

**Company Registration Number SC389638 (Scotland)**  
**Charity Number SC045236**

**CGLMC LIMITED**  
**LIMITED BY GUARANTEE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**CGLMC LIMITED  
COMPANY LIMITED BY GUARANTEE**

**LEGAL AND ADMINSTRATIVE INFORMATION**

**YEAR ENDED 31 MARCH 2021**

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<b>Registered charity name</b>	CGLMC Limited
<b>Charity number</b>	SC045236
<b>Company registration number</b>	SC389638
<b>Trustees</b>	Patricia Sawers Colin Yule Ian Frier Linda Gordon Allan McArtney Aidan McColgan Gordon Murray David Cheape Robert Myles Mark Armstrong Derek Cavellini (Appointed 3 September 2020) Kenneth Daly (Appointed 11 November 2020) Ralph Wardlaw (Appointed 26 October 2021) Scott Duncan (Appointed 13 January 2022) Craig Mcnicoll (Appointed 25 April 2022)
<b>Secretary</b>	Thorntons Law LLP
<b>Registered office</b>	Whitehall House 33 Yeaman Shore Dundee DD1 4BJ
<b>Principal business address</b>	Links House Links Parade Carnoustie DD7 7JE
<b>Auditor</b>	Johnston Carmichael LLP Chartered Accountants Bishop's Court 29 Albyn Place Aberdeen AB10 1YL
<b>Solicitors</b>	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 2021**

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The Trustees have pleasure in presenting their report together with the audited financial statements of the charitable company for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 18 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**

In a year dominated by events out with our control it is important to look back at the positives and reflect on all that has been achieved to ensure that CGLMC Ltd remains in the best possible place to navigate its way out of the pandemic.

COVID-19 had a devastating impact on many sectors across the world and the leisure and hospitality sector was no different and I would like to start off by thanking our dedicated employees and trustees who worked tirelessly to ensure the long-term viability of CGLMC was maintained through the early adoption of a COVID recovery plan. I would also like to mention our Season Ticket Holders and the visitors that did manage to enjoy our hospitality for being so understanding of the challenges we faced.

Our recovery plan set out our key principles of ensuring that CGLMC Ltd remained liquid through a period where 90% of our income base was unable to enjoy our facilities. This included a specific strategy around rescheduling our visiting golfers into future years, redeploying staff to take on previously outsourced services, maximising government support and seeking to alter our products and services to adapt to an ever-changing environment full of restrictions.

CGLMC also faced the difficulties of having an organic product which needed the same annual investments to ensure the course condition was not compromised and would be ready for consumption as soon as restrictions were lifted. This dynamic prevented a full mothballing and maximisation of government support.

Despite the challenges faced by CGLMC it was also a time to invest in the future, and in keeping with our continual push to become more environmentally sustainable, we agreed a strategic partnership with John Deere and RainBird which created a pathway to full electrification of our equipment and more efficient use of our water through an upgraded irrigation system (works to commence in 2022). Furthermore, CGLMC worked closely with Seagreen to support the installation of the cables that ran through one of our courses that would support one of the UK's largest offshore windfarms.

2020/21, if anything validated CGLMC's resilience as an organisation, that despite crippling economic circumstances, its adaptability and dynamic approach has created a platform for recovery.

### **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.

# **CGLMC LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) YEAR ENDED 31 MARCH 2021**

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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.

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) YEAR ENDED 31 MARCH 2021**

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### **Achievements and performance 2020/21**

Due to Covid 19, a lot of CGLMC's strategies were put on hold, but we did manage to create a global partnership with John Deere which focuses on reducing CGLMC's carbon footprint and it is the blueprint for a long term relationship that will see investment in machinery R & D, apprenticeships and creating a platform where CGLMC can share their expertise with other likeminded golfing venues.

### **Charitable grants**

Due to the current circumstances, CGLMC's distribution of charitable grants during the year were as follows:

Fleurtations (on behalf of Carnoustie Community) - £2,000  
Dundee Bird Club - £200  
Angus Council - £300

### **Financial review**

2020/21 had been a year where the organisation had expected to see revenues exceed £10m with record numbers of visiting golfers scheduled to play. Due to COVID-19 and the subsequent restrictions placed on travel, CGLMC's core revenues shrunk to £1.86m (£1m from Season ticket holders, £450,000 from visiting golfers and an additional £410,000 from merchandise and food & beverage sales). CGLMC, where it could, took advantage of government support via furlough (£700,000) and received compensation relating to the Seagreen Windfarm project totalling £2.7m which will offset the loss of revenue. £1.3m had been received in cash by March 2021, with the balance received post year end.

