



HELSEBY GOLF CLUB LIMITED

2nd ANNUAL GENERAL MEETING of the Limited Company

Thursday 21st January 2016

PRESENT

The Honorary Secretary, Mr Steve Collins, opened the meeting by addressing the Captain, President, Lady Captain, Past Captains, Directors and 92 Members of Helsby Golf Club.

The Secretary explained that he would Chair the meeting due to Mr J N Stringer being in hospital. He added that Mr D F Leigh, a Director, had sent his apologies due to illness.

The Secretary explained that Mrs V Garner would be taking the minutes of the meeting.

He welcomed Mr Gareth Burton, Managing Director and Mr Dan Corris, Accounts Manager for Burton Beavan, the Club's Accountants, to the meeting.

After the completion of the meeting, Mrs Janet Richards, Chair of Membership and Marketing, would give a short presentation on the Management's Proposal to re-introduce 5 Day Membership at the February AGM.

1. Notice Convening the Meeting

The notice convening the meeting had been duly displayed in the clubhouse from 30 December 2015 in accordance with the Articles and Memorandum of Association. It had also been posted on the club website/members' page.

2. Apologies for Absence

Apologies for absence had been received from 8 members.

3. Minutes of the 1st AGM for the Limited Company held on 30 October 2014

The minutes were available in the clubhouse and on the website and as no questions or comments had been made about them, it was put to the vote to accept them as written.

These were accepted.

4. Report and Accounts

Mr T A Lee had put forward 16 questions to be answered at the meeting, 10 to Burton Beavan and 6 to the Directors.

Mr D A Fletcher, Director, read the questions aloud and Gareth Burton, as the Club's Accountant answered each question as below.

1. Accountancy charges only shown as £3000?

The invoices in Accountancy are shown net at £500 for bringing the bookkeeping up to date from 1/10/2014 – 31/03/2015, plus £2,500 for preparation of the 31 March 2015 accounts. Fees as agreed with the club. The Accrued expenses only show as £3,000 in the accounts, not £4,060. We haven't incorporated the Vat element due to the partial exemption rules and when accruing for costs we simply accrue net costs.

There were no supplementary questions.

2. Should fees from TACS for corporation tax submission be included in accountancy charges?

We are not aware of this invoice. Cannot see within the records inherited from the previous Treasurer. There appears to be no accountancy costs separated out within the P&L and the P&L lines of the spreadsheet records we have, could not be interrogated.

Mr G Burton explained that the accountancy needs were bespoke to the golf club. Mr J Butler's accountancy system was reliable but complicated, which invariably took a lot of time. Mr Butler had been very supportive but had a slightly different way of doing accounts.

Sage could not be used to begin with as no staff at Helsby Golf Club had been trained.

3. Should external accountancy costs be shown as £7756 (excluding any internal office costs) otherwise misleading?

No, why would there be two years' worth of accountancy costs shown in the P&L. The internal records of club prior to our involvement have no accountancy charge in P&L.

Normal practice would be for previous year's costs to be accrued in prior year and reversed in current year with new accrual brought in.

These accounts show the true accountancy cost for the year in the P&L and the associated accrual and thus we consider this to be accurate.

The most important thing is that the Balance Sheet is correct.

There were supplementary questions:

* Mr T A Lee asked if there was an extra £3000 in the accounts.

Mr G Burton said if there was he would need extra time with Mr J Butler to go through to find it.

☐ Mr J Butler said that a duplication of fees was sent to the Directors on 15 December 2015 and was in Office Salaries.

Mr G Burton asked why Mr Butler had not told Burton Beavan this at the time. Mr Butler said because they didn't ask.

4. Is treatment of income tax deducted from building society interest correct?

Semantics. £300 tax paid on interest received. Only other treatment would be to show income received as £300 more but then tax charge in P&L would have been £300 higher.

Net effect to club profitability would have been the same and also we were aiming to show figures in line with the Treasurer's workings and thus in line with expectations of the members.

☐ Mr T A Lee asked if the income tax from the Building Society was correct.

Mr G Burton stated that it was correct. £1200 net received and credited with £300.

5. Have you included a rebate from the Brewery?

No rebate from the brewery was recorded on the records that we received to prepare the accounts. Each year there is a separate line within the bar purchases sections of the accounts workings, that wasn't shown separately this year and so can only assume not given or incorporated within general bar purchase costs. Assumed it was an internal working performed by the previous Treasurer not replicated this year.

