

**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**  
**REPORT OF THE COMMITTEE AND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**

**PRESIDENT'S REPORT**  
**YEAR ENDED 31 DECEMBER 2020**

I have pleasure in presenting my report upon the club's activities for the year ended 31 December 2020 and also the club's formal report and accounts.

The Covid-19 pandemic has restricted the club's social activities and significantly reduced income streams during the year.

Government grants claimed, shown in note 13, amounting to £69,748 have helped the club to continue through this difficult period.

The Committee are hopeful that when the club is due to re-open, it will be able to continue operating as normal but under current government guidelines in place at the time, in relation to Covid-19.

The club's overall operating deficit for the year amounted to £13,563 compared with a surplus of £7,770 for the previous financial year.

The income from the bar has decreased by £87,043 compared to the previous year. The gross margin achieved was 46.87% compared to 53.37% for the previous year.

The social fund income reflects an overall general decrease of £74,730 compared with the previous year. Social fund costs overall have decreased by £46,467. This has resulted in a decrease in the net contribution from the social fund of £28,263.

The general operating overheads of the club have decreased this year by £26,625.

Member subscriptions income decreased by £2,362 when compared to the previous year.

Finally, I would like to take this opportunity to express my thanks and appreciation to my fellow members of the committee, the staff and club members, whom have all helped to run the club during the pandemic this financial year.

**J Tether**  
**President**

13 April 2021

**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**

**UNAUDITED REVENUE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>INCOME</b>		149,749	375,744
Direct expenses		79,424	190,113
<b>GROSS SURPLUS</b>	4	70,325	185,631
Administrative Expenses		161,507	188,132
		(91,182)	(2,501)
Other operating income		77,576	10,190
<b>OPERATING (DEFICIT)/SURPLUS</b>		(13,606)	7,689
Interest receivable		53	100
<b>(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR BEFORE TAX</b>		(13,553)	7,789
Taxation	5	10	19
<b>(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(13,563)	7,770
Retained surplus brought forward		206,439	198,669
<b>RETAINED SURPLUS CARRIED FORWARD</b>		192,876	206,439

The notes form part of these financial statements

**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**

**UNAUDITED BALANCE SHEET**  
**31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS:</b>					
Tangible assets	6		126,912		133,614
<b>CURRENT ASSETS:</b>					
Stocks		6,010		14,332	
Debtors	7	16,756		2,834	
Cash at bank and in hand		52,993		84,701	
		<u>75,759</u>		<u>101,867</u>	
<b>CREDITORS:</b> Amounts falling due within one year	8	9,742		28,990	
<b>NET CURRENT ASSETS:</b>			66,017		72,877
			<u>192,929</u>		<u>206,491</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	9		53		52
Accumulated fund			192,876		206,439
			<u>192,929</u>		<u>206,491</u>

These financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE COMMITTEE:**

J Tether - President

Mrs J Branch-Evans - Secretary

Mrs N Marsh - Treasurer

Approved by the Committee on 13 April 2021

The notes form part of these financial statements

## HORNSEA EX-SERVICEMEN'S CLUB LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. **STATUTORY INFORMATION**

Hornsea Ex-Service Men's Club Limited is a private company, limited by shares, registered in England. The company's registered number and registered office address can be found on the club Information page.

The financial statements are presented in Sterling, which is the functional currency of the club.

The principal activity of the club is that of the operation of a member's social club.

#### 2. **ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have also been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

Having regard to liquidity risk, current market conditions and other factors affecting the club, including the impact of Covid-19, the use of the going concern basis of accounting is appropriate as, in the opinion of the committee, there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the club to continue as a going concern.

##### **Income**

Income is shown net of value added tax and includes income from both the Bar and Social Fund activities.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land	-	not depreciated
Buildings	-	5% on reducing balance
Plant and machinery etc	-	10% on reducing balance

##### **Stocks**

Bar stocks on hand have been valued at cost.

##### **Pension costs**

The club operates a defined contribution pension scheme. Contributions payable to the club's pension scheme are charged to the income and expenditure account in the period to which they relate.

The notes form part of these financial statements

**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>3. SALARIES AND WAGES</b>	<b>2020</b>	<b>2019</b>
	£	£
Secretary	5,886	5,298
Bar staff and cleaners	108,993	119,230
Employer's national insurance	1,511	3,764
	<u>116,390</u>	<u>128,292</u>
<p>The average number of employees during the year was 15 (2019: 18)</p>		
<b>4. OPERATING SURPLUS</b>	<b>2020</b>	<b>2019</b>
	£	£
<p>The operating surplus is made up as follows: -</p>		
Bar sales	97,384	248,649
Bar purchases (adjusted by stocks)	51,732	115,954
	<u>45,652</u>	<u>132,695</u>
Bar surplus	45,652	132,695
Social fund surplus	24,673	52,936
	<u>70,325</u>	<u>185,631</u>
Operating surplus	<u>70,325</u>	<u>185,631</u>
<b>5. TAXATION</b>	<b>2020</b>	<b>2019</b>
	£	£
<p>The tax charge for the year is as follows: -</p>		
Current tax:		
Corporation tax	10	19
	<u>10</u>	<u>19</u>

UK corporation tax has been charged at 19% (2019: 19%).

The provision for tax relates to investment income only. The club operates as a mutual activity for the benefit of its members and is exempt from corporation tax on such activities.

