Although not easily quantified in terms of cost, we contribute to the local community in other ways. Our staff carry out maintenance work on the pitch of the local junior football team. We assist the Carnoustie Primary schools with planting and maintaining wildflower gardens. Our staff are leaders, and award winners, in the Operation Pollinator scheme, a UK wide programme to encourage and sustain the nation's bee population.

Financial review

Our financial performance in 2015-16 delivered a consolidated net increase in funds of £195,962 which was broadly in line with the budget expectations.

Key factors accounting for the surplus difference between 2014/15 and 2015/16 are mainly due to project development costs for the proposed new Golf Centre extension, and a net reduction in income of around £100,000 from green fees due to reduced bookings because of the Amateur Championship at Carnoustie, and also at the closure of St Andrews in the build-up to the Open.

2,500 season ticket holders generated over £800,000 income in 2015/16, but the majority of income is still delivered from visitors and tournaments, along with pro-shop sales.

Over the next 3-5 years we expect to maintain and grow the level of income in the years preceding and following the 2018 Open Championship. Increased value will also come through improving efficiencies in our strengthened corporate governance and our revised processes and systems.

Salaries and pensions remain by far the most significant item of expenditure. In 2015, the Trustees agreed to form a Reward and Remuneration Committee who will assess and control all aspects of staff remuneration. By centralising this responsibility in one area, we are optimistic of improving the controls required to manage this vital area of our expenditure.

Sales from the Pro Shop contributed over £111,000 to the CGLMC surplus. Growth in sales is anticipated in the lead up to the Open in 2018 with mitigation measures to reduce the risk that sales will be impacted during the build phase of the Golf Centre extension.

Pricing policy

CGLMC generates income from season ticket sales and visitor green fees.

The season ticket is maintained at a very competitive price (£438 for a 3 course 7 day ticket in 2105/16) in order to ensure that Carnoustie remains an affordable golf course for everyone.

We also provide lower rates for juniors, young persons up to age 23 and persons aged over 65.

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Our largest source of income is visitor green fees, predominantly from the Championship course contributing around 75-80% of our income (excluding the pro shop). The green fee for Carnoustie is the lowest by some way for the Open Championship venues in Scotland, reflecting our commitment to encourage all golfers to play the Carnoustie courses. Nevertheless, it is also important to ensure that the green fee charges are appropriate for one of the best, and most iconic, golf courses in the world.

There is an Angus residents' rate which is 50% of the visitor green fee.

Future plans

The future of CGLMC is continuing to manage public golf courses and carrying out our charitable work.

The Golf Centre extension will allow CGLMC to deliver the level of customer service expected of an Open Championship venue. It will also help Carnoustie to remain as one of the host courses for the Open, with all the attendant benefits this brings.

Work will begin in earnest in 2016 towards the 2018 Open Championship at Carnoustie and this will be the focus for the next 2 years.

In the course of performing the comprehensive suite of activities and tasks relative to successfully managing a dynamic portfolio of golf courses and associated golf facilities and services, which meets our business needs we will adhere to the following principles reflected in our strategic intent and key objectives:-

Health and Safety

As an overarching principle, we are committed to safe assets, with all assets having site audits in place that incorporate full risk assessment, planned maintenance and good housekeeping.

We are dedicated to an environment that shows employees we care about their wellbeing and are committed to maintaining suitable workplace facilities

Team development

We recognise the valuable contribution and commitment from Trustees in setting the strategic direction of the organisation and supporting staff teams in realising the vision and goals set by them.

We will provide opportunities for our teams to grow and realise their potential, and support them through targeted relevant training to increase levels of multi-skilling and reduce dependency on external providers.

We will ensure all our staff and contractors are encouraged to provide an excellent customer experience. We will seek to enhance staff satisfaction and engagement through regular conversations

Customer Engagement

Our aim is for excellent customer service and we will strive to achieve this through improving our understanding of our customers' needs and requirements.

We will provide an efficient and effective customer-facing golf services provision to ensure our customers receive a warm welcome and are made fully aware of any Health and Safety restrictions or hazards when they visit.

A progressive working environment will be tailored to reflect employees' preferences.

