

Company Registration Number SC389638 (Scotland)
Charity Number SC045236

CGLMC LIMITED
LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

**CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE**

LEGAL AND ADMINSTRATIVE INFORMATION

YEAR ENDED 31 MARCH 2020

Registered charity name	CGLMC Limited
Charity number	SC045236
Company registration number	SC389638
Trustees	Patricia Sawers Colin Yule Ian Frier John Gilbert (Resigned 25 August 2020) Linda Gordon Allan McArtney Aidan McColgan John McLeish Gordon Murray (Resigned 9 June 2020) Edward Healey Kenneth Fraser David Cheape Robert Myles Mark Armstrong (Appointed 1 April 2019) Ian Wilson (Resigned 22 July 2020) Elliot Davie (Appointed 19 August 2020) Derek Cavellini (Appointed 3 September 2020) Kenneth Daly (Appointed 11 November 2020)
Secretary	Thorntons Law LLP
Registered office	Whitehall House 33 Yeaman Shore Dundee DD1 4BJ
Principal business address	Links House Links Parade Carnoustie DD7 7JE
Auditor	Johnston Carmichael LLP Chartered Accountants Bishop's Court 29 Albyn Place Aberdeen AB10 1YL
Solicitors	Thorntons Law LLP 33 Yeaman Shore Dundee DD1 4BJ

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

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CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) YEAR ENDED 31 MARCH 2020

The Trustees have pleasure in presenting their report together with the audited financial statements of the charitable company for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 19 and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Companies Act 2006, 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).

This report incorporates the Directors' Report and Strategic Report required under the Companies Act 2006.

Chairman's report

2019/20 comes off the back of a very important year for CGLMC having just opened its new home, Links House and successfully delivering Carnoustie's 8th Open Championship. It was fully anticipated that this year would be an extremely busy one and it was important that we capitalised on this opportunity.

Looking back over the 12 month period, we as a Board are extremely proud of how the organisation and its staff have performed, delivering across a number of key performance areas which has created a sustainable platform to continually invest in our charitable aims and objectives.

Having gone through a period of transformation over the previous two years, the focus this year was to solidify the new processes, reporting and further embedding the organisation's core values and culture.

The organisation's hard work and dedication to continual improvement was recognised the world over with CGLMC picking up 9 industry recognised awards from Best Catering, Best Club House and best Golfing Experience at the Scottish Tourism Awards to World's Best Golf Course at the World Golf Awards.

The success of 2019/20 allowed us to further develop our community benefits contribution with an increased allocation of £72k, bringing the total contributions since inception to over £250k.

None of this would have been possible without the devoted time of our staff, trustees, volunteers, and the support of the local community and on behalf of the Board I would like to take this opportunity to thank everyone involved.

No organisation is without its challenges, but given the way in which CGLMC has adapted to the ever changing environment, and continues to lead the way in many areas, I am confident that this is only the start of a very bright future for golf at Carnoustie.

Objectives and activities

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 objectives demand of us:-

- To promote the provision or development of recreational facilities in the Carnoustie area with the objective 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, Buddon Links and Burnside, a 5-hole development course (the Nestie) and several practice facilities, 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.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) YEAR ENDED 31 MARCH 2020

Objectives and activities (continued)

As a company limited by guarantee with registered charitable status, our clear strategic intention is reflected in (i) our Articles of Association and (ii) our contractual obligation to Angus Council, our principal client for delivery of key services to:

Operate Carnoustie Golf Links as a world leading venue offering an outstanding golfing experience to all and benefiting the local community.

Our vision and purpose

To be a world leading organisation that benefits our community.

We will lead by example, building a future, balancing commercial and social value/ ensuring that golf is in a better place when we leave it than when we found it:

Having values helps us to achieve our vision

Our values have been identified as the bedrock on which our organisation is built. We will continue to question what they mean and hone the definitions while embedding them in our culture:

Authenticity

Carnoustie will be true to itself and deliver 'Golf's Greatest Test'. A personal challenge of authentic Links Golf. Old Tom Morris, James Braid and Allan Robertson helped to define Carnoustie as we know it. We are proud of our history and strive to maintain authenticity in our approach, strengthening the unique position that the Carnoustie brand has on a global stage.

Innovation and Development

Being innovative and a driver of development is core to our brand values and history. Being innovative means continual improvement across all processes, systems, communications and products. We attract and nurture talent providing the best possible opportunities within our means to those invested in the game and inspire new people to participate in our sport. We lead by example. We are a company of firsts by doing things 'The Carnoustie Way' - we were the first course to introduce red and white flags, we took golf to the New World, our pro's invented The Carnoustie Swing, we are the first Open Championship venue to sign the 'Women in Golf Charter', and we are the first to have a female Chairperson of an Open Championship venue. These are just some examples of our continuing approach to innovation.

Inclusivity

Carnoustie constantly invests in ways to attract new players of all ages, genders and abilities into golf. We want to make golf more accessible, appealing and inclusive. We have not only moved with the times, but have often led the way, pioneering new initiatives such as wheelchair golf and the Carnoustie Golf Memories Group along with an extensive programme of fun, friendly coaching for young players and school children from 5 to 18 along with our 'Ladies get in to golf' programme. We continually develop our infrastructure and facilities to improve accessibility, including financial accessibility and forging strong partnerships locally, regionally and globally to bring the joy of golf to new audiences and generations. The Nestie, our five-hole junior course, is free for all to play including non-members and golf clubs can be provided free of charge. We are committed to providing a positive environment for a diverse, equal and inclusive culture for our staff and our customers.

