

THE BERKSHIRE GOLF CLUB LIMITED

COMPANY REGISTERED IN ENGLAND NO: 232582

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2008

AND NOTICE OF ANNUAL GENERAL MEETING

FRIDAY



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23/10/2009

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COMPANIES HOUSE

OFFICERS AND COMMITTEE

W. J. UZIELLI - *President*
M. CANNON BROOKES - *Captain*
I.A.G. MATHEWSON - *Vice Captain*

MRS. A. J. BUTTERWICK J. F. BYNG A. J. GAMMON D.E.L. JONES
P. ROTHEROE G.W. SANDERSON M.R.F. SHUKER

M.A. HORDERN – *Trustee* S. K. PROCTOR – *Trustee*

Lieutenant-Colonel (Retd.) J. C. F. HUNT – SECRETARY
N. C. J. BRAGG – HON. TREASURER

AUDITORS: ARNOLD HILL & CO.

BANKERS: BARCLAYS BANK PLC, ASCOT

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Eighty First Annual General Meeting of The Berkshire Golf Club Limited will be held in the Club House on Saturday, 25th April, 2009, at 12.30 p.m.

AGENDA

ORDINARY BUSINESS

1. To receive and consider the Club's accounts for the year ended 31st December, 2008, and the Reports of the Captain, the Directors and the Auditors.
2. To elect H.A.C. Edwards as President, and a Director of the Club.
3. To elect I.A.G. Mathewson CMG as Captain, and a Director of the Club.
4. To elect J.J. Pearmund as Vice-Captain.
5. To elect M.H. Gidney and L.J. Wigglesworth as members of the Committee.
6. To re-elect N. C. J. Bragg as Honorary Treasurer.
7. To re-elect M. A. Horder as a Trustee.
8. To elect P.G. Mathieson as a Trustee.
9. To elect Mrs H.N. Hubbard as Lady Representative.
10. To authorise the Committee to fix the remuneration of the Auditors.
11. To appoint Messrs. Arnold Hill & Co., Auditors.

15 March 2009

THE CLUB HOUSE
ASCOT

By Order of the Committee
J. C. F. HUNT
Secretary

Note: A Member entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy must be a Full Member.

THE BERKSHIRE GOLF CLUB LIMITED

THE DIRECTORS' REPORT

1. Directors

The directors who served during the year:

W. J. Uzielli

M. Cannon Brookes (Appointed 27th April 2008)

Sir Michael Alcock (Resigned 27th April 2008)

2. Principal Activities

The Club is a company limited by guarantee to run The Berkshire Golf Club for its members. The members are liable for the debts and liabilities of the Club to an amount not exceeding £1 per member in the event of a winding up during their membership or within one year afterwards.

3. Results

The result for the year was a surplus of income over expenditure of £186,215 (2007: £1,003,886) which has been transferred to the General Fund. As at 31 December 2008, the club had net indebtedness of £656,865 (2007: a positive net cash balance of £206,945).

4. Financial Risk Management Objectives and Policies

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the only financial risks the directors consider relevant to this company are credit risk, liquidity risk and cash flow risk. Credit risks are mitigated by the nature of the debtor balances owed being largely membership fees and temporary members' fees. Players generally pay for the use of the course and the facilities before playing and the bar and catering facilities also receive payment before goods are provided. Liquidity and cash flow risk is mitigated by the ability of the company to borrow through an overdraft and loan from its bank for which a facility has been agreed.

5. Donations

There were no political or charitable donations. The Club provided the courtesy of one course for one day on Saturday, 22nd November 2008, to Wings Around The World and additionally makes prizes available to charities in the form of free golf and lunches.

6. Auditors

A resolution to re-appoint Arnold Hill & Co as auditor for the ensuing year will be proposed at the Annual General Meeting in accordance with section 385 of the Companies Act 1985.

7. Statement of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies, as described on pages 14 and 15 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

THE BERKSHIRE GOLF CLUB LIMITED

THE DIRECTORS' REPORT

7. **Statement of Directors' Responsibilities (*Continued*)**

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

8. **Small Company Provisions**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.



By order of the Board
J. C. F. Hunt, Secretary

Date: 15 March 2009

THE BERKSHIRE GOLF CLUB LIMITED

THE CAPTAIN'S REPORT

INTRODUCTION

I can hardly believe the time to hand over is nigh. The combination of old age and having fun has meant this year has passed at an alarming pace but it has been a rewarding experience and I am most grateful to the membership for allowing me the opportunity to serve as Captain. The Annual General Meeting will mark the end for me of five consecutive years of Committee life, it will seem strange returning to the back benches and relative obscurity. However it will surprise nobody that I will always have an opinion as to how we can continue to enhance this great golf Club of ours in the years ahead.

The last twelve months have been notable for two reasons. On the one hand we have seen the completion of the major refurbishment of the Clubhouse and on the other the installation of the watering system together with the reservoir. There is no doubt that we become accustomed to change quite quickly but the scale of the changes to the Clubhouse and the courses over the last two years must be the most significant ever in the history of the Club. When we have finished the move of the administrative offices to the old billiard room and have refurbished the vacated premises downstairs the Clubhouse will have had a total makeover. I think most will agree that the end result is worthy of the praise it has received.