**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. TANGIBLE FIXED ASSETS**

	<b>Freehold Land and Buildings &amp; Improvements</b>	<b>Fixtures, Fittings &amp; Equipment</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST:</b>			
At 1 January 2020 and 31 December 2020	354,252	159,106	513,358
<b>DEPRECIATION:</b>			
At 1 January 2020	242,211	137,533	379,744
Charge for year	4,544	2,158	6,702
At 31 December 2020	246,755	139,691	386,446
<b>NET BOOK VALUE:</b>			
At 31 December 2020	107,497	19,415	126,912
At 31 December 2019	112,041	21,573	133,614

**7. DEBTORS: AMOUNTS  
FALLING DUE WITHIN ONE  
YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Other Debtors:</b>		
Job Retention Scheme Grants	8,179	-
ERYC - Grants	1,000	-
Stock returns/credits due back	4,840	-
	14,019	-
Prepayments	2,737	2,834
	16,756	2,834

The notes form part of these financial statements

**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	1,233	13,019
Stewards Bond	1,203	1,203
The Royal British Legion	81	81
VAT	226	4,624
Accrued expenses	6,989	10,044
Corporation tax	10	19
	<u>9,742</u>	<u>28,990</u>
	<u><u>9,742</u></u>	<u><u>28,990</u></u>
<b>9. CALLED UP SHARE CAPITAL</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
The movements in the shareholders during the year were as follows: -		
At 1 January 2020	52	60
Introduced by 167 new members	8	12
	<u>60</u>	<u>72</u>
Forfeited by 145 members	7	20
	<u>53</u>	<u>52</u>
At 31 December 2020	<u><u>53</u></u>	<u><u>52</u></u>

**10. STEWARDS DEPOSIT**

The steward's deposit of £1,203 (2019: £1,203) is held in the club's current account at the NatWest Bank PLC.

**11. CONTROLLING PARTIES**

The club is controlled by the Committee on behalf of the members.



**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>12. LEASING CHARGES</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Lighting and heating system	-	1,980
	<u>          </u>	<u>          </u>
<b>13. GOVERNMENT GRANTS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Job Retention Scheme Grants	39,748	-
ERYC - Hospitality & Leisure Grants	30,000	-
	<u>          </u>	<u>          </u>
	<u>69,748</u>	<u>          </u>

The notes form part of these financial statements

**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**

**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020		2019	
		£	£	£	£
<b>BAR</b>					
Sales			97,384		248,649
Purchases (adjusted by stocks)			51,732		115,954
			<hr/>		<hr/>
Gross bar profit			45,652		132,695
<b>SOCIAL FUND</b>					
<b>Income:</b>					
Fruit machine		9,231		19,115	
Tombola & bingo		10,279		27,366	
Dabber sales		198		557	
Club raffles		29,235		71,683	
Snooker tables		2,478		5,817	
Pool table		944		1,586	
Room hire		-		240	
Charity box & donations		-		731	
		<hr/>		<hr/>	
		52,365		127,095	
<b>Expenses:</b>					
Fruit machine rentals		3,707		5,997	
Fruit machine duty		1,696		4,223	
Artists fees		6,780		20,310	
Match expenses		187		765	
Raffle tickets & prizes		14,832		41,714	
Bingo tickets & prizes		490		1,150	
		<hr/>		<hr/>	
		27,692		74,159	
		<hr/>		<hr/>	
Social fund surplus			24,673		52,936
<b>Other Income:</b>					
Members' subscriptions		7,828		10,190	
Deposit account interest		53		100	
Government grants	13	69,748		-	
		<hr/>		<hr/>	
			77,629		10,290
		<hr/>		<hr/>	
Income before operating expenses			147,954		195,921
			<hr/>		<hr/>

The notes form part of these financial statements

**HORNSEA EX-SERVICEMEN'S CLUB LIMITED**

**INCOME AND EXPENDITURE ACCOUNT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	20120		2019	
		£	£	£	£
Income before operating expenses			147,954		195,921
<b>Operating Expenses:</b>					
Wages and national insurance	3	116,390		128,292	
Pension contributions		1,512		1,374	
Telephone		611		535	
Post & stationery		488		1,448	
Advertising		140		952	
Staff taxis		445		424	
Travelling expenses		67		154	
Repairs & renewals		3,093		8,003	
Alarm & CCTV maintenance		589		623	
Cleaning		3,274		4,464	
Performing rights licence fee		290		391	
ERYC licence fee		180		280	
BT subscriptions		2,969		3,615	
Sundry expenses		763		679	
Accountancy		1,800		2,150	
Stocktakers fees		455		1,140	
Computer costs		2,332		2,225	
Rates & water		2,575		3,490	
Insurance		5,559		4,826	
Light & heat		10,549		13,068	
Bank charges		725		839	
Leasing charges	12	-		1,980	
<b>Depreciation of fixed assets:</b>					
Freehold property		4,544		4,783	
Fixtures, fittings & equipment		2,157		2,397	
			<u>161,507</u>		<u>188,132</u>
<b>(Deficit)/Surplus for the year before taxation</b>			<u>(13,553)</u>		<u>7,789</u>
Corporation tax			<u>10</u>		<u>19</u>
<b>(Deficit)/Surplus for the year after taxation</b>			<u><u>(13,563)</u></u>		<u><u>7,770</u></u>

The notes form part of these financial statements