CGLMC's net movements in funds totalled a loss for the Group of £2.3m which included a £1.4m actuarial loss on the pension scheme and the continuing costs of maintaining the facilities at a reasonable standard to aid the recovery as the key drivers to such a movement.

CGLMC have successfully managed their confirmed bookings that were due to play in the season of 2020/21 and rescheduled them into future years. Due to the continuance of COVID-19 into 2021/22, the majority of these golfers are now booking into 2022/23 season.

As with most organisations, CGLMC needed to manage their cost base effectively to ensure minimal impact to their cash balances. This was at times challenging given the fact that the golf courses continue to grow and require similar levels of investment and the provision of golf is no less expensive without visiting golfers. GGLMC, where possible maximised furlough, brought as many services in-house as possible, and changed their capital expenditure programme which saw the creation of a strategic partnership with John Deere and moved away from a traditional ownership model to leasing for all greenkeeper equipment.

CGLMC's funds at 31 March 2021 are now £1,038,561 but the board are confident that the markets will recover and that a post-COVID environment will allow the organisation to flourish and continue to invest in the infrastructure and deliver on its charitable objectives.

### **Pricing policy**

CGLMC generates income from season ticket sales and visitor green fees. A season ticket at Carnoustie for the 21/22 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.

The visiting 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.

# **CGLMC LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) YEAR ENDED 31 MARCH 2021**

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### **Future plans**

CGLMC will continue to work closely with Angus Council to deliver a long-term agreement that will secure the provision of golf here at Carnoustie for many years to come post 2033.

CGLMC will also continue to work with the R&A and Angus Council to secure the return of The Open Championship.

Subsequent to the year end, CGLMC exited from the Defined Benefit Pension scheme. The liability on cessation calculated by the scheme's actuary was £1.8m and CGLMC have entered into an agreement to repay this over 11 years. This is a reduction on the £3.8m deficit that was determined by the scheme's actuary for the purposes of FRS 102 as at 31 March 2021.

### **Risk management**

CGLMC have adopted and developed a series of risk tables. These risks identify all reasonable risks that can impact the viability of the organisation. The trustees will look to mitigate and manage the risks appropriately. A summary of the risk register is presented at every full board meeting for discussion.

### **Coronavirus (COVID-19) outbreak**

CGLMC's COVID-19 recovery plan is in its final stages as we enter the new playing season with the confidence high that 2022/23 will be the year where international visitors will travel in numbers similar to a pre-pandemic environment.

The recovery plan has served the organisation well with over 95% of all affected bookings being rescheduled between 2021 and 2024. The recovery plan struck a key balance between ensuring the organisation maximised its cash reserves and invested responsibly in key infrastructure and personnel to ensure a seamless transition back into normal operations.

The board remain confident in the organisation's recovery plan and that the hard work done by all has provided the best platform for future success.

### **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 continue to review, invest and strengthen our governance processes and systems and conducted a number of 3<sup>rd</sup> party reviews which resulted in the new EPOS systems providing a better platform to monitor and control key processes. 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.

Awareness training is a key item for our board of trustees and continual re-enforcement of their duties as directors is communicated at the full board.

Compliance with H&S legislation is now firmly embedded within the organisation with a much broader acceptance and awareness of this responsibility across the whole organisation. Health and Safety is a key topic of the weekly operations meetings and reported separately to the full board quarterly.

# **CGLMC LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) YEAR ENDED 31 MARCH 2021**

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### 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 has updated its EPOS systems in both the Rookery and the Pro Shop allowing for a more cohesive customer experience and more insightful reporting. CGLMC are also at the final stages of a tender process to renew our booking platform.

### People

Our people remain at the heart of this organisation. Our salaries remain the biggest commitment but reduced in the period 2020/21 as our requirement for seasonal staff was not there due to the pandemic

Regular personnel 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.

Regular sessions with the senior management team are conducted, allowing staff to become more involved and allow them to express their opinions.

We will work to create an improved working environment for all office-based employees through the provision of upgraded office accommodation but also the flexibility to work from home with the new agile working policy that has been introduced.

### 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 £1,038,561 (2020: £3,346,845) which included £7,071,968 (2020: £7,841,897) 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.

Unrestricted reserves are stated net of a defined benefit pension scheme liability of £3,787,000 (2020: £1,509,000) 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 22.



# CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

## TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT AND STRATEGIC REPORT) YEAR ENDED 31 MARCH 2021

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### Going Concern

The early adoption of CGLMC's COVID-19 recovery plan paved a sustainable route out of the pandemic, capturing the necessity to continue to invest in the operations to make sure that the business is ready for a post-pandemic environment but making appropriate commercial decisions to ensure that sufficient cash remained in the business for liquidity purposes.