There are one or two administrative matters I need to bring to your attention. For some time guest Green Fees have been £20 for the first guest, £30 for the second and £40 for the third. The committee decided that these should rise to £20, £40 and £60 to bring the fees more into line with rising subscriptions and sums charged by similar courses. The Committee also reviewed the rules covering Members leaving the Full Playing register. Should anyone now wishing to revert from the Non-playing to Full category, there will be a re-joining fee based on the difference in the level of full annual subscription on leaving and re-joining multiplied by the number of full years as a Non-playing member. After five years the whole process of initial membership will have to be undertaken anew. Finally the English Golf Union has in its wisdom dictated that anyone not entering three handicaps cards in twelve months will be now placed in a new category which will prevent them from playing in most major handicap competitions. It has yet to be decided what our reaction should be as such a move will not be popular with some as the Berkshire tends to be pretty laid back about such matters.

We have in true Berkshire tradition had some good parties this year. The weather was kind for my Captain's day and it was very nice to see such a good turn out. The members' Invitation Day this year became the official opening of the new clubhouse and was augmented by the inclusion of a number of official guests. The family Christmas party was again an enormous success and my thanks go to Mike Boswell for being Father Christmas who arrived leading an unlikely coloured pair of Reindeer rather than in my preferred form of transport which was grounded at the last moment.

The Club has hosted its usual share of prestigious tournaments apart from the Berkshire Trophy. The Ricoh British Women's Open pre qualifier and final qualifier took place in June to be followed by the English Ladies stroke play final qualifier. This year somewhat unusually for us we will host a men's Professional tournament in the form of the final qualifier for the British Seniors. The results of the major Club competitions appear elsewhere in this letter.

Finally I must thank all those who have made my year so trouble free and enjoyable. The respective Chairmen of the sub committees namely Nick Bragg, Peter Rotheroe and Martin Shuker have had a busy year and deserve our heartfelt thanks and a big thank you to my two Lady Captains Janie Cadbury and Sarah Robinson, together with Joanna Butterwick for her advice to the General Committee. Also to Anthony Gammon and Julian Byng who retire from the Committee by rotation to be replaced, subject to your approval, by Lloyd Wigglesworth and Mark Gidney. One of the more difficult and at times most frustrating jobs is that of managing the Junior Section and I have nothing but admiration for Jonathan Clough's patience. The young can be rewarding but are not the most reliable when it comes to attendance.

THE BERKSHIRE GOLF CLUB LIMITED

THE CAPTAIN'S REPORT

The Captain Pro challenge has been a rather limp affair so far this year with probably less matches played than for some time owing to bad weather, bad backs etc and I fear an over congested Captain's diary. My thanks go to Paul for having to put up with an under handicapped partner and to those of you who have contributed to my Charity the St John Eye Hospital in Jerusalem. On the subject of the weather it might be of passing interest that my year has seen the driest May practically on record, the wettest Summer for many a year and the coldest winter for twenty years. You never know, next year we might get to turn on one and a half million pounds worth of watering system.

Our staff at the Berkshire are exceptional and we are lucky to have two such distinguished leaders in John Hunt and Chris Lomas. Having the Secretary of the Year and one of the top forty Course Managers in the world has made my job a great deal easier. My thanks go to them and their staff and I should specially mention Matt who has filled the job of Steward quite admirably and Tony and his kitchen staff who ensure our waistlines get no smaller. Wendy, Mary, Cathy and Elaine provide tremendous back up support but I must add a very special word of thanks to Jenny. After twelve years of dedicated time and effort Jenny is retiring and I know John and all of us will miss her cheerful disposition and incredible efficiency. Hopefully we will be seeing a lot of her in the future as she has accepted an offer of membership with us.

All that remains is for me to thank you all again for the support you have given me over the last twelve months and to wish my able and charming successor Iain Mathewson the very best of luck in what I believe to be one of the best jobs around.

M. CANNON BROOKES
Captain

FINANCE

2008 was another successful year for our club, with completion on time and within budget of the two major capital projects in the first quarter, healthy underlying profits, strong cashflow through the summer, and a closing balance on the bank loan a little over half the level approved two years ago.

Underlying income, excluding the impact of the levy, was 10% up, of which members income accounted for 8% of this and visitors 11%. Subscriptions increased by only 4% in 2008, so the additional increase came from entrance fees and a full membership. The total number of visitors in the year was flat compared to 2007; the increase in income was all due to higher prices following the investments made. It was particularly pleasing to see such strong growth in bar and catering both in terms of income and margin, a reflection of the improved facilities and the first class service from our staff. Together these contributed an additional £42k of revenue.

Total expenditure increased 9% over the previous year, of which 4% was due to additional depreciation on the clubhouse and irrigation system. There are 3 areas of expenditure worthy of note. Firstly payroll costs; these rose due to annual inflation, one additional member of the green staff and additional activity in the clubhouse. Secondly increased costs of power and cleaning due to the extra demands of our irrigation system and the Gentlemen's changing room. Finally lower non recoverable VAT as we return to a more normal ratio of member to visitor income.