Sustainability

As a leader in our industry, we measure ourselves against how environmentally friendly we can be, striving to respect and support the ecology and biodiversity of our environment. Named Environmental Golf Course of the Year 2018, Carnoustie prioritises and proactively invests in sustainable development, environmental stewardship and resource efficiency to reduce our carbon footprint. Like all Open venues, Carnoustie is GEO Certified®, the rigorous accreditation process governed by golf's GEO Foundation, which encourages the sport to balance commitment to sustainability with the highest standards of playability.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) YEAR ENDED 31 MARCH 2020

Achievements and performance 2019/20:

- Sustainability is a core value of CGLMC and in 2019 our golf courses were successfully re-awarded GEO accreditation.
- CGLMC were leading the way with the creation of strategic agreements with key suppliers to focus on the reduction of plastic packaging.
- The Dunhill Links, one of the European Tour's main events was successfully hosted again at Carnoustie
- The Crows Nestie junior program has gone from strength to strength with over 250 junior participants
- CGLMC won 9 industry recognised awards including World's Best Golf Course

Charitable grants

Carnoustie Golf Links is an organisation which strives to be commercially successful in order to maximize the value back to the local community in line with our charitable objects.

Over the course of the 2019/2020 financial year, the following charitable donations were made, totalling £72,663.

The amounts donated were:

SRUC GK student award	£100
Cancer Research - UK Golf Day 16th August 2019	£600
The Golf Foundation	£5,000
Poppy wreaths	£60
Golf Memories - Rookery refreshments	£1,182
Emerald and Ivy charity event in Rookery	£89
British empire medals	£224
Golf memories Rookery refreshments	£53
Contact the elderly Rookery refreshments	£163
Motor Neurone Disease	£100
Angus Council CHS business breakfast	£100
Community benefits Rookery voucher	£42
Panmure Football Club	£480
1st Carnoustie BB	£2,334
Carnoustie & District Friends of Guising	£790
Carnoustie & District Pipe Band	£2,499
Royal British Legion Carnoustie	£3,620
Carnoustie High School Rugby Club	£4,100
Carnoustie & District Horticultural Society	£1,050
Carnoustie Memories	£1,560
Carnoustie & Monifieth Men's Shed	£150
Carnoustie Theatre Club	£2,000
Carnoustie School of Irish Dancing	£2,500
CWAS Carnoustie Chapter	£1,625
East Haven Together	£1,614
Kevin Christie Trust Fund	£16,000
Musical Memories	£702
Brenda Herd (Parkview chat n craft)	£369
SAPALD	£590
Tayside Bio Diversity	£1,780
Perth & Kinross Council Bio Diversity	£1,320
Tip Top Toes	£500
Friends of Carnoustie District Heritage	£1,000

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TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) YEAR ENDED 31 MARCH 2020

Charitable grants (continued)

Kinloch Care Centre Comfort Fund	£1,900
Lousen Park Sheltered Housing Fund	£1,000
Carnoustie Community Council	£2,600
Carlogie Primary School	£3,368
Angus PE Association	£2,800
Claymores Swim Club	£1,300
Panmure over 35s	£1,500
Royal British Legion	£1,000
Christmas Tree - War Memorial less credit	£1,150
Carnoustie Art Society	£200
Carnoustie Gala Committee	£867
Carnoustie Probus Club	£483
Carnoustie Claymores Swim Club	£200

Financial review

Our financial performance in 2019 -20 delivered a consolidated net increase in funds of £435,929 which has been driven largely by the continued increase in visiting footfall both for golf and our new food and beverage offering.

Over 2,500 season ticket holders generated over £875,000 income in 2019/20, but the majority of income is still delivered from visitors and supplementary offering such as merchandise and food and beverage.

Over the next 3-5 years we expect to maintain and grow the level of income in the years 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. This area is constantly reviewed, and we are optimistic of improving the controls required to manage this vital area of our expenditure.

CGLMC participates in the Tayside Pension Fund which is a multi-employer defined benefit pension scheme. We have reviewed and amended our accounting policy during the year to account for this in accordance with FRS 102. Further details are included in Notes 19 and 21.

Pricing Policy

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

A season ticket at Carnoustie for the 2019/20 season is currently £516 for a 3 course 7-day ticket. As with all parts of the organisation, this is under review to ensure a balance between cost of delivery and access.

We also provide lower rates for juniors, young persons up to age 21 and persons aged over 65.

Our largest source of income is visitor green fees, predominantly from the Championship course contributing around 70% of our income (excluding the merchandise and food and beverage). The green fee for Carnoustie is continually benchmarked across peer venues to ensure there is appropriate access to golf for all levels.

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

Future plans

Our purpose and vision identified Carnoustie Golf links to be a world leading organisation that benefits our community. We will continue to lead by example, building a better future, balancing commercial and best value.

As we look forward, it is important that we continue to play a vital role in the progression of golf and work closely with strategic partners to increase participation in the sport.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) YEAR ENDED 31 MARCH 2020

Future plans (continued)

The main focus for CGLMC over the next few years will be to secure long term access to our Season Ticket Holders past 2033 as well as securing the return of The Open Championship.

Risk management

CGLMC have developed a series of risk tables, using tables originally created by our former auditor, 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 that 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. The principal risks are covered in the following sections.

Coronavirus (COVID-19) outbreak

Only now can we get a sense of the impact COVID-19 has had on a global stage but the foresight and implementation of a COVID-19 recovery plan adopted by CGLMC in early 2020 validates the organisation's vision of becoming more strategically focused with a view of creating more financial stability.