☐ Mr T A Lee asked if the £3000 would not have made a substantial difference, would the accounts have read differently.

Mr G Burton replied that the accounts needed to be presented quickly and the Brewery £3000 had not gone through.

☐ Mr J Butler said he was unaware that it hadn't been received during his involvement.

6. Did Burton Beavan do any checks on draft accounts supplied by Mr John Butler? Checked Balance Sheet items and corresponding schedules to ensure accuracy of balance sheet and thus profitability. No detailed check on P&L items as were instructed by the club to use John Butler's figures and time became absolute priority.

Also John Butler came into Burton Beavan offices for an extensive meeting (plus lengthy email support) about the accounts, to give us reassurance on the level of effort and detail put into his workings and that reliance could be placed upon them.

☐ Mr T A Lee asked if any checks had been done on Butlers Accounts.

Mr G Burton said they had difficulty completing the balance sheet and this has to be correct as then the rest will follow correctly. Mr Butler did not use a universal

system, he used his own which made things more difficult.

☐ Mr J Butler wished to make a point of clarity to members that Burton Beavan should have checked accruals.

Mr G Burton said they would look into this.

7. What is in net capital additions of £77936?

The figure was made up of the following additions/disposals:

Additions

| | |
|-----------------------------|---------|
| Toro 4500 rough cutter | £44,652 |
| Toro groundsmaster 4500 | £8,467 |
| Toro Workman | £24,124 |
| Buggy | £750 |
| Defibrillator | £1,664 |
| Toilets on 10 th | £5,338 |
| 2 Bikes | £1,407 |

Disposals

| | |
|---------------------------|--------|
| Cushman 4 wheel Truckstar | £3,365 |
| Ransome Hydraulic | £1,289 |
| Toro 3100 Cutter | £3,514 |
| Sisis Seeder | £299 |

☐ Mr T A Lee asked the price of the toilet.

8. What has increased repairs by £14000?

There was a slight increase in green expenditure for the year; however, the main increase was through property repairs recorded during the year.

Mr G Burton said that the details Burton Beavan received from Mr J Butler were difficult to decipher. In future years Burton Beavan will be able to give very detailed answers with the Sage System.

9. Were the Sage accounting records used to prepare the accounts?

No, we have set up Sage so that we can produce the Accounts from the bookkeeping software for the 31 March 2016 year end. Interim measures and ultimately previous Treasurer figures were used for the majority of these accounts. These accounts are essentially an interim transitional period using old systems prior to moving to the new systems we have brought in.

Sage was not used for the first 6 months accounts received from Mr Butler but was used for the remainder of the year. The accounts for this coming year will be on the Sage system.

10. Why were the accounts so late when promised for May/June?

Mistake made by Burton Beavan and accepted that we did not fully understand the scope of the work to be completed. The accounts were not promised for May/June at all, cannot comment on membership expectations. Burton Beavan did not receive the information until end June/July.

Mr G Burton explained the complexity of existing systems. Not only that but tying together six months from an old system with six months on new system. When they

received the golf club's accounts it was like going back in time and significantly more work was required than anyone at Burton Beavan first thought. The new Sage system is now in place and training is being given to Helsby Golf Club staff. Mr G Burton did admit that they could maybe have been quicker and apologised for this.

The golf club can be assured that the accounts will be completed a lot quicker in future now the new system is in place.

? Mrs Heather Faulkner asked if the accounts were now on Sage.

Mr G Burton confirmed they were and the office staff were working on this system.

? Mrs Faulkner asked about a monthly forecast from the accountants

Mr G Burton stated that Burton Beavan had not been asked to provide this and it was up to the club to request this.

? Mr J Butler asked who completes the VAT return.

Mr D Corris said that Laura in the office, with the help and advice of Mr D A Fletcher, provides the information which is sent to Burton Beavan, who then files the VAT.

? Mr Butler asked if the figures were up to date.

Mr D Corris said there was no VAT on wages and that everything was on the system.

Mr G Burton said that Burton Beavan were not preparing a full audit.

The Hon. Secretary explained that on the formation of the Limited Company, the Directors delegated all the powers of running the Club to the Management Committee. This being said the Directors do have some legal duties, which are signing off the year's accounts, filing of Corporation Tax Returns and the re-appointment of accountants.

The questions put forward by Mr T A Lee for the Directors were read out by the Honorary Secretary.