The headline operating surplus was a concerning 80% decline from £1,003k to £186k. If we exclude the impact of the levy on both years, this gives us an underlying surplus of a 32% decline from £131k to £90k. You will be aware that profit is arrived at after charging for depreciation which increased by £96k, and so the underlying cash surplus rose from £320k to £375k. A reconciliation of operating surplus to net cashflow, including the impact of the levy and working capital movements is shown in note 20 to the accounts.

THE BERKSHIRE GOLF CLUB LIMITED

THE CAPTAIN'S REPORT

The ability of our Club to generate cash is important for three reasons. Firstly to repay our bank loan, secondly to pay for ongoing capital expenditure, and finally to build reserves to reduce the need for future members' levies.

Capital expenditure in 2008 was lower than normal with regard to green equipment and sundry projects, but clearly high in total through the completion of the irrigation system, reservoir and clubhouse. Higher than normal expenditure will continue in 2009 through investments in the Ladies' changing room and relocation of the secretariat offices upstairs, before returning to normal levels in 2010.

Our Bank Loan was approved at a maximum of £1.25 million with an additional overdraft facility of £250k. Following completion of our major projects we drew down just over a £1 million of the loan, but through strong cashflows as detailed above and a most generous legacy from Dr Mike Liscombe of £150k, the loan balance stood at £670k at the year end. The loan incurs interest at 1% over the Bank of England base rate, meaning at the time of writing, interest is accruing at 1.5%, some 4.5% lower than assumed in our long term business plan. It should be noted that the legacy was unspent at the year end and as such has not been reflected in our income and expenditure account.

In conclusion, 2008 was an extraordinary year for the Club's finances. We have ended it with a healthy underlying surplus, lower debt than expected, a full membership and greatly improved facilities on the course and in the Clubhouse. We are vigilant about the economic climate and have seen a higher than usual cancellation rate of society bookings in 2009; however to date the Secretary has been able to maintain a full book by replacing the lost ones with new societies. Subscription increases were once again held to 4% in 2009 ensuring we are competitive with relevant local clubs. The financial outlook for our Club is therefore good and slightly ahead of our long term plans.

N.C.J. BRAGG
Honorary Treasurer

COURSES

I look out of the window as I draft this report to see snow on the ground. It has been there for the last twelve days and members have been denied their golf. There is little that greenkeepers can do in these extreme conditions. The year has seen extremes of weather with a hot dry May, a very wet August and now more snow than we have seen for many years in January. But let me say that when the drought comes we are ready!

We received a visit from our internationally respected agronomist in April. His report ran to many pages but can be easily summarised by five words on the first page "The two courses looked well". We have adopted his advice from earlier visits and the irrigation system is installed with any small run in problems identified and adjusted by the contractor. Also there has been extensive forestry work to clear invasive scrub and poor quality trees. This will improve the ecology of the woodlands. Good turf thrives in a sunlit windy environment. It keeps the turf dry and resistant to wear and tear. If there are concerns that at times the haircut is a little too short let me reassure you that we are very aware that it takes only a morning to remove a tree but a generation or more to replace it.

An attractive part of playing at The Berkshire is that each hole is individually framed by trees; a feeling that you have the course to yourself. It is imperative that this does not change and our own internal policy document on forestry management says so in the first paragraph.

In the unlikely event that a member ever hits a ball off line the clearance has also made a ball easier to find in many areas that were formally overgrown scrub. This speeds up play. Where there are large areas of heather that make a ball's position difficult to mark, for example the 1st Blue, we are to reintroduce marker posts again in an effort to speed play and reduce blood pressure.

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THE CAPTAIN'S REPORT

Rightly, it is most difficult to change a blade of grass at The Berkshire. Everyone guards Fowler's design zealously and we constantly look at ways to return to the original layout if the years have seen a move away from

it. However there has been a considerable improvement in the quality of the fairways and this continues. Drainage at some points on the courses still presents problems and the 2nd Blue and 15th Blue have long been very wet areas and are receiving our attention. We shall not be content until all water runs in clear underground drainage or ditches and not as surface water on fairways. A new drainage ditch was introduced on the 2nd Blue this year as part of the programme.

One of the less attractive points on the courses is the area behind the 9th Blue Tee. Its close proximity to the busy dual carriageway is also unhelpful. We are constructing an earth mound to reduce noise and improve the area to the eye, as has been done alongside the 8th Blue Green. More work may follow as we investigate the options open to us.

Many bunkers have been refurbished. In some cases it has been necessary to dig out eighty years of top up sand down to the Fowler level. The replacement sand has been a great improvement over the pit sand used in the past. One very pretty example you will see on the 2nd Blue, where the overhanging heather recreates the lace effect of Fowler's original design.

I am told that the long range weather forecast predicts a long dry summer. You will be pleased to know that the reservoir is full.