We will carry out an ongoing programme of capital works paying attention to branding, décor and lighting and heating improvements and overall enhancement making our facilities and sites more energy efficient.

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Income and Value for money

Our largest source of income is visitor green fees, predominantly from the championship course. We must therefore ensure we remain competitive and at the same enhance our facilities such that they offer visitors great value for money.

We will always focus on delivering value for money - all our people will maximise the value of every £ we spend on the day to day managing of service and maintenance contracts. We will reduce dependency on external providers by upskilling our own team. We will maximise the use of space and our assets and actively seek property rationalisation opportunities. We will support sustainable building techniques and at the same time reducing operating costs.

Risk management

CGLMC have developed a series of risk tables, using tables originally created by our auditors, Henderson Black & Co and by our advisory accountants, Henderson Loggie. Consultation and advice was also received in 2015 from the Governance Unit of Angus Council.

The risk tables focus on issues than can be improved or resolved, and have now become an agenda item for the Finance sub-committee meetings where progress is reported to the Trustees.

Structure, Governance and Management

CGLMC Limited is a company limited by guarantee and is a charity recognised in Scotland governed by its Memorandum and Articles of Association.

CGLMC Limited manages the golf courses at Carnoustie, which are a public links owned by Angus Council, with the detailed responsibilities set out in a Minute of Agreement created in 1979 with subsequent amendments. The current agreement with Angus Council dated 25 April and 16 May 1988 as varied and novated in favour of the company, as a public park or place of recreation for the purpose of playing golf and ancillary purposes runs until March 31 2033.

A board of 15 Trustees, comprising 12 elected from the constituent golf clubs and 3 from Angus Council, have primary responsibility for the operations of the CGLMC Ltd charity.

The Trustees delegate day-to-day management to the full time staff, headed up by the General Manager, Links Superintendent, Golf Services Manager, Finance Manager and Head Professional.

A Scheme of Delegation to be completed in 2016-17 will provide clarity and transparency of delegated powers and authority and support speedier and consistent decision making.

We have strengthened governance processes and systems with investment in technology to support financial governance and payments will provide further opportunity to ensure value through transparency of process and auditability reducing risks of human error due to manual data handling; or fraud by suppliers or employees.

Training and refresh of conflicts of interests and Code of Conduct and the Bribery Act were undertaken contributing to greater transparency and accountability of those serving CGLMC.

Non-compliance with new processes and systems is a risk which can be mitigated with necessary support being put in place to encourage a cultural change for employees.

Compliance with H&S legislation is now essential and mandatory. Sufficient and targeted training has being identified and the appointment of a new H&S Trustee from the Board will help drive forward this agenda.

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Remuneration

2015 saw the introduction of the Reward and Remuneration Committee which will now control all aspects of staff remuneration.

Trustees are unpaid volunteers and only claim expenses for any trips they are required to undertake away from Carnoustie.

Technology

Currently a number of software systems support our operations and business functions and no change in these existing systems is planned before the end of 2017.

We are in the course of introducing a new Purchase Order system which will strengthen our payment process and mitigate risk of fraud and data handling errors. The initial cost of this is expected to be around £25,000 over the first 2 years.

People

People are our key resource are our main element of expenditure. Our resource requirements remain constant over the 3 year period with a marginal increase in seasonal staff engaged by the Pro Shop (Carnoustie Golf Links Ltd) in 2016/17 to take account of Bag Handlers, and Meet/Greet services, instituted in pursuance of our Customer Experience strategy.

Regular personal reviews will be carried out with individual team members and personal development actively supported through an environment of coaching and mentoring with further education/training opportunities actively encouraged and supported.

Team discussions will take place regularly keeping staff informed and engaged in recent and future developments affecting the organisation. A stakeholder management plan setting out milestones and identifying stakeholders and consultees, and the levels of engagement required will be drawn up as one of the first tasks in 2016.

We will work to create an improved working environment for all office based employees through the provision of upgraded office accommodation.

Trustee recruitment

The charity seeks to recruit new trustees with appropriate skills. The charity has procedures for the induction of trustees which comprise a meeting with staff, existing trustees and issue of an induction pack. During the meetings key matters such as obligations of trustees, financial and staffing issues and future plans and objectives are discussed. The induction pack contains key documents including an outline history of the charity and latest annual financial statements.