CGLMC's COVID-19 plan has mapped out the potential risks and exposures of a prolonged impact of no visiting golfers and has allowed the organisation to plan and adapt accordingly, putting additional financial resources in place where required.

Due to the timing of COVID-19, no impact was felt on the 2019/20 results, but it has affected the subsequent financial year with approximately 20,000 affected visitor rounds. The COVID-19 plan identified this and made early decisions to engage with all the affected bookings to seek alternative dates in future years. The rescheduling strategy has been tremendously successful with over 90% of all bookings now rescheduled into a future year.

Although it is expected that it will take a number of years for similar levels of footfall pre-COVID-19, the recovery plan is encouraging and the Board of Trustees are confident in the long term forecasts of the organisation and its ability to manage its way out of this situation.

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 31 March 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 Limited charity.

The Trustees delegate day-to-day management to the full-time staff, headed up by the Chief Executive, Michael Wells, the Deputy Chief Executive, Links Superintendent, Head of Golf Services, Finance Manager, Head Chef, and Human Resources Manager.

We have strengthened governance processes and systems with investment in technology to support financial governance and payments. This 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.

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TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Structure, governance and management (continued)

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 been identified and the appointment of a new H&S Trustee from the Board will help drive forward this agenda.

Remuneration

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

Remuneration for key management personnel is approved by The Board via the annual budget process with salaries benchmarked regularly.

Technology

CGLMC is currently working on an ERP audit to identify efficiencies and best practice across all of its IT infrastructure.

People

People are our key resource and our main element of expenditure. Our resource requirements increased over the period due to the opening of the Rookery Restaurant as well as continuing with seasonal staff 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.

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 £3,346,845 (2019:£2,910,916) which included £7,841,897 (2019:£8,232,850) 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' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

YEAR ENDED 31 MARCH 2020

Reserves policy (continued)

Unrestricted reserves are stated net of a defined benefit pension scheme liability of £1,509,000 (2019: £1,533,000) which does not represent an immediate cash liability but is an actuarial estimate of CGLMC's longer-term liabilities under the scheme. Details of the assumptions on which it is based are included in Note 19.

Going Concern

CGLMC operate within one of the hardest hit sectors by COVID-19 with the impact anticipated to affect footfall numbers into 2023. It is estimated that between March 2020 and March 2023 over 40,000 anticipated visiting golfers to Carnoustie will have been impacted. The full effects of COVID-19 have been somewhat mitigated by the early adoption of a COVID-19 recovery plan which formalised a rescheduling strategy for our visiting golfers, maximised the government support schemes such as furlough and created alternative revenue streams such as online retail through our merchandise and Food & Beverage department.

Although it will take several years for normalised footfall to resume, the long-term forecast of CGLMC remains encouraging with the Board of Trustees' assessment one of cautious optimism.

The current liquidity of the organisation remains strong, although the loan facility for Links House is due for repayment within 12 months, a new facility has already been verbally approved to extend these terms to 7 years.

CGLMC also have a secondary facility approved via the government backed scheme should it be needed.

Reference and Administrative Information

Directors and Trustees

The Directors of the charitable company 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 are follows:

Patricia Sawers	(Chairman)
Colin Yule	(Vice-Chairman)
Ian Frier	
Linda Gordon	
Allan McArtney	
Aidan McColgan	
John McLeish	
Gordon Murray	
Kenneth Fraser	
David Cheape	
Robert Myles	
Mark Armstrong	(Appointed 1 April 2019)
Ian Wilson	(Resigned 22 July 2020)
Elliot Davie	(Appointed 19 August 2020)
John Gilbert	(Resigned 25 August 2020)
Edward Healey	(Resigned 9 June 2020)
Derek Cavellini	(Appointed 3 September 2020)
Kenneth Daly	(Appointed 11 November 2020)

Statement of disclosure to auditor

So far as the trustees are aware, there is no relevant audit information of which the charitable company's auditor is 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 charitable company's auditor is aware of that information.

**CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC
REPORT) (CONTINUED)
YEAR ENDED 31 MARCH 2020**

The Trustees' report was approved by the Board of Trustees.

Patricia A. Sawers

Patricia Sawers
Chairman

17 September 2021

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2020

The trustees, who are also the directors of CGLMC Limited, for the purpose of company law, are responsible for preparing the Directors' Report, Strategic Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 group and charitable company will continue in operation.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF CGLMC LIMITED

YEAR ENDED 31 MARCH 2020

Opinion

We have audited the financial statements of CGLMC Limited (the "parent charitable company") and its subsidiary ("the group") for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2020 and of the group's and parent charitable company's incoming resources and application of resources, including the group's and parent charitable company'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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements were authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF CGLMC LIMITED (CONTINUED)

YEAR ENDED 31 MARCH 2020

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (incorporating Directors' Report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating Directors' Report and Strategic Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (incorporating Directors' Report and Strategic Report).