We are most fortunate to have a team of dedicated green staff lead by Chris Lomas. With a smaller team than any of the other major clubs they maintain two golf courses to a very high standard. Chris Lomas is well qualified to bring us ideas and solutions to the everyday problems we face and he does. I can only repeat what has been so well said in earlier years. They deserve our thanks and encouragement.

P. ROTHEROE

Chairman of the Green Committee

HOUSE

Clearly the major event of the year was the successful completion of the Clubhouse refurbishment project, on time, on budget, and to rave reviews. Positive comment and compliments from members and visitors has been frequent and The Berkshire is now undoubtedly well positioned to meet and exceed expectations from both members and visitors. Despite the frequently awful weather, the terrace has proved to be a hugely popular addition enjoyed by many.

The Ladies' Changing Room has now been completed, again on time and on budget and has been very well received. Work is underway to relocate the Secretariat from its current location to the old Billiard Room upstairs and should be completed by mid May. This decision to move was made only after a thorough review concluded there was not enough physical space in the current location to meet current and future requirements of the Secretary and his team to successfully run the operation. Plans are currently being prepared to refurbish the vacated space.

The Honours Boards will be replaced in the Honours Hall during 2009. The Boards will be glass and will strike an effective balance, retaining the lightness and brightness of the newly refurbished Honours Hall with the history and tradition of recording past victories.

Matt's elevation to the role of Steward has been seamless and he has most effectively led his team to provide outstanding quality and friendliness of service to both members and visitors alike. Similarly Tony and his

THE BERKSHIRE GOLF CLUB LIMITED

THE CAPTAIN'S REPORT

team have continuously provided delicious food and ensured The Berkshire's reputation amongst Golf Club Lunches remained firmly intact. Their leadership and operational effectiveness delivered a pleasing £42k increase in revenue, and target profit margins.

You will have noticed that the Berkshire Branding project was completed and the new Berkshire logo (featuring the two stags) was introduced at the end of the year. It will be gradually introduced on all materials at the Club which feature one of the many logos which have been used in the past so that there is a consistent image

portrayed. A range of merchandise is available in the Professional's shop, some which feature 'The Berkshire' wording underneath, and some in the 'Members only' range which is only the logo. So go and treat yourself to something new.

M.R.F. SHUKER

Chairman of the House Committee

MEMBERSHIP

As at 1st January, 2009, there were 507 Full and Junior Men Members and 105 Full and Junior Ladies.

I am very sad to report the death of the following members during the year.

Mrs E Price-Fisher, Dr R M Liscombe, Mr W G Manson, Dr P J Dunne, Mr G E Marbaix.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BERKSHIRE GOLF CLUB

We have audited the financial statements of The Berkshire Golf Club for the year ended 31 December 2008 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, and the related notes.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 applicable to small companies. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements..

OPINION

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its surplus and cash flow for the year ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements year ended 31 December 2008.

Arnold Hill & Co
Chartered Accountants and Registered Auditors
Craven House
16 Northumberland Avenue
London WC2N 5AP

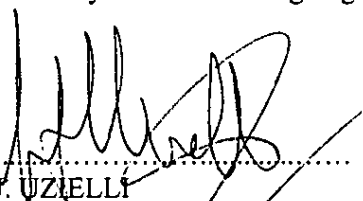


Date: 15 March 2009.


THE BERKSHIRE GOLF CLUB LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2008

| | <u>Notes</u> | <u>2008</u> £ | <u>2008</u> £ | <u>2007</u> £ | <u>2007</u> £ |
|--|--------------|------------------|--------------------|------------------|--------------------|
| FIXED ASSETS | | | | | |
| Tangible Assets | 3 | | 2,921,775 | | 1,818,726 |
| CURRENT ASSETS | | | | | |
| Stocks | 4 | 48,376 | | 41,660 | |
| Debtors | 5 | 106,490 | | 219,896 | |
| Cash at Bank and in Hand | | 13,135 | | 206,945 | |
| | | 168,001 | | 468,501 | |
| CREDITORS: Amounts falling due within one year | 6 | (408,054) | | (486,720) | |
| NET CURRENT LIABILITIES | | | (240,053) | | (18,219) |
| LONG TERM CREDITORS: Amounts falling due after more than one year | 7 | (545,000) | | - | |
| | | | (545,000) | | - |
| NET ASSETS | | | <u>£ 2,136,722</u> | | <u>£ 1,800,507</u> |
| GENERAL FUND | | | 1,961,622 | | 1,775,407 |
| CONTINGENCY FUND | 8 | | 25,000 | | 25,000 |
| OTHER RESERVES | 9 | | 150,000 | | - |
| DEBENTURES | 10 | | 100 | | 100 |
| | 11 | | <u>£ 2,136,722</u> | | <u>£ 1,800,507</u> |

Approved by the board for signing on 15 March 2009.



 W. J. UZZELLI



 M. CANNON BROOKES

Directors

The notes on pages 14 to 21 form part of these financial statements.