Investment Policy and Performance

Under the memorandum the trustees are empowered to invest monies not immediately required for the furtherance of its objects.

During the year surplus cash balances were placed on deposit so as to be secure and easily realised. The trustees are satisfied with the interest earned.

Reserves Policy

The consolidated unrestricted reserves carried forward amount to £4,292,540 (2015:£4,096,578) which included £3,932,323 (2015:£4,084,581) of fixed assets in use for charitable purposes. The trustees currently have a policy to retain sums at the end of each year for reserves where possible. The trustees aim to build free cash reserves sufficient to enable future development of the recreational facilities and to provide a contingency for unforeseen requirements.

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Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are the directors of the company for the purposes of company law) are responsible for preparing the annual report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including the income and expenditure of the charity for that period.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reference and Administrative Information

Directors and Trustees

The Directors of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year end were as follows:

Patricia Sawers	(Chairman)
Colin Yule	(Vice-Chairman)
Ian Frier	
John Gilbert	
Linda Gordon	
Allan McArtney	
Aidan McColgan	
Alan McKeown	
John McLeish	
Gordon Murray	
Helen Oswald	
Graeme Paton	
Robert Gillespie	(resigned 2 December 2015)
William Thompson	(Vice-Chairman) – (resigned 4 December 2015)
William Bowles	(resigned 30 March 2016)
Edward Healey	(appointed 2 December 2015)
Alexander MacKenzie	(appointed 16 December 2015)
Iain Gaul	(appointed 12 May 2016)

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Reference Details

Scottish Charity Number: SC045236
Company Registration Number: SC389638
Operational Address: 20 Links Parade, Carnoustie, DD7 7JF
Registered Office: Whitehall House, 33 Yeaman Shore, Dundee, DD1 4BJ

Company Secretary

Thorntons Law LLP

General Manager

Graeme Duncan

Independent Auditors

Henderson Black & Co, Chartered Accountants, St. Andrews, Fife, KY16 9PF

Bankers

The Royal Bank of Scotland, 97 High Street, Carnoustie, DD7 6YB

Statement of disclosure to auditors

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

Approved by the trustees on 10 October 2016 and signed on their behalf by:

Patricia A. Sawers.

Patricia Sawers,
Chairman of Trustees

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INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CGLMC LIMITED
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We have audited the financial statements of CGLMC Limited for the year ended 31 March 2016 set out on pages 14 to 28. 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), including Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended), and Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and section 485 of the Companies Act 2006, and report in accordance with regulations made under that Act. 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 group's and parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual 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 charity's and group's affairs as at 31 March 2016 and of the charity's and group's income and expenditure, 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), and the Companies Act 2006.

**CGLMC LIMITED
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CGLMC LIMITED
FOR THE YEAR ENDED MARCH 2016**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended), and Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; 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.

MW

**Robin Winter LLB CA TEP (Senior Statutory Auditor)
for and on behalf of Henderson Black & Co
Chartered Accountants
Statutory Auditor**

**Chestney House
149 Market Street
St Andrews
Fife
KY16 9PF**

10 October 2016

CGLMC LIMITED
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR CGLMC LIMITED
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR TO 31 MARCH 2016

	Notes	2016 Group £	2016 Charity £	2015 Group £	2015 Charity £
Income:					
Donations		7,500	7,500	-	-
Income from other trading activities:					
Merchandise income		759,902	-	682,163	-
Investment income:					
Gift aid	2	-	110,846	-	84,543
Bank interest		4,808	4,041	1,820	1,770
		<u>772,210</u>	<u>122,387</u>	<u>683,983</u>	<u>86,313</u>
Income from charitable activities:					
Course and facility income	3	3,667,301	3,667,301	3,653,793	3,653,793
Total income		<u>4,439,511</u>	<u>3,789,688</u>	<u>4,337,776</u>	<u>3,740,106</u>
Expenditure					
Costs of raising funds		648,384	-	591,973	-
Charitable activities	4	3,595,165	3,595,165	3,350,806	3,350,806
Total expenditure		<u>4,243,549</u>	<u>3,595,165</u>	<u>3,942,779</u>	<u>3,350,806</u>
Net movement in funds		<u>195,962</u>	<u>194,523</u>	<u>394,997</u>	<u>389,300</u>
Reconciliation of funds:					
Total funds brought forward		<u>4,096,578</u>	<u>3,874,275</u>	<u>3,701,581</u>	<u>3,484,975</u>
Total funds carried forward		<u>4,292,540</u>	<u>4,068,798</u>	<u>4,096,578</u>	<u>3,874,275</u>
Represented by:					
Fixed Assets		3,932,323	4,021,772	4,084,581	4,174,456
Current Assets		2,289,465	1,851,189	1,829,250	1,404,699
Current liabilities		(1,929,248)	(1,804,163)	(1,817,253)	(1,704,880)
		<u>4,292,540</u>	<u>4,068,798</u>	<u>4,096,578</u>	<u>3,874,275</u>