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9 the trustees (who are also the directors of CGLMC Limited for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the trustees determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting, unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF CGLMC LIMITED (CONTINUED)

YEAR ENDED 31 MARCH 2020

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and its 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 charitable company and the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Fiona Kenneth (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

29 September 2021
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Chartered Accountants
Statutory Auditor

Bishop's Court
29 Albyn Place
Aberdeen
AB10 1YL

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE
GROUP AND CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 Group £	2020 Charity £	2019 (as restated) Group £	2019 (as restated) Charity £
Income					
Other trading activities	3	2,162,490	-	2,072,358	-
Charitable activities	4	5,419,996	5,419,996	5,141,884	5,141,884
Investment income	5	8,697	6,198	3,073	2,277
Total income		<u>7,591,183</u>	<u>5,426,194</u>	<u>7,217,315</u>	<u>5,144,161</u>
Expenditure on					
Raising funds	6	(2,163,272)	-	(2,106,617)	-
Charitable activities	7	(5,529,982)	(5,529,982)	(5,141,006)	(5,141,006)
Total expenditure		<u>(7,693,254)</u>	<u>(5,529,982)</u>	<u>(7,247,623)</u>	<u>(5,141,006)</u>
Net (expenditure) / income		(102,071)	(103,788)	(30,308)	3,155
Other recognised losses					
Actuarial gains on defined benefit pension scheme	19	538,000	538,000	295,000	295,000
Net movement in funds		435,929	434,212	264,692	298,155
Reconciliation of funds					
Total funds brought forward (as restated)	20	2,910,916	2,718,265	2,646,224	2,420,110
Total funds carried forward	20	<u>3,346,845</u>	<u>3,152,477</u>	<u>2,910,916</u>	<u>2,718,265</u>

All of the above amounts relate to continuing activities.

All income and expenditure is unrestricted.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 16 to 33 form part of these financial statements.


**CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE**

GROUP AND CHARITY BALANCE SHEET

AS AT 31 MARCH 2020

	Note	2020		2019 (as restated)	
		Group £	Charity £	Group £	Charity £
Fixed assets					
Tangible assets	11	7,841,897	7,812,140	8,232,850	8,201,971
Investments	12	-	100,575	-	100,575
		<u>7,841,897</u>	<u>7,912,715</u>	<u>8,232,850</u>	<u>8,302,546</u>
Current assets					
Stocks	13	341,112	29,700	287,180	24,539
Debtors	14	73,267	483,426	116,456	197,196
Cash at bank and in hand		3,117,480	2,435,359	2,312,594	1,757,644
		<u>3,531,859</u>	<u>2,948,485</u>	<u>2,716,230</u>	<u>1,979,379</u>
Creditors: amounts falling due within one year	15	<u>(6,355,796)</u>	<u>(6,037,608)</u>	<u>(3,501,574)</u>	<u>(3,027,070)</u>
Net current liabilities		<u>(2,823,937)</u>	<u>(3,089,123)</u>	<u>(785,344)</u>	<u>(1,047,691)</u>
Total assets less current liabilities		5,017,960	4,823,592	7,447,506	7,254,855
Creditors: amounts falling due after more than one year	16	(162,115)	(162,115)	(3,003,590)	(3,003,590)
Defined benefit pension scheme liability	19	<u>(1,509,000)</u>	<u>(1,509,000)</u>	<u>(1,533,000)</u>	<u>(1,533,000)</u>
Net assets		<u>3,346,845</u>	<u>3,152,477</u>	<u>2,910,916</u>	<u>2,718,265</u>
Funds					
Unrestricted income funds		<u>3,346,845</u>	<u>3,152,477</u>	<u>2,910,916</u>	<u>2,718,265</u>
Total funds		<u>3,346,845</u>	<u>3,152,477</u>	<u>2,910,916</u>	<u>2,718,265</u>

These financial statements were approved by the directors on 17/09/2021 and are signed on their behalf by:


Patricia Sawers
Trustee


Gordon Murray
Trustee

Company Registration Number: SC389638

The notes on pages 16 to 33 form part of these financial statements.

**CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE**

GROUP AND CHARITY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	2020		2019	
	Group £	Charity £	Group £	Charity £
Net cash inflow from operating activities (Note 24)	1,518,631	1,384,165	2,125,133	1,562,430
Investing activities				
Interest receivable	8,697	6,198	3,073	2,277
Purchase of tangible fixed assets	(459,080)	(449,286)	(1,002,762)	(973,753)
Disposal of tangible fixed assets	10,000	10,000	9,400	9,400
Net cash outflow from investing activities	(440,383)	(433,088)	(990,289)	(962,076)
Financing activities				
Movement in capital element of hire purchase contracts	(141,833)	(141,833)	(54,719)	(54,719)
Hire purchase interest	(16,158)	(16,158)	(26,585)	(26,585)
Drawdown of bank loan	-	-	461,295	461,295
Bank interest	(115,371)	(115,371)	(107,622)	(107,622)
Net cash (outflow) / inflow from financing activities	(273,362)	(273,362)	272,369	272,369
Net increase in cash and cash equivalents	804,886	677,715	1,407,213	872,723
Cash and cash equivalents at the beginning of the year	2,312,594	1,757,644	905,381	884,921
Cash and cash equivalents at the end of the year	3,117,480	2,435,359	2,312,594	1,757,644
Represented by				
Cash in hand	2,500	1,150	2,500	1,150
Cash in bank	3,114,980	2,434,209	2,310,094	1,756,494
	3,117,480	2,435,359	2,312,594	1,757,644

The notes on pages 16 to 33 form part of these financial statements.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.1 General information and basis of preparation

CGLMC Limited is a charitable company limited by guarantee registered in Scotland.

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charitable company ("the charity") is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

The financial statements are prepared under the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. At 31 March 2020, the group had net current liabilities of £2,823,937 which included a bank loan of £2,697,654 for Links House.