Just over 24 months on from the outbreak, the trustees of CGLMC can say with some confidence that the path to full recovery is somewhat underway with a modest visitor footfall for 2021/22 and encouraging signs for 2022/23.

Cash balances remained healthy with £2.2m at 31 March 2021 and additional cash available in the approval of a Coronavirus Business Interruption Loan of £1.2m which was subsequently drawn down in August 2021. Although the bank loan for Links House was due for repayment within 12 months of the balance sheet date, this is expected to be formalised into a seven year term loan.

It is the opinion of the board of trustees that the charity continues to be a Going Concern.

### 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 as follows:

Patricia Sawers	(Chairman)
Colin Yule	(Vice-Chairman)
Ian Frier	
Linda Gordon	
Allan McArtney	
Aidan McColgan	
John McLeish	(Resigned 3 April 2022)
Gordon Murray	
Kenneth Fraser	(Resigned 18 November 2021)
David Cheape	
Robert Myles	
Mark Armstrong	
Ian Wilson	(Resigned 22 July 2020)
Elliot Davie	(Appointed 19 August 2020, Resigned 7 September 2021)
John Gilbert	(Resigned 25 August 2020)
Edward Healey	(Resigned 9 June 2020)
Derek Cavellini	(Appointed 3 September 2020)
Kenneth Daly	(Appointed 11 November 2020)
Ralph Wardlaw	(Appointed 26 October 2021)
Scott Duncan	(Appointed 13 January 2022)
Craig Mcnicoll	(Appointed 25 April 2022)

#### 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.

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

  
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Patricia Sawers  
Chairman 20 May 2022

# **CGLMC LIMITED COMPANY LIMITED BY GUARANTEE**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**YEAR ENDED 31 MARCH 2021**

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The trustees, who are also the directors of CGLMC Limited, for the purpose of company law, are responsible for preparing the Trustees' Report (incorporating Directors' Report and 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 TRUSTEES AND MEMBERS OF CGLMC LIMITED**

**YEAR ENDED 31 MARCH 2021**

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### **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 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 2021 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 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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information which comprises the information included in the trustees' 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 TRUSTEES AND MEMBERS OF CGLMC LIMITED (CONTINUED)**

### **YEAR ENDED 31 MARCH 2021**

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#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our 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 group and the parent charitable company and its environment obtained during 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:

- the parent charitable company has not kept proper and adequate accounting records and returns adequate for our audit have not been received from branches not visited by us;
- 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 trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the parent charitable company 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 control as the trustees determine is 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's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### ***Extent to which the audit is considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

# **CGLMC LIMITED COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF CGLMC LIMITED (CONTINUED)**

### **YEAR ENDED 31 MARCH 2021**

We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent charitable company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified included:

- UK GAAP
- Charities SORP
- Companies Act 2006
- Charities and Trustee Investment (Scotland) Act 2005
- Charities Accounts (Scotland) Act 2006
- Food Hygiene regulations
- Health and Safety regulations
- Alcohol Licensing regulations

We gained an understanding of how the group and parent charitable company are complying with these laws and regulations by making enquiries of management. We corroborated these enquiries through our review of external inspections, relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias;
- Reviewing the level of and reasoning behind the group and the parent charitable company's procurement of legal and professional services;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing incident logs in relation to potential health and safety issues; and
- Reviewing the outcome of food hygiene inspections.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission, or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**CGLMC LIMITED  
COMPANY LIMITED BY GUARANTEE**

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

**YEAR ENDED 31 MARCH 2021**

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**Use of our report**

This report is made solely to the charitable 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 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, the charitable company's members as a body and the charitable company's 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**

27 May 2022

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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 2021**

	Notes	2021		2020	
		Group £	Charity £	Group £	Charity £
<b>Income</b>					
Donations and legacies	3	669,715	446,484	-	-
Other trading activities	4	408,151	-	2,162,490	-
Charitable activities	5	1,469,563	1,469,563	5,419,996	5,419,996
Other income	6	2,746,296	2,746,296	-	-
Investment income	7	1,464	1,197	8,697	6,198
<b>Total income</b>		<u>5,325,189</u>	<u>4,663,540</u>	<u>7,591,183</u>	<u>5,426,194</u>
<b>Expenditure on</b>					
Raising funds	8	(1,057,634)	-	(2,163,272)	-
Charitable activities	9	(5,198,839)	(5,198,839)	(5,529,982)	(5,529,982)
<b>Total expenditure</b>		<u>(6,256,473)</u>	<u>(5,198,839)</u>	<u>(7,693,254)</u>	<u>(5,529,982)</u>
<b>Net expenditure</b>		(931,284)	(535,299)	(102,071)	(103,788)
<b>Other recognised (losses)/gains</b>					
Actuarial (loss) / gains on defined benefit pension scheme	22	(1,377,000)	(1,377,000)	538,000	538,000
<b>Net movement in funds</b>		(2,308,284)	(1,912,299)	435,929	434,212
<b>Reconciliation of funds</b>					
Total funds brought forward	23	<u>3,346,845</u>	<u>3,152,477</u>	<u>2,910,916</u>	<u>2,718,265</u>
Total funds carried forward	23	<u>1,038,561</u>	<u>1,240,178</u>	<u>3,346,845</u>	<u>3,152,477</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 15 to 30 form part of these financial statements.