THE BERKSHIRE GOLF CLUB LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

| | <u>Notes</u> | <u>2008</u> £ | <u>2008</u> £ | <u>2007</u> £ | <u>2007</u> £ |
|----------------------------------|--------------|------------------|------------------|------------------|------------------|
| INCOME | | | | | |
| Subscriptions & Entry Fees | | | 1,408,264 | | 2,086,426 |
| Temporary Members | | | 807,300 | | 749,407 |
| Gross Profit: Bar | 16a | | 104,417 | | 95,170 |
| Catering | 16b | | 234,413 | | 201,839 |
| Other Income | | | 26,717 | | 17,179 |
| Loss on disposal of Fixed Assets | | | - | | (11,616) |
| Rent | | | 2,600 | | 2,600 |
| | | | <u>2,583,711</u> | | <u>3,141,005</u> |
| EXPENDITURE | | | | | |
| Course: | | | | | |
| Wages | | | 507,506 | | 468,160 |
| Maintenance & Improvements | | | 167,830 | | 151,241 |
| Depreciation | 3 | | 136,032 | | 90,157 |
| | | | <u>811,368</u> | | <u>709,558</u> |
| House: | | | | | |
| Wages | | | 405,607 | | 391,298 |
| Heat, Light & Water | | | 99,791 | | 68,502 |
| Maintenance & Improvements | | | 50,636 | | 31,971 |
| Sundry Expenses | | | 107,870 | | 81,797 |
| Depreciation | 3 | | 145,923 | | 95,854 |
| | | | <u>809,827</u> | | <u>669,422</u> |
| Income Carried Forward | | | 2,583,711 | | 3,141,005 |
| Expenditure Carried Forward | | | 1,621,195 | | 1,378,980 |

THE BERKSHIRE GOLF CLUB LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008

| | <u>Notes</u> | <u>2008</u> £ | <u>2008</u> £ | <u>2007</u> £ | <u>2007</u> £ |
|--|--------------|------------------|--------------------|------------------|--------------------|
| Income Brought Forward | | | 2,583,711 | | 3,141,005 |
| Expenditure Brought Forward | | 1,621,195 | | 1,378,980 | |
| ADMINISTRATION | | | | | |
| Salaries & Admin Expenses | | 201,919 | | 175,818 | |
| Bank Charges | | 4,723 | | 4,451 | |
| Rent | | 189,750 | | 189,750 | |
| Rates & Council Tax | | 128,781 | | 124,112 | |
| Insurance | | 40,108 | | 37,454 | |
| Stationery & Postage | | 21,122 | | 22,501 | |
| Pension Contributions | | 51,774 | | 54,209 | |
| Telephones | | 9,860 | | 9,402 | |
| Vehicles & Travel Expenses | | 21,107 | | 21,297 | |
| Vehicle Depreciation | 3 | 3,020 | | 3,020 | |
| Audit & Taxation Fees | | 10,550 | | 5,800 | |
| Computer Expenses | | 5,671 | | 7,879 | |
| Legal & Professional | | 1,849 | | 2,696 | |
| Non Recoverable VAT | | 60,624 | | 137,467 | |
| | | <u>750,858</u> | | <u>795,856</u> | |
| | | | <u>(2,372,053)</u> | | <u>(2,174,836)</u> |
| OPERATING SURPLUS BEFORE TAXATION | 13 | | 211,658 | | 966,169 |
| Interest Received | 14 | | 14,401 | | 37,729 |
| Interest Paid | 15 | | <u>(39,844)</u> | | <u>(12)</u> |
| SURPLUS BEFORE TAXATION | | | 186,215 | | 1,003,886 |
| TAXATION | 17 | | <u>-</u> | | <u>-</u> |
| SURPLUS AFTER TAXATION | | | 186,215 | | 1,003,886 |
| General Fund Brought Forward | | | <u>1,775,407</u> | | <u>771,521</u> |
| General Fund Carried Forward | | | <u>£ 1,961,622</u> | | <u>£ 1,775,407</u> |

All the company's activities are classed as continuing.
The notes on pages 14 to 21 form part of these financial statements.

THE BERKSHIRE GOLF CLUB LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

| | <u>Notes</u> | <u>2008</u> £ | <u>2008</u> £ | <u>2007</u> £ | <u>2007</u> £ |
|---|--------------|------------------|--------------------|------------------|------------------|
| Net Cash Inflow from Operating Activities | 20 | | 399,657 | | 1,242,529 |
| Returns on Investments and Servicing of Finance | | | | | |
| Interest received | 14 | 14,401 | | 37,729 | |
| Interest paid and other similar charges | 15 | <u>(39,844)</u> | | <u>(12)</u> | |
| | | | <u>(25,443)</u> | | <u>37,717</u> |
| Net Cash Inflow from Operating Activities and Servicing of Finance | | | 374,214 | | 1,280,246 |
| Taxation | | | - | | - |
| Capital Expenditure | | | | | |
| Payments to acquire tangible fixed assets | | (1,388,024) | | (1,130,753) | |
| Receipts from sales of tangible fixed assets | | <u>-</u> | | <u>14,072</u> | |
| Net Cash Outflow from Capital Expenditure | | | (1,388,024) | | (1,116,681) |
| Financing | | | | | |
| Receipts from capital contributions | | 150,000 | | - | |
| Receipts from loans | | 750,000 | | - | |
| Repayment of amounts borrowed | | <u>(80,000)</u> | | <u>-</u> | |
| Net Cash Inflow from Financing | | | 820,000 | | - |
| (Decrease)/Increase in Cash | 21 | | <u>£ (193,810)</u> | | <u>£ 163,565</u> |

The notes on pages 14 to 21 form part of these financial statements

THE BERKSHIRE GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2008

1. The Club is a company limited by guarantee. The members are liable for the debts and liabilities of the Club to an amount not exceeding £1 per member in the event of a winding up during their membership or within one year afterwards.