The statement of financial activities includes all gains and losses recognised in the year to 31 March 2016. These comparatives are for a full year, however the company only became a charity on 17 November 2014. The comparative figures from the date of becoming a charity can be found on page 28.

All income and expenditure derive from continuing activities.

All funds are unrestricted.

The notes on pages 18 - 28 form an integral part of these accounts.

**CGLMC LIMITED
(LIMITED BY GUARANTEE)
CONSOLIDATED BALANCE SHEET**

AS AT 31 MARCH 2016

	Notes	2016 Group £	2016 Charity £	2015 Group £	2015 Charity £
Fixed assets					
Tangible assets	7	3,932,323	3,921,197	4,084,581	4,073,881
Investments	8	-	100,575	-	100,575
		<u>3,932,323</u>	<u>4,021,772</u>	<u>4,084,581</u>	<u>4,174,456</u>
Current assets					
Stocks	9	275,885	43,571	235,725	41,886
Debtors	10	248,196	289,780	33,388	226,473
Cash at bank and in hand		1,765,384	1,517,838	1,560,137	1,136,340
		<u>2,289,465</u>	<u>1,851,189</u>	<u>1,829,250</u>	<u>1,404,699</u>
Creditors: amounts falling due within one year	11	<u>(1,929,248)</u>	<u>(1,804,163)</u>	<u>(1,817,253)</u>	<u>(1,704,880)</u>
Net current assets/(liabilities)		<u>360,217</u>	<u>47,026</u>	<u>11,997</u>	<u>(300,181)</u>
Total assets less current liabilities		<u>4,292,540</u>	<u>4,068,798</u>	<u>4,096,578</u>	<u>3,874,275</u>
The funds of the charity					
Unrestricted fund		<u>4,292,540</u>	<u>4,068,798</u>	<u>4,096,578</u>	<u>3,874,275</u>
Total charity funds	13	<u>4,292,540</u>	<u>4,068,798</u>	<u>4,096,578</u>	<u>3,874,275</u>

All funds are unrestricted.

The notes on pages 18 - 28 form an integral part of these accounts.

These financial statements were approved by the trustees at their meeting on 10 October 2016 and signed on their behalf by:

Patricia A. Sawers

Patricia Sawers
Trustee

Gordon Murray

Gordon Murray
Trustee

Company Registration No. SC389638

CGLMC LIMITED
(LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT FOR CGLMC LIMITED
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 Group £	2016 Charity £	2015 Group £	2015 Charity £
Cash flows from operating activities:					
Net cash provided by operating activities	a.	567,799	629,476	634,414	384,859
Cash flows from investing activities:					
Interest/gift aid from investments	2	4,808	114,887	1,820	86,313
Proceeds from the sale of property, plant & equipment		28,065	28,065	40,090	40,090
Purchase of property, plant and equipment		(395,425)	(390,930)	(431,125)	(421,583)
Net cash used in investing activities		(362,552)	(247,978)	(389,215)	(295,180)
Change in cash and cash equivalents in the reporting period		205,247	381,498	245,199	89,679
Cash and cash equivalents at the beginning of the reporting period	b.	1,560,137	1,136,340	1,314,938	1,046,661
Cash and cash equivalents at the end of the reporting period	b.	1,765,384	1,517,838	1,560,137	1,136,340

All funds are unrestricted.