The current liquidity of the group remains strong and although the bank loan for Links House is due for repayment within 12 months of the balance sheet date, a new facility has already been verbally approved to extend these terms to 7 years. The group also has a secondary facility approved via the government backed loan scheme should it be needed.

The group operates within one of the hardest hit sectors by COVID-19 with the impact anticipated to affect footfall numbers into 2023. It is estimated that between March 2020 and March 2023 over 40,000 anticipated visiting golfers to Carnoustie will have been impacted. The full effects of COVID-19 have been somewhat mitigated by the early adoption of a COVID-19 recovery plan which formalised a rescheduling strategy for our visiting golfers, maximised the government support schemes such as furlough and created alternative revenue streams such as online retail through our merchandise and Food & Beverage department. Although it will take several years for normalised footfall to resume, the long-term forecast of the group remains encouraging with the Trustees' assessment one of cautious optimism.

Having prepared and reviewed a range of financial forecasts for the year to 31 March 2022 and 31 March 2023, which take into account the anticipated impact of COVID-19, the Trustees are satisfied that the group has adequate resources to continue to operate and to meet its liabilities as they fall due for a period of at least 12 months from the approval of these financial statements. The Trustees have therefore prepared the accounts on the going concern basis.

1.3 Basis of consolidation

The consolidated financial statements incorporate those of CGLMC Limited and its wholly owned subsidiary, Carnoustie Golf Links Limited. All intra-group transactions and balances are eliminated on consolidation.

1.4 Charitable funds

All of the group's funds are unrestricted and are therefore available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1.5 Income

Income from trading activities represents amounts receivable for goods and services and is recognised in the period in which they are provided, 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.

1.6 Expenditure

Expenditure is recognised on an accruals basis. Costs of raising 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.

1.7 Fixed asset investments

Investments in subsidiaries are measured at cost less impairment.

1.8 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is calculated on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold buildings	Over 4 to 20 years
Asset under construction	No depreciation as asset not yet operable
Plant and sprinklers	Over 1 to 10 years
Shop and office equipment	Over 1 to 5 years

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible fixed 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).

1.10 Stocks

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

1.11 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.

1.12 Financial instruments

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in income and expenditure.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.13 Leases

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

1.14 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.15 Retirement benefits

CGLMC Limited is a member of the Tayside Pension Scheme ('TPS'), a Local Government Pension Scheme, which provides benefits based on final pensionable pay. The TPS is a funded scheme, with the assets held in a separate trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. Actuarial valuations are obtained triennially and are updated at each balance sheet date by a qualified actuary to determine the charity's share of the net pension asset or liability.

In accordance with FRS 102, the change in the net defined benefit liability arising from employee service rendered during the period, net interest on the defined benefit liability and the cost of plan introductions, benefit changes, curtailments and settlements are recognised in income and expenditure.

CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.

Remeasurement changes comprise actuarial gains and losses, and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

1.16 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.

1.17 Tax

The charity has been exempt from taxation on its charitable income since becoming a charity in November 2014. The subsidiary gift aids any taxable profit to the charity.

2. Judgements and key sources of estimation uncertainty

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

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

Critical estimates and judgements

The following are considered to be either judgements that have had the most significant effect on amounts recognised in the financial statements, or estimates that are dependent on assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the balance sheet date.

Defined benefit pension scheme

The Tayside Pension Scheme is accounted for as a defined benefit pension scheme using actuarial assumptions. The net liability of £1,509,000 (2019 – £1,533,000) is calculated by an actuary and is an estimate of the share of the assets and liabilities which relates to the charitable company. Details of the valuation and assumptions are contained in note 19.

Useful economic life of fixed assets

Tangible fixed assets are depreciated over the trustees' estimate of the useful economic lives of the assets, which are reviewed annually for continued appropriateness. Details of the estimated useful economic lives and the amount of depreciation charged in these financial statements are included in Notes 1.8 and 11.

**CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3. Income from other trading activities

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Merchandise and restaurant income	2,162,490	-	2,072,358	-
	<u>2,162,490</u>	<u>-</u>	<u>2,072,358</u>	<u>-</u>

4. Income from charitable activities

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Course income	5,216,719	5,216,719	4,419,810	4,419,810
Facility fees	108,000	108,000	631,957	631,957
VIP membership	-	-	5,745	5,745
Tea hut & coffee shop rental	-	-	18,951	18,951
Tournament surplus	79,405	79,405	64,834	64,834
Other income	15,873	15,873	587	587
	<u>5,419,996</u>	<u>5,419,996</u>	<u>5,141,884</u>	<u>5,141,884</u>

5. Income from investments

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Bank interest receivable	8,697	6,198	3,073	2,277
	<u>8,697</u>	<u>6,198</u>	<u>3,073</u>	<u>2,277</u>

CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6. Costs of raising funds

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Golf shop and restaurant expenditure	2,163,272	-	2,106,617	-
	<u>2,163,272</u>	<u>-</u>	<u>2,106,617</u>	<u>-</u>