2. ACCOUNTING POLICIES

a) Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance with all applicable accounting standards.

b) Depreciation

Depreciation is calculated so as to write off the cost, less estimated residual value, of tangible fixed assets by equal instalments over their estimated useful lives as follows:

| | |
|------------------------|---|
| Long Lease Buildings | straight line basis over 5 and 20 years |
| Furniture and fittings | straight line basis over 5 years |
| Plant and Machinery | straight line basis over 5 and 20 years |
| Motor Vehicles | straight line basis over 4 years |

For fixed assets with an estimated useful life of 20 years, depreciation is charged from the date the assets are first brought into use by the company. For fixed assets with an estimated useful life of 4 or 5 years, a full year's depreciation is charged in the year of acquisition.

c) Income

Income comprises the amounts earned in relation to goods and services provided in the year stated net of value added tax.

Subscriptions and entry fees are recognised in the period to which they relate.

Levy fee income is recognised in the period to which it relates according to the chosen method of payment of each individual member.

d) Stock

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

e) Pension Arrangements

The Company operates a defined contribution pension scheme and makes contributions to employees' personal pension arrangements. Payments are charged to the income and expenditure account in the year in which they occur.

f) Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The company has tax losses brought forward and carried forward. However, a deferred tax asset has not been recognised due to the uncertainty as to whether the company will be profitable in the future and therefore able to take advantage of those losses.

THE BERKSHIRE GOLF CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2008

2. ACCOUNTING POLICIES (CONTINUED)

g) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the life of the lease.

3. TANGIBLE FIXED ASSETS

| | <u>Long Lease Buildings</u> | <u>Furniture And Fittings</u> | <u>Plant And Machinery</u> | <u>Motor Vehicles</u> | <u>Total</u> |
|-----------------------|-------------------------------------|---------------------------------------|--------------------------------|---------------------------|--------------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 January 2008 | 1,738,095 | 460,833 | 1,876,764 | 38,559 | 4,114,251 |
| Additions | <u>919,810</u> | <u>30,575</u> | <u>437,639</u> | <u>-</u> | <u>1,388,024</u> |
| At 31 December 2008 | <u>2,657,905</u> | <u>491,408</u> | <u>2,314,403</u> | <u>38,559</u> | <u>5,502,275</u> |
| Depreciation | | | | | |
| At 1 January 2008 | 853,054 | 459,827 | 956,439 | 26,205 | 2,295,525 |
| Charge for year | <u>126,301</u> | <u>19,622</u> | <u>136,032</u> | <u>3,020</u> | <u>284,975</u> |
| At 31 December 2008 | <u>979,355</u> | <u>479,449</u> | <u>1,092,471</u> | <u>29,225</u> | <u>2,580,500</u> |
| Net Book Value | | | | | |
| At 31 December 2008 | <u>£ 1,678,550</u> | <u>£ 11,959</u> | <u>£ 1,221,932</u> | <u>£ 9,334</u> | <u>£ 2,921,775</u> |
| At 31 December 2007 | <u>£ 885,041</u> | <u>£ 1,006</u> | <u>£ 920,325</u> | <u>£ 12,354</u> | <u>£ 1,818,726</u> |

4. STOCKS

| | <u>2008</u> | <u>2007</u> |
|------------------|-----------------|-----------------|
| | £ | £ |
| Goods for resale | 23,213 | 24,931 |
| Consumables | <u>25,163</u> | <u>16,729</u> |
| | <u>£ 48,376</u> | <u>£ 41,660</u> |

THE BERKSHIRE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2008

5. DEBTORS

| | <u>2008</u> | <u>2007</u> |
|-----------------------|------------------|------------------|
| | <u>£</u> | <u>£</u> |
| Trade & Other Debtors | 31,156 | 153,044 |
| Prepayments | 75,334 | 66,852 |
| | <u>£ 106,490</u> | <u>£ 219,896</u> |

All amounts fall due within one year.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | <u>2008</u> | <u>2007</u> |
|------------------------------|------------------|------------------|
| | <u>£</u> | <u>£</u> |
| Trade & Other Creditors | 131,521 | 324,713 |
| Bank Loans | 125,000 | - |
| Other Taxes | 29,579 | 31,109 |
| Accruals And Deferred Income | 121,954 | 130,898 |
| | <u>£ 408,054</u> | <u>£ 486,720</u> |

The company has a bank overdraft facility in place that is secured by a fixed charge over the company's leasehold assets. The level of the overdraft facility is £250,000 to assist with the working capital requirements of the company. At 31 December 2008 the overdraft facility was not being used.