1. Were the accounts subjected to an external, independent audited/inspection as per Directors 2014 comments?

Mr D A Fletcher replied that he and Mr J Moss signed off the accounts.

? Mr J Butler asked if they were checked by anyone else and Mrs F Feldwick asked if they had been checked by an outside party.

Mr D A Fletcher answered that the accounts had been checked by the Directors and any differences were not material.

? Mr T A Lee asked if we could have submitted a profit and not a loss on the

accounts.

Mr G Burton answered yes. There followed a short discussion regarding the £1500 profit not loss. This in Gareth's opinion would not make a difference to the increase in the coming year's subscriptions.

2. Will they acknowledge at the AGM, John Butler's considerable support to Burton Beavan, in providing them with draft accounts, enabling them to complete the accounts in December 2015?

Mr G Burton acknowledged that Mr Butler gave his time , help and support to complete the accounts.

Mr D A Fletcher said the club were extremely grateful for Mr Butler's support.

3. Are the Directors completely satisfied with the performance of the Accountants?

The Hon. Secretary answered yes on behalf of the Directors.

4. Are the Directors happy to propose the reappointment of Burton Beavan?

Mr D A Fletcher answered on behalf of the Accountants and said they were very happy with Burton Beavan.

5. What do the Directors expect the total accountancy function costs to be for 2016, including internal data processing and VAT submissions?
6. Do the Directors believe that Helsby Golf Club members can afford these costs on an ongoing annual basis?

Questions 5 and 6 were answered as one.

Mr Fletcher answered that Burton Beavan were charging £2500 plus VAT for the accounts and the estimated costs for Helsby Golf Club staff training would be £5000.

[?] Mr T A Lee asked what the £2500 included.

Mr G Burton said all the accounts, but not monthly management accounts.

[?] Mr T A Lee expressed his concern that the club could not afford an increase in accountancy fees. He wondered if we should scrap Helsby being a Limited Company and go back to having a Treasurer not accountant.

The Hon. Secretary answered that the club had not had Sage before but were happy to now be working on the system. He added that the previous facility of having a Treasurer only was not now available.

[?] Mr T A Lee said he thought the money being spent on accountancy fees could be used on the course instead.

The Hon. Secretary said that Mr G Burton had explained everything.

☐ Mr N W Henry asked the Directors if the club can afford this expense.

Mr D A Fletcher re-iterated that the Management Committee run the club and not the Directors. The work Mr Fletcher does on the accounts on a weekly basis, he does as a member and not as a Director.

☐ Mr T A Lee said he felt that the Directors caused problems in the past.

Mr D A Fletcher asked Gareth to speak.

Mr G Burton spoke as an Accountant. He said Helsby Golf Club was a half a million pound business which needed a universal system like Sage and this comes with a cost.

The Hon. Secretary said the Directors felt the club could not continue with unpaid volunteers and once the system was up and running fully it would be cheaper.

Mr J Moss asked for a show of hands for the adoption of the accounts. The show of hands was almost unanimous and was carried.

5. Re-election of Directors

Mr D A Fletcher and Mr J W Moss, the Directors appointed during the year, retire and being eligible, offer themselves for election.

Mr D A Fletcher

Proposed by Mr L Howse and Seconded by Mr N Littler.

Carried

Mr J Moss

Proposed by the Captain and Seconded by Mr S Collins

Carried

Mr D F Leigh retires by rotation and being eligible offers himself for re-election.

Mr N W Henry interrupted the voting by asking the question as to why six Directors were required.

Mr N Littler explained that the club always had four Trustees but when the Club became a Limited Company the four Directors decided they needed someone who could read accounts and asked Mr Fletcher and Mr Moss, both well respected Accountants and members of the Club, to be Directors and thank goodness we did.

Mr Fletcher said that the Directors do not run the club, this is the remit of the Management Committee.

Mr D F Leigh

Proposed by Mr N Littler and Seconded by Mrs L Howse.

Carried

6. Appointment of Accountants

To appoint the Accountants for the Company until the AGM Ltd of 2016.

Carried

7. Accountant's Remuneration

The Accountant's put forward £2500 plus VAT for the next set of accounts.

Proposed to accept by Mr N Littler and Seconded by Mrs L Howse.

Carried

Mr Steve Collins thanked the Officers, members and guests for attending and closed the meeting at 8.30pm.

There followed a short presentation by Mrs Janet Richards on the Management's Proposal for the AGM in February on 5 Day Membership.