The notes on pages 18 - 28 form an integral part of these accounts.

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR CGLMC LIMITED
FOR THE YEAR ENDED 31 MARCH 2016

a. Reconciliation of net income/(expenditure) to net cash flow from operating activities	2016	2016	2015	2015
	Group £	Charity £	Group £	Charity £
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	195,962	194,523	394,997	389,300
Adjustments for:				
Depreciation charges	542,135	538,066	507,527	502,447
Interest/gift aid from investments	(4,808)	(114,887)	(1,820)	(86,313)
Profit on sale of fixed assets	(22,517)	(22,517)	(35,909)	(35,909)
(Increase)/decrease in stocks	(40,160)	(1,685)	(84,286)	(9,022)
(Increase)/Decrease in debtors	(214,808)	(63,307)	(19,202)	(212,248)
Increase/(decrease) in creditors within one year	111,995	99,283	(126,893)	(163,396)
Net cash provided by operating activities	<u>567,799</u>	<u>629,476</u>	<u>634,414</u>	<u>384,859</u>
b. Analysis of cash and cash equivalents	2016	2016	2015	2015
	Group £	Charity £	Group £	Charity £
Cash in hand	1,526	1,017	1,531	1,046
Notice deposits (less than 3 months)	1,763,858	1,516,821	1,558,606	1,135,294
Total cash and cash equivalents	<u>1,765,384</u>	<u>1,517,838</u>	<u>1,560,137</u>	<u>1,136,340</u>

All funds are unrestricted.

The notes on pages 18 - 28 form an integral part of these accounts.

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

1.1 Accounting convention and Basis of preparation of financial statements

The financial statements are prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Accounts (Scotland) Regulations 2006 (as amended), and the Companies Act 2006.

CGLMC Limited meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2016 are the first financial statements of CGLMC Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Income

Income represents amounts receivable for goods and services net of VAT and trade discounts.

Course income and facility fees are recorded in the period in which the activity takes place, irrespective of when the activity was booked or paid for. All other income is recorded in the period of receipt.

Revenue from the sale of goods is recognised when the ownership of the goods has passed to the buyer and the amount of revenue can be reliably measured.

1.3 Expenditure

Expenditure is accounted for on an accruals basis. Costs of generated funds include the expenses of non-charitable trading activities. Charitable activities comprise direct expenditure including direct staff costs attributable to charitable activities. Support costs include costs associated with statutory requirements.

1.4 Fund accounting

There is one fund held by the charity which is unrestricted. This fund can be used in accordance with the charitable objectives at the discretion of the trustees.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost, including where appropriate the cost of irrecoverable VAT, less depreciation. Individual items with an original cost of less than £50 (excluding Vat) are not capitalised unless they are part of a larger pattern of expenditure. 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:

Buildings	Over 4 to 20 years
Plant and sprinklers	Over 1 to 10 years
Shop and Office equipment	Over 1 to 5 years

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(continued)

1.6 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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 charity 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Leasing

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

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.9 Stock

Stock is valued at the lower of cost and net realisable value.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.11 Pensions

Eligible employees of the charity are members of the Tayside Pension Fund. The pension scheme is a funded defined benefit scheme with employees' contributions fixed by statute. Employer's contributions are assessed by a qualified actuary on the basis of triennial valuations and are calculated to ensure the actuarial solvency of the fund. An actuarial valuation of the fund (using the projected unit method) as at 31 March 2015 required the charity to contribute 17% of gross salary of the employees in 2014/15. The proposed rate for 2016/17 is 17% of gross salary of the employees. The charity is unable to identify the share of scheme assets and liabilities relating to its staff and pensioners and has therefore accounted for the scheme as if it were a defined contribution scheme.

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies **(continued)**

1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity 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 trade and other receivables 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 rate method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities, including trade and other payables are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

1.13 Basis of consolidation

The consolidated accounts consist of CGLMC Limited and Carnoustie Golf Links Limited, it's wholly owned subsidiary company. Gross turnover of the subsidiary is included under income in the consolidated Statement of Financial Activities. The assets and liabilities of the subsidiary company are reflected in the notes to the accounts.