7. CREDITORS: AMOUNTS FALLING DUE IN GREATER THAN ONE YEAR

| | <u>2008</u> | <u>2007</u> |
|------------|------------------|-------------|
| | <u>£</u> | <u>£</u> |
| Bank Loans | <u>£ 545,000</u> | <u>£ -</u> |

During the year the company took out a bank loan secured by a fixed charge over the company's leasehold assets. Under the terms of the loan, the company is required to make a minimum repayment of £125,000 per year, this amount being shown as a short-term creditor in note 6.

THE BERKSHIRE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2008

8. CONTINGENCY RESERVE FUND

The Contingency Reserve Fund is designated to benefit the staff of the Club and is maintained at an amount considered appropriate by the Committee.

| | <u>2008</u> | <u>2007</u> |
|---------------------------|-----------------|-----------------|
| | <u>£</u> | <u>£</u> |
| Balance as at 31 December | <u>£ 25,000</u> | <u>£ 25,000</u> |

9. OTHER RESERVES

Other reserves represent a capital contribution of £150,000 which was received as a bequest during the year.

| | <u>2008</u> | <u>2007</u> |
|---------------------------|------------------|-------------|
| | <u>£</u> | <u>£</u> |
| Balance as at 31 December | <u>£ 150,000</u> | <u>£ -</u> |

10. DEBENTURES

Authorised £10,000 secured by a charge on the assets of the company. The debentures are interest free and have no fixed date of repayment.

| | <u>2008</u> | <u>2007</u> |
|--|----------------|----------------|
| | <u>£</u> | <u>£</u> |
| Issued Bonds of £100 each | 6,000 | 6,000 |
| Less: Redeemed and surrendered to date | <u>(5,900)</u> | <u>(5,900)</u> |
| | <u>£ 100</u> | <u>£ 100</u> |

11. RECONCILIATION OF MOVEMENT IN MEMBERS FUNDS

| | <u>2008</u> | <u>2007</u> |
|--------------------------------|--------------------|--------------------|
| | <u>£</u> | <u>£</u> |
| Surplus for the financial year | 186,215 | 1,003,886 |
| Other reserves (see note 9) | 150,000 | - |
| Opening members funds | <u>1,800,507</u> | <u>796,621</u> |
| Closing members funds | <u>£ 2,136,722</u> | <u>£ 1,800,507</u> |

THE BERKSHIRE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2008

12. STAFF COSTS

| | <u>2008</u> | <u>2007</u> |
|------------------------------------|--------------------|--------------------|
| | <u>£</u> | <u>£</u> |
| Salaries and Wages | 989,784 | 918,950 |
| Social Security Costs | 97,024 | 90,855 |
| Pension Contributions | 51,774 | 54,209 |
| | <u>£ 1,138,582</u> | <u>£ 1,064,014</u> |
| | <u>2008</u> | <u>2007</u> |
| | <u>No</u> | <u>No</u> |
| Average weekly number of employees | <u>50</u> | <u>49</u> |

13. SURPLUS BEFORE TAXATION

| | <u>2008</u> | <u>2007</u> |
|---|---------------|--------------|
| | <u>£</u> | <u>£</u> |
| This is stated after charging: | | |
| Hire of equipment under operating lease | 5,400 | 5,400 |
| Rent under operating lease | 189,750 | 189,750 |
| Depreciation of Fixed Assets | 284,975 | 189,031 |
| Loss on sale of Fixed Assets | - | 11,616 |
| Auditors' Remuneration | <u>10,550</u> | <u>5,700</u> |

None of the directors are remunerated for the services they provide to the company.

14. INTEREST RECEIVED

| | <u>2008</u> | <u>2007</u> |
|------------------|-----------------|-----------------|
| | <u>£</u> | <u>£</u> |
| Bank Interest | 3,541 | 27,549 |
| Finance Interest | <u>10,860</u> | <u>10,180</u> |
| | <u>£ 14,401</u> | <u>£ 37,729</u> |

THE BERKSHIRE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2008

15. INTEREST PAYABLE AND SIMILAR CHARGES

| | <u>2008</u> | <u>2007</u> |
|-----------------------|-----------------|-------------|
| | <u>£</u> | <u>£</u> |
| Bank Interest | 1,402 | 12 |
| Loan Interest | 29,112 | - |
| Loan arrangement fees | 3,750 | - |
| Other charges | 5,580 | - |
| | <u>£ 39,844</u> | <u>£ 12</u> |

16. BAR AND CATERING INCOME AND EXPENDITURE

a) Bar

| | <u>2008</u> | <u>2007</u> |
|------------------|------------------|-----------------|
| | <u>£</u> | <u>£</u> |
| Income | 182,397 | 171,111 |
| Expenditure | (77,980) | (75,941) |
| Gross Bar Profit | <u>£ 104,417</u> | <u>£ 95,170</u> |

b) Catering

| | <u>2008</u> | <u>2007</u> |
|-----------------------|------------------|------------------|
| | <u>£</u> | <u>£</u> |
| Income | 401,208 | 354,577 |
| Expenditure | (166,795) | (152,738) |
| Gross Catering Profit | <u>£ 234,413</u> | <u>£ 201,839</u> |