**CGLMC LIMITED  
COMPANY LIMITED BY GUARANTEE**

**GROUP AND CHARITY BALANCE SHEET**

**AS AT 31 MARCH 2021**

	Note	2021		2020	
		Group £	Charity £	Group £	Charity £
<b>Fixed assets</b>					
Tangible assets	14	7,071,968	7,042,316	7,841,897	7,812,140
Investments	15	-	100,575	-	100,575
		<u>7,071,968</u>	<u>7,142,891</u>	<u>7,841,897</u>	<u>7,912,715</u>
<b>Current assets</b>					
Stocks	16	267,537	17,405	341,112	29,700
Debtors	17	1,739,978	2,877,760	73,267	483,426
Cash at bank and in hand		2,196,844	1,280,028	3,117,480	2,435,359
		<u>4,204,359</u>	<u>4,175,193</u>	<u>3,531,859</u>	<u>2,948,485</u>
<b>Creditors: amounts falling due within one year</b>	18	<u>(6,312,301)</u>	<u>(6,152,441)</u>	<u>(6,355,796)</u>	<u>(6,037,608)</u>
<b>Net current liabilities</b>		<u>(2,107,942)</u>	<u>(1,977,248)</u>	<u>(2,823,937)</u>	<u>(3,089,123)</u>
<b>Total assets less current liabilities</b>		4,964,026	5,165,643	5,017,960	4,823,592
<b>Creditors: amounts falling due after more than one year</b>	19	(138,465)	(138,465)	(162,115)	(162,115)
<b>Defined benefit pension scheme liability</b>	22	<u>(3,787,000)</u>	<u>(3,787,000)</u>	<u>(1,509,000)</u>	<u>(1,509,000)</u>
<b>Net assets</b>		<u>1,038,561</u>	<u>1,240,178</u>	<u>3,346,845</u>	<u>3,152,477</u>
<b>Funds</b>					
Unrestricted income funds		<u>1,038,561</u>	<u>1,240,178</u>	<u>3,346,845</u>	<u>3,152,477</u>
<b>Total funds</b>		<u>1,038,561</u>	<u>1,240,178</u>	<u>3,346,845</u>	<u>3,152,477</u>

These financial statements were approved by the directors on 20 May 2022 and are signed on their behalf by:

*P. A. Sawers*  
Patricia Sawers  
Trustee

*Gordon Murray*  
Gordon Murray  
Trustee

Company Registration Number: SC389638

The notes on pages 15 to 30 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 2021**

	2021		2020	
	Group £	Charity £	Group £	Charity £
<b>Net cash inflow from operating activities (Note 26)</b>	(817,895)	(1,072,676)	1,518,631	1,384,165
<b>Investing activities</b>				
Interest receivable	1,464	1,197	8,697	6,198
Payments to acquire tangible assets	(195,052)	(171,649)	(459,080)	(449,286)
Disposal of tangible fixed assets	365,277	365,277	10,000	10,000
<b>Net cash outflow from investing activities</b>	171,689	194,825	(440,383)	(433,088)
<b>Financing activities</b>				
Movement in capital element of hire purchase contracts	(175,090)	(175,090)	(141,833)	(141,833)
Hire purchase interest	(5,153)	(5,153)	(16,158)	(16,158)
Bank loan movement	(99)	(99)	-	-
Bank interest	(97,138)	(97,138)	(115,371)	(115,371)
<b>Net cash (outflow) from financing activities</b>	(277,480)	(277,480)	(273,362)	(273,362)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(923,686)	(1,155,331)	804,886	677,715
<b>Cash and cash equivalents at the beginning of the year</b>	<u>3,117,480</u>	<u>2,435,359</u>	<u>2,312,594</u>	<u>1,757,644</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>2,193,794</u>	<u>1,280,028</u>	<u>3,117,480</u>	<u>2,435,359</u>
<b>Represented by</b>				
Bank overdraft	(3,050)	-	-	-
Cash in hand	2,500	1,150	2,500	1,150
Cash in bank	<u>2,194,344</u>	<u>1,278,878</u>	<u>3,114,980</u>	<u>2,434,209</u>
	<u>2,193,794</u>	<u>1,280,028</u>	<u>3,117,480</u>	<u>2,435,359</u>

The notes on pages 15 to 30 form part of these financial statements.