1.14 Value Added Tax

The charity is partially exempt for VAT purposes and is therefore unable to recover all of the input VAT it is charged on its purchases. In the case of irrecoverable VAT arising on the purchase of fixed assets, the irrecoverable VAT is capitalised and written off at the same rate and over the same period as is applicable to the asset purchased.

2 Investment income	2016 Group £	2016 Charity £	2015 Group £	2015 Charity £
Income from shares in group undertakings	-	110,846	-	84,543
Bank interest	4,808	4,041	1,820	1,770
	<u>4,808</u>	<u>114,887</u>	<u>1,820</u>	<u>86,313</u>

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

3 Analysis of course and facility income	2016	2016	2015	2015
	Group	Charity	Group	Charity
	£	£	£	£
Course income	3,462,459	3,462,459	3,474,319	3,474,319
Facility fees	133,000	133,000	103,000	103,000
Other sales	1,491	1,491	3,516	3,516
Tea hut & coffee shop rental	4,322	4,322	6,173	6,173
Tournament surplus	66,029	66,029	66,785	66,785
	<u>3,667,301</u>	<u>3,667,301</u>	<u>3,653,793</u>	<u>3,653,793</u>
4 Analysis of charitable activity expenditure	2016	2016	2015	2015
	Group	Charity	Group	Charity
	£	£	£	£
Salaries and pension costs	1,941,307	1,941,307	1,806,027	1,806,027
Training and other staff costs	30,905	30,905	19,279	19,279
Repairs and maintenance	390,781	390,781	529,362	529,362
Rent and rates	54,948	54,948	54,158	54,158
Insurance	35,593	35,593	23,366	23,366
Heat, light and cleaning	53,733	53,733	55,185	55,185
Postage, stationery and advertising	55,146	55,146	52,668	52,668
Leasing and hire of equipment	75,178	75,178	55,590	55,590
Telephone	21,352	21,352	18,448	18,448
Computer costs	42,006	42,006	29,182	29,182
Business consultancy	2,500	2,500	1,800	1,800
Professional fees	75,426	75,426	43,921	43,921
Audit fees	8,000	8,000	8,000	8,000
Junior golf	41,649	41,649	18,609	18,609
Golfers souvenir bags	20,303	20,303	20,736	20,736
Sundry expenses	29,096	29,096	15,515	15,515
Bad debts	27,440	27,440	-	-
Bank charges	57,214	57,214	63,686	63,686
Charity donations	15,700	15,700	-	-
Irrecoverable VAT	101,087	101,087	83,761	83,761
Corporation tax	-	-	(15,025)	(15,025)
Previous year corporation tax adjustment	252	252	-	-
Depreciation	538,066	538,066	502,447	502,447
Gain on sale of assets	(22,517)	(22,517)	(35,909)	(35,909)
	<u>3,595,165</u>	<u>3,595,165</u>	<u>3,350,806</u>	<u>3,350,806</u>

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

5 Support costs

The trustees regard the undernoted costs as support costs of the charity

	2016	2016	2015	2015
	Group	Charity	Group	Charity
	£	£	£	£
Audit fees	13,000	8,000	12,500	8,000
	<u>13,000</u>	<u>8,000</u>	<u>12,500</u>	<u>8,000</u>

6 Taxation

Domestic current year tax

U.K. corporation tax

Adjustment for prior years

Total current tax

Deferred tax

Deferred tax charge current year

2016
£

2015
£

-

34,037

252

-

252

34,037

-

(49,062)

252

(15,025)

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

7 Tangible fixed assets - charity

	Buildings	Course improvements	Plant and sprinklers	Office equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2015	3,592,951	542,254	1,522,105	138,101	5,795,411
Additions	38,083	-	318,361	34,486	390,930
Disposals	-	-	(27,753)	-	(27,753)
At 31 March 2016	<u>3,631,034</u>	<u>542,254</u>	<u>1,812,713</u>	<u>172,587</u>	<u>6,158,588</u>
Depreciation					
At 1 April 2015	745,719	81,083	785,409	109,319	1,721,530
On disposals	-	-	(22,205)	-	(22,205)
Charge for the year	191,524	27,089	302,984	16,469	538,066
At 31 March 2016	<u>937,243</u>	<u>108,172</u>	<u>1,066,188</u>	<u>125,788</u>	<u>2,237,391</u>
Net book value					
At 31 March 2016	<u>2,693,791</u>	<u>434,082</u>	<u>746,525</u>	<u>46,799</u>	<u>3,921,197</u>
At 31 March 2015	<u>2,847,232</u>	<u>461,171</u>	<u>736,696</u>	<u>28,782</u>	<u>4,073,881</u>