7. Costs of charitable activities

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Salaries and pension costs	2,473,123	2,473,123	2,411,675	2,411,675
Training and other staff costs	48,413	48,413	49,474	49,474
Repairs and maintenance	377,619	377,619	350,302	350,302
Rent and rates	61,712	61,712	63,163	63,163
Insurance	56,522	56,522	52,595	52,595
Heat, light and cleaning	147,546	147,546	143,405	143,405
Postage, stationery and advertising	34,019	34,019	43,620	43,620
Leasing and hire of equipment	77,247	77,247	77,268	77,268
Telephone	16,692	16,692	14,660	14,660
Computer costs	67,374	67,374	44,484	44,484
Business consultancy	35,298	35,298	98,063	98,063
Professional fees	153,719	153,719	115,632	115,632
2018 Open costs	7,628	7,628	26,575	26,575
Junior golf	5,970	5,970	15,389	15,389
Golfers souvenir bags	15,538	15,538	5,435	5,435
Sundry expenses	115,045	115,045	34,160	34,160
Travel expenses	43,689	43,689	-	-
Media licenses	20,294	20,294	10,694	10,694
Bank charges	110,307	110,307	91,100	91,100
Charity donations	72,663	72,663	67,578	67,578
Irrecoverable VAT	112,107	112,107	77,984	77,984
Hire purchase interest paid	16,158	16,158	26,585	26,585
Bank interest paid	115,371	115,371	107,622	107,622
Depreciation	834,728	834,728	862,494	862,494
Gain on sale of assets	(2,800)	(2,800)	(2,951)	(2,951)
Pension - service costs (net of contributions)	478,000	478,000	316,000	316,000
Pension - net interest costs	33,000	33,000	34,000	34,000
Pension - administration costs	3,000	3,000	4,000	4,000
	<u>5,529,982</u>	<u>5,529,982</u>	<u>5,141,006</u>	<u>5,141,006</u>

**CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8. Auditor's remuneration

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Audit fees	13,250	9,750	14,500	10,000
Other services	4,550	3,000	-	-
	<u>17,800</u>	<u>12,750</u>	<u>14,500</u>	<u>10,000</u>

9. Staff costs and emoluments

Total staff costs were as follows:

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Wages and salaries	2,606,129	1,976,990	2,581,869	1,970,620
Social security costs	234,516	190,987	222,810	172,993
Other pension costs	381,769	305,146	344,591	268,062
	<u>3,222,414</u>	<u>2,473,123</u>	<u>3,149,270</u>	<u>2,411,675</u>

Particulars of employees:

The average number of employees during the year was as follows:

	2020 Group No.	2020 Charity No.	2019 Group No.	2019 Charity No.
Management	14	11	6	6
Administration	28	28	10	10
Golf course	38	38	59	59
Pro Shop	9	-	10	-
Rookery	23	-	20	-
	<u>112</u>	<u>77</u>	<u>105</u>	<u>75</u>

**CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9. Staff costs and emoluments (continued)

The number of employees whose emoluments for the year fell within the following bands, were:

	2020 Group No.	2020 Charity No.	2019 Group No.	2019 Charity No.
£60,000 to £69,999	1	1	-	-
£100,000 to £109,999	1	1	1	1
£130,000 to £139,999	1	1	-	-

10. Trustees' and key management personnel remuneration and expenses

No trustees remuneration was paid during the year (2019 - £nil). No travel or incidental expenses were reimbursed to trustees during the year (2019 - £nil).

The key management personnel of the group comprises the trustees, Chief Executive, Deputy Chief Executive, Links Superintendent, Golf Services Manager, Finance Manager, Human Resources Manager, Head Chef and Head Professional. The total employee benefits of the key management personnel for the group was £689,613 (2019 - £446,746).

**CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11. Tangible fixed assets - group

	Buildings and improvements £	Plant and sprinklers £	Shop and Office equipment £	Total £
Cost or valuation				
At 1 April 2019	8,764,489	2,798,883	434,615	11,997,987
Additions	418,813	29,275	10,992	459,080
Disposals	-	(18,000)	-	(18,000)
At 31 March 2020	9,183,302	2,810,158	445,607	12,439,067
Depreciation				
At 1 April 2019	1,479,789	2,003,699	281,649	3,735,137
Charge for the year	468,834	320,379	53,620	842,833
Disposals	-	(10,800)	-	(10,800)
At 31 March 2020	1,948,623	2,313,278	335,269	4,597,170
Net book value				
At 31 March 2020	7,234,679	496,880	110,338	7,841,897
At 31 March 2019	7,284,700	795,184	152,966	8,232,850
Tangible fixed assets - charity				
	Buildings and improvements £	Plant and sprinklers £	Office Equipment £	Total £
Cost or valuation				
At 1 April 2019	8,764,489	2,798,883	350,417	11,913,789
Additions	418,813	29,275	1,197	449,286
Disposals	-	(18,000)	-	(18,000)
At 31 March 2020	9,183,302	2,810,158	351,614	12,345,075
Depreciation				
At 1 April 2019	1,479,789	2,003,699	228,330	3,711,818
Charge for the year	468,834	320,379	42,704	831,917
Disposals	-	(10,800)	-	(10,800)
At 31 March 2020	1,948,623	2,313,278	271,034	4,532,935
Net book value				
At 31 March 2020	7,234,679	496,880	80,580	7,812,140
At 31 March 2019	7,284,700	795,184	122,087	8,201,971

CGLMC LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

12. Fixed asset investments

	2020 Charity £	2019 Charity £
Investment in wholly owned subsidiary undertaking	100,575	100,575

Holdings of more than 20%

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

Charitable company

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

13. Stock

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Goods for own use	40,735	29,700	40,097	24,539
Goods for resale	300,377	-	247,083	-
	<u>341,112</u>	<u>29,700</u>	<u>287,180</u>	<u>24,539</u>

14. Debtors

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Trade debtors	14,023	10,889	26,131	13,186
Amounts owed by subsidiary undertakings	-	454,096	-	117,804
Other debtors	25,038	4,278	60,546	60,546
Prepayments and accrued income	34,206	14,163	29,779	5,660
	<u>73,267</u>	<u>483,426</u>	<u>116,456</u>	<u>197,196</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

15. Creditors: amounts falling due within one year

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Bank loans	2,697,654	2,697,654	-	-
Net obligations under hire purchase contracts	138,566	138,566	136,578	136,578
Trade creditors	443,729	237,271	250,184	126,486
Taxation and social security	178,732	178,732	311,024	41,899
Other creditors	81,614	51,928	-	-
Accruals	207,602	125,558	319,867	239,544
Deferred income	2,607,899	2,607,899	2,483,921	2,482,563
	<u>6,355,796</u>	<u>6,037,608</u>	<u>3,501,574</u>	<u>3,027,070</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.