# **CGLMC LIMITED**

## **COMPANY LIMITED BY GUARANTEE**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **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 2021, the group had net current liabilities of £2,107,942 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, the trustees expect to formalise this onto a seven year term loan.

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 financial forecasts, which take into account the anticipated impact of COVID-19, the Trustees have identified no material uncertainties and 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 date of 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 2021

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#### 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.

Government grants received in relation to the Coronavirus Job Retention Scheme are recognised in donations in the period to which they relate.

#### 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 any 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 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.

# CGLMC LIMITED COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### ***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.

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 2021**

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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 £3,787,000 (2020 – £1,509,000) 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 22.

#### **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 14.

**CGLMC LIMITED**  
**COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**3. Income from donations and legacies**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Government grants	699,715	446,484	-	-
	<u>699,715</u>	<u>446,484</u>	<u>-</u>	<u>-</u>

Government grants includes £699,715 (2020 - £Nil) received by the group in respect of the coronavirus job retention scheme and £446,484 (2020 - £Nil) received by the charity.

**4. Income from other trading activities**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Merchandise and restaurant income	408,151	-	2,162,490	-
	<u>408,151</u>	<u>-</u>	<u>2,162,490</u>	<u>-</u>

**5. Income from charitable activities**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Course income	1,351,165	1,351,165	5,216,719	5,216,719
Facility fees	96,805	96,805	108,000	108,000
Tournament surplus	-	-	79,405	79,405
Other income	21,593	21,593	15,873	15,873
	<u>1,469,563</u>	<u>1,469,563</u>	<u>5,419,996</u>	<u>5,419,996</u>

**6. Other income - compensation**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Compensation for business disruption.	2,746,296	2,746,296	-	-
	<u>2,746,296</u>	<u>2,746,296</u>	<u>-</u>	<u>-</u>

**7. Income from investments**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Bank interest receivable	1,464	1,197	8,697	6,198
	<u>1,464</u>	<u>1,197</u>	<u>8,697</u>	<u>6,198</u>

**CGLMC LIMITED**  
**COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**8. Costs of raising funds**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Golf shop and restaurant expenditure	1,057,634	-	2,163,272	-
	<u>1,057,634</u>	<u>-</u>	<u>2,163,272</u>	<u>-</u>

**9. Costs of charitable activities**

	2021 Group £	2021 Charity £	2020 Group £	2020 Charity £
Salaries and pension costs	2,322,072	2,322,072	2,473,123	2,473,123
Training and other staff costs	11,646	11,646	48,413	48,413
Repairs and maintenance	220,861	220,861	377,619	377,619
Rent and rates	56,807	56,807	61,712	6,712
Insurance	58,139	58,139	56,522	56,522
Heat, light and cleaning	74,032	74,032	147,546	147,546
Postage, stationery and advertising	38,136	38,136	34,019	34,019
Leasing and hire of equipment	252,613	252,613	77,247	77,247
Telephone	11,651	11,651	16,692	16,692
Computer costs	76,433	76,433	67,374	67,374
Business consultancy	-	-	35,298	35,298
Professional fees	132,666	132,666	153,719	153,719
Open costs	1,771	1,771	7,628	7,628
Junior golf	773	773	5,970	5,970
Golfers souvenir bags	7,242	7,242	15,538	15,538
Sundry expenses	18,702	18,702	115,045	115,045
Travel expenses	3,253	3,253	43,689	43,689
Media licenses	8,434	8,434	20,294	20,294
Bank charges	26,495	26,495	110,307	110,307
Charity donations	2,580	2,580	72,663	72,663
Bad debts written off	10,907	10,907	-	-
Irrecoverable VAT	186,764	186,764	112,107	112,107
Hire purchase interest paid	5,153	5,153	16,158	16,158
Bank interest paid	97,138	97,138	115,371	115,371
Depreciation	839,377	839,377	834,728	834,728
Gain on sale of assets	(165,806)	(165,806)	(2,800)	(2,800)
Pension - service costs	861,000	861,000	478,000	478,000
Pension - net interest costs	37,000	37,000	33,000	33,000
Pension - administration costs	3,000	3,000	3,000	3,000
	<u>5,198,839</u>	<u>5,198,839</u>	<u>5,529,982</u>	<u>5,529,982</u>