Tangible fixed assets - group

	Buildings	Course improvements	Plant and sprinklers	Shop and Office equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2015	3,592,951	542,254	1,522,105	177,514	5,834,824
Additions	38,083	-	318,361	38,981	395,425
Disposals	-	-	(27,753)	-	(27,753)
At 31 March 2016	<u>3,631,034</u>	<u>542,254</u>	<u>1,812,713</u>	<u>216,495</u>	<u>6,202,496</u>
Depreciation					
At 1 April 2015	772,831	53,971	785,409	138,032	1,750,243
On disposals	-	-	(22,205)	-	(22,205)
Charge for the year	191,501	27,112	302,984	20,538	542,135
At 31 March 2016	<u>964,332</u>	<u>81,083</u>	<u>1,066,188</u>	<u>158,570</u>	<u>2,270,173</u>
Net book value					
At 31 March 2016	<u>2,666,702</u>	<u>461,171</u>	<u>746,525</u>	<u>57,925</u>	<u>3,932,323</u>
At 31 March 2015	<u>2,820,120</u>	<u>488,283</u>	<u>736,696</u>	<u>39,482</u>	<u>4,084,581</u>

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

8 Fixed asset investments

	Investment in wholly owned subsidiary undertaking £
Cost	
At 1 April 2015 & at 31 March 2016	100,575
Net book value	
At 31 March 2016	100,575
At 31 March 2015	100,575

Holdings of more than 20%

The charity holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Carnoustie Golf Links Limited	Scotland	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activity	Capital and reserves 2016 £	Surplus/ (deficit) for the year 2016 £
Carnoustie Golf Links Limited	Operation of Pro Shop at Carnoustie Golf Links	324,318	1,439

9 Stocks	2016 Group £	2016 Charity £	2015 Group £	2015 Charity £
Goods for own use	43,571	43,571	41,886	41,886
Goods for resale	232,314	-	193,839	-
	<u>275,885</u>	<u>43,571</u>	<u>235,725</u>	<u>41,886</u>

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

10 Debtors	2016	2016	2015	2015
	Group £	Charity £	Group £	Charity £
Trade debtors	55,070	54,040	3,036	2,631
Amounts owed by subsidiary undertakings	-	45,959	-	199,564
Prepayments and accrued income	193,126	189,781	30,352	24,278
	<u>248,196</u>	<u>289,780</u>	<u>33,388</u>	<u>226,473</u>

The short term loan due by the subsidiary has been fully repaid after the year end.

11 Creditors: amounts falling due within one year	2016	2016	2015	2015
	Group £	Charity £	Group £	Charity £
Trade creditors	278,117	157,644	187,360	84,462
Corporation tax	-	-	34,037	34,037
Other taxes and social security costs	16,804	24,308	12,791	17,918
Accruals	91,564	82,785	143,442	131,998
Deferred income	1,542,763	1,539,426	1,439,623	1,436,465
	<u>1,929,248</u>	<u>1,804,163</u>	<u>1,817,253</u>	<u>1,704,880</u>

Deferred income comprises payments received in advance to confirm reservations for play in the following year, the unexpired portion of season tickets and competition receipts in advance.

12 Pension and other post-retirement benefit commitments
Defined contribution

	2016 £	2015 £
Contributions payable by the group for the year	<u>257,151</u>	<u>233,261</u>

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

13 Reconciliation of movements in members' funds	2016 Group £	2016 Charity £	2015 Group £	2015 Charity £
Surplus for the financial year	195,962	194,523	394,997	389,300
Opening members' funds	4,096,578	3,874,275	3,701,581	3,484,975
Closing members' funds	4,292,540	4,068,798	4,096,578	3,874,275

14 Financial commitments, guarantees and contingent liabilities

The charity had total guarantees and commitments at the balance sheet date of £745,002 (2015 - £786,884).