16. Creditors: amounts falling due after more than one year

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Net obligations under hire purchase contracts	162,115	162,115	305,936	305,936
Bank loans	-	-	2,697,654	2,697,654
	<u>162,115</u>	<u>162,115</u>	<u>3,003,590</u>	<u>3,003,590</u>

17. Creditors – bank loans

Creditors include bank loans which are due for repayment as follows:

	2020 £	2019 £
Amounts repayable:		
In one year or less	2,697,654	-
In more than one year	-	2,697,654
	<u>2,697,654</u>	<u>2,697,654</u>

The bank loan is secured by a floating charge over the assets of the charitable company.

The bank loan is secured by a floating charge over the assets of the charitable company. Interest is payable at 3.5% over base rate and the loan is expected to be formalised into a 7 year term loan subsequent to the year-end.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18. Financial commitments, guarantees and contingent liabilities

The charity had capital commitments at the balance sheet date of £nil (2019 - £618,090).

The group had capital commitments at the balance sheet date of £nil (2019 - £1,831,969).

19. Retirement benefit schemes

Defined benefit scheme

CGLMC Limited participates in the Tayside Pension Fund which is a part of the Local Government Pension Scheme (Scotland), a multi-employer scheme. The LGPS is a defined benefit scheme.

A full actuarial valuation is carried out every three years by a professionally qualified independent actuary using the projected unit method. In the intervening years, an interim valuation is obtained for the purpose of reporting under FRS 102. The last full actuarial valuation was carried out as at 31 March 2017. Contribution rates are based on the advice of the actuary. Contributions for the year were £384,000 (2019: £345,000).

	2020	2019
	%	%
<i>Key assumptions</i>		
Discount rate	2.35	2.45
Expected rate of increase of pensions in payment	1.80	2.35
Expected rate of salary increases	2.80	3.35
CPI inflation	1.80	2.35

	2020	2019
	Years	Years
The assumed life expectations on retirement at age 65 are:		
Retiring today		
Males	19.7	19.6
Females	21.7	21.6
Retiring in 20 years		
Males	21.4	21.3
Females	23.5	23.4

	2020	2019
	£	As restated £
Amounts recognised in the income and expenditure account:		
Current service cost	733,000	661,000
Past service cost	129,000	-
Net interest on defined benefit liability	33,000	34,000
Administration costs	3,000	4,000
Total costs	898,000	699,000

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

19. Retirement benefit schemes (continued)

Amounts recognised in other comprehensive income:

	2020	2019
	£	As restated £
Return on scheme assets excluding interest income	(680,000)	(634,000)
Actuarial changes related to obligations	1,218,000	929,000
Total costs	538,000	295,000

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2020	2019
	£	As restated £
Present value of defined benefit obligations	(9,876,000)	(9,979,000)
Fair value of plan assets	8,367,000	8,446,000
Deficit in scheme	(1,509,000)	(1,533,000)

Movements in the present value of defined benefit obligations:

	2020	2019
	£	£
Liabilities at 1 April	9,979,000	10,054,000
Current service cost	733,000	661,000
Past service cost	129,000	-
Benefits paid	(140,000)	(197,000)
Contributions from scheme members	148,000	129,000
Actuarial gains and losses	(1,218,000)	(929,000)
Interest cost	245,000	261,000
At 31 March	9,876,000	9,979,000

The defined benefit obligations arise from plans funded as follows:

	2020	2019
	£	£
Wholly or partly funded obligations	9,876,000	9,979,000
At 31 March	9,876,000	9,979,000

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

19. Retirement benefit schemes (continued)

Movements in the fair value of plan assets:

	2020 £	2019 £
Fair value of assets at 1 April	8,446,000	8,580,000
Interest income	212,000	227,000
Return on plan assets (excluding amounts included in net interest)	(680,000)	(634,000)
Benefits paid	(140,000)	(197,000)
Contributions by the employer	384,000	345,000
Contributions by scheme members	148,000	129,000
Other	(3,000)	(4,000)
	<u>8,367,000</u>	<u>8,446,000</u>
At 31 March	<u>8,367,000</u>	<u>8,446,000</u>

The fair value of plan assets at the reporting period end was as follows:

	2020 £	2019 £
Equity instruments	5,532,000	5,835,000
Debt instruments	1,553,000	1,408,000
Property	1,029,000	1,054,000
Cash/liquidity	253,000	149,000
	<u>8,367,000</u>	<u>8,446,000</u>