17. TAXATION

| | <u>2008</u> | <u>2007</u> |
|------------------------------------|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| Corporation tax charge in the year | <u>£ -</u> | <u>£ -</u> |

The corporation tax rate for the year is charged at an effective rate of 0% (2007 0%). The company is taxed on its rental income, interest received and the profit or loss attributable to non-members. In the year to 31 December 2008 the loss attributable to non-members exceeded the rental income and interest income of the company and a taxable loss arises. This loss is carried forward for utilisation in future periods.

THE BERKSHIRE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2008

18. OPERATING LEASE COMMITMENTS

At 31 December 2008, annual rental commitments under non-cancellable operating leases were as follows:

| | <u>2008</u> | <u>2007</u> |
|-----------------------------|------------------|------------------|
| | <u>£</u> | <u>£</u> |
| Expiring in over five years | <u>£ 189,750</u> | <u>£ 189,750</u> |

The rent due under the non-cancellable operating leases is subject to five yearly rent reviews, the next occurring in 2010.

19. CAPITAL COMMITMENTS

Capital Expenditure authorised for 2009 is £297,000 (2008: £1,167,475).

20. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOWING ACTIVITIES

| | <u>2008</u> | <u>2007</u> |
|---|------------------|--------------------|
| | <u>£</u> | <u>£</u> |
| Operating surplus before taxation | 211,658 | 966,169 |
| Loss on disposal of tangible fixed assets | - | 11,616 |
| Depreciation | 284,975 | 189,031 |
| Increase in stock | (6,716) | (2,286) |
| Decrease/(Increase) in debtors | 113,406 | (115,270) |
| (Decrease)/Increase in creditors | <u>(203,666)</u> | <u>193,269</u> |
| Net cash inflow from operating activities | <u>£ 399,657</u> | <u>£ 1,242,529</u> |

THE BERKSHIRE GOLF CLUB LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2008

21. ANALYSIS OF CHANGES IN NET DEBT

| | <u>At</u> <u>1 January</u> <u>2008</u> <u>£</u> | <u>Cash Flows</u> <u>£</u> | <u>At</u> <u>31 December</u> <u>2008</u> <u>£</u> |
|--------------------------|--|-----------------------------------|--|
| Net Cash: | | | |
| Cash in hand and at bank | 206,945 | (193,810) | 13,135 |
| Bank Overdraft | - | - | - |
| | 206,945 | (193,810) | 13,135 |
| Debt due after one year | - | (545,000) | (545,000) |
| Debt due within one year | - | (125,000) | (125,000) |
| | - | (670,000) | (670,000) |
| TOTAL | <u>£ 206,945</u> | <u>£ (863,810)</u> | <u>£ (656,865)</u> |

MAJOR COMPETITIONS (GENTLEMEN) - 2008

Foursomes Challenge Cup
Lloyd Lavelle Challenge Cup
Scratch Matchplay Championship
Walter Seabrook Salver

M R F Shuker & P C Tennant
J R Patterson
H J De Pree
M K Allen

Summer Meeting

Mackenzie Challenge Bowl
Donald Steel Challenge Cup
Stevenson Scratch Medals

E N J Bragg & W A L Cohen
O J C Lindsay
O J C Lindsay (Red Course)
O J C Lindsay & R W Malcolm (Blue Course)

Autumn Meeting

Donald Steel Salver
Mackenzie Challenge Cup
Derby Scratch Medals

Captain's Prize (Matchplay singles)
Stanhope Furber Cup
Veteran's Jug (October)
Fangio Trophy

E Matthews
E Matthews
R P McCall (Red Course)
H J De Pree (Blue Course)
D R J King
T J Couzens
P Rotheroe
W J Uzielli & H D Maurice

MAJOR COMPETITIONS (LADIES) - 2008

Matthews Coronation Trophy
Wingfield Scratch Salver
The Burbury Trophy
Ladies Club Champion
Scott McCombe Challenge Cup
Stock Scratch Salver

Keith Foursomes Salver
Gulland Bronze Trophy
The President's Trophy
The Hill-Wood Foursomes

Mrs F Wigglesworth
Mrs J de Vere Hunt
Mrs J A Robertson
Mrs J de Vere Hunt
Mrs S F Edwards
Mrs C E Seabrook
Mrs C V T Robertson
Mrs W Lloyd & Mrs J A Robertson
Mrs S K Prior
Mrs D A Unwin
Mrs I F Covill & Mrs E M Lamaison

OTHER MAJOR & MIXED COMPETITIONS - 2008

Mathewson Salver
Junior U18 Sc Championship
Buzz Trophy
The Berkshire Trophy
The Astor Salver

Mr & Mrs H D Maurice
Mr B A Holden
N M & T W M Harley
F Keenan
Mrs E Brown