The group had total guarantees and commitments at the balance sheet date of £2,208,127 (2015 - £2,332,263).

15 Employees

Number of employees

No trustees remuneration was paid during the year (2015 - nil). No travel or incidental expenses were reimbursed to trustees during the year (2015 - nil).

The value of voluntary work by the trustees and others is not quantified in the accounts.

The average monthly number of employees during the year was:

	2016 Group Number	2016 Charity Number	2015 Group Number	2015 Charity Number
Management	5	4	5	2
Administration	8	8	9	9
Golf course	52	52	58	58
Pro Shop	6	-	6	-
	71	64	78	69

Employment costs

	2016 Group £	2016 Charity £	2015 Group £	2015 Charity £
Wages and salaries	1,743,895	1,593,060	1,622,948	1,489,264
Social security costs	127,197	115,467	112,770	102,857
Other pension costs	257,151	232,780	233,261	213,906
	2,128,243	1,941,307	1,968,979	1,806,027

CGLMC LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

15 Employees

(continued)

The number of employees who's pay and taxable benefits exceeded £60,000 fell within the following bands were:-

	2016 Group Number	2016 Charity Number	2015 Group Number	2015 Charity Number
£60,000-£69,999	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

The key management personnel of the group comprise the trustees, General Manager, Links Superintendant, Golf Services Manager, Finance Manager and Head Professional. The total employee benefits of the key management personnel for the group was £335,057 (2015: £318,809).

16 Grants made

The charity makes grants to bodies in accordance with its objectives. During the year, grants made were:

- Carnoustie Coastguard - £700
- Carnoustie Community Helpline - £2,500
- Carnoustie Golf Club - £3,500
- Carnoustie Memories Club - £2,000
- Carnoustie Musical Society - £2,000
- Carnoustie Panmure Football Club - £5,000

CGLMC LIMITED
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR CGLMC LIMITED
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR TO 31 MARCH 2016

	Year to 31 March 2016 Group £	Year to 31 March 2016 Charity £	Period 17 November to 31 March 2015 Group £	Period 17 November to 31 March 2015 Charity £
Income:				
Funds introduced on recognition of charity status	-	-	3,950,483	3,677,014
Donations	7,500	7,500	-	-
Income from other trading activities:				
Merchandise income	759,902	-	252,307	-
Investment income:				
Gift aid	-	110,846	-	84,543
Bank interest	4,808	4,041	673	655
	<u>772,210</u>	<u>122,387</u>	<u>4,203,463</u>	<u>3,762,212</u>
Income from charitable activities:				
Course and facility income	3,667,301	3,667,301	1,351,403	1,351,403
Total income	<u>4,439,511</u>	<u>3,789,688</u>	<u>5,554,866</u>	<u>5,113,615</u>
Expenditure				
Costs of raising funds	648,384	-	218,948	-
Charitable activities	3,595,165	3,595,165	1,239,340	1,239,340
Total expenditure	<u>4,243,549</u>	<u>3,595,165</u>	<u>1,458,288</u>	<u>1,239,340</u>
Net movement in funds	195,962	194,523	4,096,578	3,874,275
Reconciliation of funds:				
Total funds brought forward	4,096,578	3,874,275	-	-
Total funds carried forward	<u>4,292,540</u>	<u>4,068,798</u>	<u>4,096,578</u>	<u>3,874,275</u>
Represented by:				
Fixed Assets	3,932,323	4,021,772	4,084,581	4,174,456
Current Assets	2,289,465	1,851,189	1,829,250	1,404,699
Current liabilities	(1,929,248)	(1,804,163)	(1,817,253)	(1,704,880)
	<u>4,292,540</u>	<u>4,068,798</u>	<u>4,096,578</u>	<u>3,874,275</u>

The statement of financial activities includes all gains and losses recognised in the year to 31 March 2016. The page 14 Statement of Financial Activities comparatives are for a full year, however the company only became a charity part way through. The figures from the date of becoming a charity on 17 November 2014 are as above.

All income and expenditure derive from continuing activities.

All funds are unrestricted.

The notes on pages 18 - 28 form an integral part of these accounts.