20. Unrestricted funds

2020

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Opening reserves – as previously reported	4,443,916	4,120,224	4,251,265	3,894,110
Prior year adjustment (note 21)	<u>(1,533,000)</u>	<u>(1,474,000)</u>	<u>(1,533,000)</u>	<u>(1,474,000)</u>
Opening reserves – as restated	2,910,916	2,646,224	2,718,265	2,420,110
Net movement in funds for the financial year – as previously reported	435,929	323,692	434,212	357,155
Prior year adjustment (note 21)	<u>-</u>	<u>59,000</u>	<u>-</u>	<u>59,000</u>
	<u>435,929</u>	<u>264,692</u>	<u>434,212</u>	<u>416,155</u>
Closing reserves	<u>3,346,845</u>	<u>2,910,916</u>	<u>3,152,477</u>	<u>2,718,265</u>

21. Prior year adjustment

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

The effect of these adjustments as shown in the statement of changes in funds is as follows:

Group

Changes to the balance sheet

	Note	As previously reported £	Adjustment at 1 Apr 2018 £	Adjustment at 31 Mar 2019 £	As restated at 31 Mar 2019 £
Total assets less current liabilities		7,447,506	-	-	7,447,506
Creditors: falling due in more than one year		(3,003,590)	-	-	(3,003,590)
Defined benefit pension scheme	(a)	-	(1,474,000)	(59,000)	(1,533,000)
Unrestricted charity funds		4,443,916	(1,474,000)	(59,000)	2,910,916

Changes to the statement of financial activities

	Note	As previously reported £	Adjustment £	As restated £
Total income		7,217,315	-	7,217,315
Total expenditure	(a)	(6,893,623)	(354,000)	(7,247,623)
Net income / (expenditure)		323,692	(354,000)	(30,308)
Actuarial gains on defined benefit scheme	(a)	-	295,000	295,000
Net movement in funds		323,692	(59,000)	264,692

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

21. Prior year adjustment (continued)

The effect of these adjustments as shown in the statement of changes in funds is as follows:

Charity

Changes to the balance sheet

	Note	As previously reported £	Adjustment at 1 Apr 2018 £	Adjustment at 31 Mar 2019 £	As restated at 31 Mar 2019 £
Total assets less current liabilities		7,254,855	-	-	7,254,855
Creditors: falling due in more than one year		(3,003,590)	-	-	(3,003,590)
Defined benefit pension scheme	(a)	-	(1,474,000)	(59,000)	(1,533,000)
Unrestricted charity funds		4,251,265	(1,474,000)	(59,000)	2,718,265

Changes to the statement of financial activities

	Note	As previously reported £	Adjustment £	As restated £
Total income		5,144,161	-	5,144,161
Total expenditure		(4,787,006)	(354,000)	(5,141,006)
Net income / (expenditure)		323,692	(354,000)	3,155
Actuarial gains on defined benefit scheme	(a)	-	295,000	295,000
Net movement in funds		323,692	(59,000)	298,155

Note to reconciliation

(a) Defined benefit pension scheme

Where an entity can identify its share of the underlying assets and liabilities of a multi-employer defined benefit pension scheme on a consistent and reasonable basis, SORP (FRS 102) requires the fair value of these assets and liabilities to be recognised in the financial statements. In respect of its participation in the Tayside Pension Fund, the charity previously utilised an exemption available for employers who are unable to identify their share of the scheme's assets and liabilities and accounted for the scheme as a defined contribution scheme. However, it has been established that sufficient information is available to identify the charity's share of the scheme's assets and liabilities therefore the fair value of these assets and liabilities has been recognised in the financial statements. The prior period figures have been restated accordingly.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

22. Events after the balance sheet date

Subsequent to the year end, the COVID-19 pandemic has impacted the company's operational capability and financial performance due to the government restrictions in place. Further information regarding the anticipated ongoing impact is included in Note 1.2.

23. Commitments under operating leases

At 31 March 2020 the charity had the following total future minimum lease payments under non-cancellable operating leases as set out below:

Charity	2020 £	2019 £
Operating leases which expire:		
Within one year	21,967	9,984
Between two and five years	27,758	14,633
Later than five years	-	-
	49,725	24,617

24. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Charity 2020 £	Group 2019 (as restated) £	Charity 2019 (as restated) £
Net income for the reporting period	435,929	434,212	264,692	298,155
Interest receivable	(8,697)	(6,198)	(3,073)	(2,277)
Non cash movements on defined benefit pension scheme	(24,000)	(24,000)	59,000	59,000
Depreciation of fixed assets	842,833	831,917	873,361	862,494
Gain on sale of fixed assets	(2,800)	(2,800)	(2,951)	(2,951)
Hire purchase interest	16,158	16,158	26,585	26,585
Bank interest	115,371	115,371	107,622	107,622
(Increase) / decrease in stocks	(53,932)	(5,161)	(89,125)	12,364
(Increase) / decrease in debtors	(199,137)	(164,418)	191,138	72,681
Increase in creditors	396,906	189,084	697,884	128,757
	1,518,631	1,384,165	2,125,133	1,562,430
Net cash inflow from operating activities	1,518,631	1,384,165	2,125,133	1,562,430

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

25. Analysis of changes in net debt

Group	31 March 2019 £	Cash flow £	31 March 2020 £
Cash at bank and in hand	2,312,594	804,886	3,117,480
Debt due within one year	-	(2,697,654)	(2,697,654)
Debt due after one year	(2,697,654)	2,697,654	-
Net debt	(385,060)	804,886	419,826
Charity	31 March 2019 £	Cash flow £	31 March 2020 £
Cash at bank and in hand	1,757,644	677,715	2,435,359
Debt due within one year	-	(2,697,654)	(2,697,654)
Debt due after one year	(2,697,654)	2,697,654	-
Net debt	(940,010)	677,715	(262,295)