**CGLMC LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**10. Auditor's remuneration**

	<b>2021 Group £</b>	<b>2021 Charity £</b>	<b>2020 Group £</b>	<b>2020 Charity £</b>
Audit fees	18,900	14,750	13,250	9,750
Other services	1,700	-	4,550	3,000
	<u>20,600</u>	<u>14,750</u>	<u>17,800</u>	<u>12,750</u>

**11. Staff costs and emoluments**

Total staff costs were as follows:

	<b>2021 Group £</b>	<b>2021 Charity £</b>	<b>2020 Group £</b>	<b>2020 Charity £</b>
Wages and salaries	2,401,699	1,877,861	2,606,129	1,976,990
Social security costs	214,241	171,649	234,516	190,987
Other pension costs	349,589	269,862	381,769	305,146
	<u>2,965,529</u>	<u>2,319,372</u>	<u>3,222,414</u>	<u>2,473,123</u>

**Particulars of employees:**

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

	<b>2021 Group No.</b>	<b>2021 Charity No.</b>	<b>2020 Group No.</b>	<b>2020 Charity No.</b>
Management	5	5	14	11
Administration	20	20	28	28
Golf course	32	32	38	38
Pro Shop	7	-	9	-
Rookery	15	-	23	-
	<u>79</u>	<u>57</u>	<u>112</u>	<u>77</u>



**CGLMC LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**12. Staff costs and emoluments (continued)**

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

	<b>2021 Group No.</b>	<b>2021 Charity No.</b>	<b>2020 Group No.</b>	<b>2020 Charity No.</b>
£60,000 to £69,999	1	1	1	1
£100,000 to £109,999	1	1	1	1
£130,000 to £139,999	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

**13. Trustees' and key management personnel remuneration and expenses**

No trustees remuneration was paid during the year (2020 - £nil). No travel or incidental expenses were reimbursed to trustees during the year (2020 - £nil).

The key management personnel of the group comprise the trustees, Chief Executive, Deputy Chief Executive, Links Superintendent, Finance Manager, Human Resources Manager, Head Chef and Head Professional. The total employee benefits of the key management personnel for the group were £622,513 (2020 - £689,613).

**CGLMC LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**14. Tangible fixed assets - group**

	Buildings and improvements £	Plant and sprinklers £	Shop and Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	9,183,302	2,810,158	445,607	12,439,067
Additions	126,794	142,229	23,403	292,426
Disposals	(76,263)	(1,618,764)	(214,178)	(1,909,205)
Reclassification	(271,441)	270,349	1,092	-
<b>At 31 March 2021</b>	<b>8,962,392</b>	<b>1,603,972</b>	<b>255,924</b>	<b>10,822,288</b>
<b>Depreciation</b>				
At 1 April 2020	1,948,623	2,313,278	335,269	4,597,170
Charge for the year	519,442	289,886	40,815	850,143
Disposals	(30,887)	(1,476,144)	(189,962)	(1,696,993)
Reclassification	(30,955)	30,519	436	-
<b>At 31 March 2021</b>	<b>2,406,223</b>	<b>1,157,539</b>	<b>186,558</b>	<b>3,750,320</b>
<b>Net book value</b>				
<b>At 31 March 2021</b>	<b>6,556,169</b>	<b>446,433</b>	<b>69,366</b>	<b>7,071,968</b>
At 31 March 2020	7,234,679	496,880	110,338	7,841,897
<b>Tangible fixed assets - charity</b>				
	Buildings and improvements £	Plant and sprinklers £	Office Equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2020	9,183,302	2,810,159	351,614	12,345,075
Additions	126,794	142,228	-	269,022
Disposals	(76,263)	(1,618,764)	(160,022)	(1,855,049)
Transfers	(271,441)	270,349	1,092	-
<b>At 31 March 2021</b>	<b>8,962,392</b>	<b>1,603,972</b>	<b>192,684</b>	<b>10,759,048</b>
<b>Depreciation</b>				
At 1 April 2020	1,948,623	2,313,278	271,034	4,532,935
Charge for the year	519,442	289,886	30,049	839,377
Disposals	(30,887)	(1,476,144)	(148,549)	(1,655,580)
Transfers	(30,955)	30,519	436	-
<b>At 31 March 2021</b>	<b>2,406,223</b>	<b>1,157,539</b>	<b>152,970</b>	<b>3,716,732</b>
<b>Net book value</b>				
<b>At 31 March 2021</b>	<b>6,556,169</b>	<b>446,433</b>	<b>39,714</b>	<b>7,042,316</b>
At 31 March 2020	7,234,679	496,881	80,580	7,812,140

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**15. Fixed asset investments**

	<b>2021 Charity £</b>	<b>2020 Charity £</b>
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**

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

**16. Stock**

	<b>2021 Group £</b>	<b>2021 Charity £</b>	<b>2020 Group £</b>	<b>2020 Charity £</b>
Goods for own use	28,030	17,405	40,735	29,700
Goods for resale	239,507	-	300,377	-
	<u>267,537</u>	<u>17,405</u>	<u>341,112</u>	<u>29,700</u>

**17. Debtors**

	<b>2021 Group £</b>	<b>2021 Charity £</b>	<b>2020 Group £</b>	<b>2020 Charity £</b>
Trade debtors	10,197	8,882	14,023	10,889
Amounts owed by subsidiary undertakings	-	1,199,443	-	454,096
Other debtors	1,497,414	1,445,086	25,038	4,278
Prepayments and accrued income	232,367	224,349	34,206	14,163
	<u>1,739,978</u>	<u>2,877,760</u>	<u>73,267</u>	<u>483,426</u>

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**FOR THE YEAR ENDED 31 MARCH 2021**

**18. Creditors: amounts falling due within one year**

	<b>2021 Group £</b>	<b>2021 Charity £</b>	<b>2020 Group £</b>	<b>2020 Charity £</b>
Bank loans and overdrafts	2,700,605	2,697,555	2,697,654	2,697,654
Net obligations under hire purchase contracts	84,498	84,498	138,566	138,566
Trade creditors	94,947	79,698	443,729	237,271
Taxation and social security	191,245	182,281	178,732	178,732
Other creditors	67,093	50,141	81,614	51,928
Accruals	285,733	196,916	207,602	125,558
Deferred income	2,888,180	2,861,352	2,607,899	2,607,899
	<u>6,312,301</u>	<u>6,152,441</u>	<u>6,355,796</u>	<u>6,037,608</u>

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

**19. Creditors: amounts falling due after more than one year**

	<b>2021 Group £</b>	<b>2021 Charity £</b>	<b>2020 Group £</b>	<b>2020 Charity £</b>
Net obligations under hire purchase contracts	138,465	138,465	162,115	162,115
	<u>138,465</u>	<u>138,465</u>	<u>162,115</u>	<u>162,115</u>

**20. Creditors – bank loans**

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

	<b>2021 £</b>	<b>2020 £</b>
Amounts repayable: In one year or less	2,697,555	2,697,654
	<u>2,697,555</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. The repayment terms were extended post year end and the loan is expected to be formalised onto a 7 year term loan repayable beginning in May 2022.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**21. Financial commitments, guarantees and contingent liabilities**

The charity had capital commitments at the balance sheet date of £nil (2020 - £nil).

The group had capital commitments at the balance sheet date of £nil (2020 - £nil).

**22. 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 2021. Contribution rates are based on the advice of the actuary. Contributions for the year were £861,000 (2020: £384,000).

	<b>2021</b>	<b>2020</b>
	%	%
<i>Key assumptions</i>		
Discount rate	2.05	2.35
Expected rate of increase of pensions in payment	2.85	1.80
Expected rate of salary increases	3.85	2.80
CPI inflation	<u>2.85</u>	<u>1.80</u>

	<b>2021</b>	<b>2020</b>
	Years	Years
The assumed life expectations on retirement at age 65 are:		
Retiring today		
Males	18.9	19.7
Females	<u>22.2</u>	<u>21.7</u>
Retiring in 20 years		
Males	20.2	21.4
Females	<u>23.8</u>	<u>23.5</u>

	<b>2021</b>	<b>2020</b>
	£	£
Amounts recognised in the income and expenditure account:		
Current service cost	673,000	733,000
Past service cost	548,000	129,000
Net interest on defined benefit liability	37,000	33,000
Administration costs	<u>3,000</u>	<u>3,000</u>
Total costs	<u>1,261,000</u>	<u>898,000</u>

**CGLMC LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**22. Retirement benefit schemes (continued)**

Amounts recognised in other comprehensive income:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Return on scheme assets excluding interest income	3,571,000	(680,000)
Actuarial changes related to obligations	<u>(4,948,000)</u>	<u>1,218,000</u>
Net (losses)/gains	<u>(1,377,000)</u>	<u>538,000</u>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Present value of defined benefit obligations	(16,219,000)	(9,876,000)
Fair value of plan assets	<u>12,432,000</u>	<u>8,367,000</u>
Deficit in scheme	<u>(3,787,000)</u>	<u>(1,509,000)</u>

Movements in the present value of defined benefit obligations:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Liabilities at 1 April	9,876,000	9,979,000
Current service cost	673,000	733,000
Past service cost	548,000	129,000
Benefits paid	(203,000)	(140,000)
Contributions from scheme members	140,000	148,000
Actuarial gains and losses	4,948,000	(1,218,000)
Interest cost	<u>237,000</u>	<u>245,000</u>
At 31 March	<u>16,219,000</u>	<u>9,876,000</u>

The defined benefit obligations arise from plans funded as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wholly or partly funded obligations	<u>16,219,000</u>	<u>9,876,000</u>
At 31 March	<u>16,219,000</u>	<u>9,876,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**22. Retirement benefit schemes (continued)**

Movements in the fair value of plan assets:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fair value of assets at 1 April	8,367,000	8,446,000
Interest income	200,000	212,000
Return on plan assets (excluding amounts included in net interest)	2,578,000	(680,000)
Other actuarial gain/(losses)	993,000	-
Benefits paid	(203,000)	(140,000)
Contributions by the employer	360,000	384,000
Contributions by scheme members	140,000	148,000
Other	(3,000)	(3,000)
	<u>12,432,000</u>	<u>8,367,000</u>
At 31 March	<u>12,432,000</u>	<u>8,367,000</u>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Equity instruments	8,901,000	5,532,000
Debt instruments	2,133,000	1,553,000
Property	1,136,000	1,029,000
Cash/liquidity	262,000	253,000
	<u>12,432,000</u>	<u>8,367,000</u>

**23. Unrestricted funds**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Opening reserves	3,346,845	2,910,916	3,152,477	2,718,265
Net movement in funds for the financial year	(3,723,195)	435,929	(3,327,210)	434,212
	<u>(376,350)</u>	<u>3,346,845</u>	<u>(174,733)</u>	<u>3,152,477</u>
Closing reserves	<u>(376,350)</u>	<u>3,346,845</u>	<u>(174,733)</u>	<u>3,152,477</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**24. Events after the balance sheet date**

Subsequent to the year-end, the charitable company has entered into an arrangement to exit the Tayside Pension Fund at a cost of £1.8m and is entering into an arrangement with Dundee City Council, the administering authority for the Tayside Pension Fund, to repay this amount over 11 years commencing April 2022.

**25. Commitments under operating leases**

At 31 March 2021 the charity had the following total future minimum lease payments under non-cancellable operating leases which are due as set out below:

<b>Charity and Group</b>	<b>2021</b> £	<b>2020</b> £
Within one year	440,147	21,967
Between two and five years	786,973	27,758
	<u>1,227,120</u>	<u>49,725</u>

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

	<b>Group</b> <b>2021</b> £	<b>Charity</b> <b>2021</b> £	<b>Group 2020</b> £	<b>Charity 2020</b> £
Net income for the reporting period	(931,465)	(535,479)	435,929	434,212
Interest receivable	(1,464)	(1,198)	(8,697)	(6,198)
Non cash movements on defined benefit pension scheme	901,000	901,000	(24,000)	(24,000)
Depreciation of fixed assets	850,143	839,377	842,833	831,917
Gain on sale of fixed assets	(153,065)	(165,807)	(2,800)	(2,800)
Hire purchase interest	5,153	5,153	16,158	16,158
Bank interest	97,318	97,318	115,371	115,371
(Increase) / decrease in stocks	73,575	12,295	(53,932)	(5,161)
(Increase) / decrease in debtors	(1,666,712)	(2,394,334)	(199,137)	(164,418)
Increase in creditors	7,622	168,999	396,906	189,084
Net cash inflow from operating activities	<u>(817,895)</u>	<u>(1,072,676)</u>	<u>1,518,631</u>	<u>1,384,165</u>



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**27. Analysis of changes in net (debt)/ funds**

**Group**

	<b>31 March 2020 £</b>	<b>Cash flows £</b>	<b>Other non-cash changes £</b>	<b>31 March 2021 £</b>
Cash at bank and in hand	3,117,480	(920,636)	-	2,196,844
Bank overdrafts	-	(3,050)	-	(3,050)
Bank loans	(2,697,654)	99	-	(2,697,555)
Hire purchase contracts	(300,681)	77,718	-	(222,963)
	<u>119,145</u>	<u>(845,869)</u>	<u>-</u>	<u>(726,724)</u>

**Charity**

	<b>31 March 2020 £</b>	<b>Cash flows £</b>	<b>Other non- cash changes £</b>	<b>31 March 2021 £</b>
Cash at bank and in hand	2,435,359	(1,155,331)	-	1,280,028
Bank overdrafts	-	-	-	-
Bank loans	(2,697,654)	99	-	(2,697,555)
Hire purchase contracts	(300,681)	77,718	-	(222,963)
	<u>(562,976)</u>	<u>(1,077,514)</u>	<u>-</u>	<u>(1,640,490)</u>