

THE SOUTH SHIELDS GOLF CLUB LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2003

Company Registration Number 00258734



TENON
Accountants and Business Advisers
Tenon House
Ferryboat Lane
Sunderland
SR5 3JN

THE SOUTH SHIELDS GOLF CLUB LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their annual report and audited financial statements for the year ended 31 December 2003:-

1. MEMBERSHIP	31 December 2003	31 December 2002
Honorary	2	3
Life	56	56
Gentlemen	413	424
Senior Gentlemen	45	43
Ladies	55	52
Senior Ladies	15	20
Country	5	4
Juniors	31	23
Catholic Clergy	<u>7</u>	<u>7</u>
Total Playing Members	629	632
Social	<u>49</u>	<u>53</u>
	678	685

2. PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

Finance

The principal activity of the company during the year was that of conducting a golf club in South Shields. The accounts show a surplus for the year of £1,215, which represents approximately 1/2% of total income. Whilst total income showed a substantial increase of £23,390, total expenditure also increased by £26,739, resulting in a decreased surplus from last year of £3,349. The increased expenditure was largely through increased course expenditure for machinery maintenance, sand and fertiliser and changes to the course amounting to £11,781.

For the first time in six years, the bar operation has reversed its usual loss making position, showing a profit of £4,786 against a loss of £6,550 the previous year. This was achieved through improved sales amounting to £59,784, an increase of £12,821 (27%) on the previous year and improved margins from a new supplier.

During the year, the Club acquired fixed assets of £8,846 and the resultant bank balances have increased to £111,753 from £104,027.

The Committee wish to express their thanks to:

- Eric Bywater and the Green and Land and Property Committee
- Bill Hunt and the House Committee
- Brian Chambers and the Entertainment Committee
- Bill Roberts the Handicap and Competitions Secretary
- Bill Mair the Minutes Secretary
- Sean McRirick for looking after the Junior Section
- Bill Mair for his continued guidance on our computer system
- Jack Carris, Jim Behrsing, Ken Noble of the Seniors Section.

3. TRANSFER TO RESERVES

It is proposed that the retained surplus of £1,215 is transferred to the accumulated fund.

4. FIXED ASSETS

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

5. DIRECTORS AND THEIR INTERESTS

The directors met on 11 occasions.

The directors who served during the year and their attendances were:

A Aggarwal	6/8	B Chambers	11/11	W Mair	11/11	A Richardson	2/3
P Balmer	8/11	J H Elsy	9/11	I Mankin	10/11	W Roberts	11/11
L N Brown	2/3	W Hunt	10/11	A K Murray	2/3	P Ruddick	10/11
E Bywater	10/11	P Lancaster	3/3	R A Muse	11/11	P W Taylor	11/11

The directors retiring by rotation are P Balmer, W Hunt and B Chambers and are eligible for re-election. P Lancaster and L N Brown resigned on 19 March 2003.

THE SOUTH SHIELDS GOLF CLUB LIMITED

REPORT OF THE DIRECTORS

6. DIRECTORS RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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. They 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.

7. AUDITORS

The auditors, Blueprint Audit Limited, will be proposed for re-appointment, in accordance with Section 385 of the Companies Act 1985.

8. LADIES The ladies have elected the following officials and committee:

Officials

Captain	Mrs S Grieves
Vice-Captain	Mrs A McCain
Honorary Secretary	Miss M Bates
Honorary Treasurer	Mrs C Mair

Ex Officio

Handicap Secretary	Mrs D Smith
Past Captain	Mrs M Lavelle

Committee

Mrs J A Atkinson	Mrs P Dunlop
Mrs A Armstrong	Mrs M Graham
Mrs M Blakey	Mrs J Williams

9. COMPETITIONS The following competition winners are congratulated:

MEN

Club Championship	N King	W.J. Brock Trophies	Mr & Mrs T Cox
James Readhead (Gross)	M Ellis, M Armstrong and D Sharkey	Gazette Cup	J Learmount
Alex Purvis (Calcutta)	K McAllister	Rudd Cup	M Cooper
Brock Rose Bowl	M Shotton	Military Cup	D Mann
J.H. Evers Trophy	T Forster	Hopps Trophy	C Mathews
W.C. Mason Trophy	S Baynes	Moore Hayton Cup	A B Smith
Robson Trophies	I Higgins and J W Fenwick	Coronation Foursomes	Mr and Mrs V Graham
Florence Parker Trophy	J Yates and B Buckham	A. & L. Dodd Trophy	P Balmer
G H Turner Trophy	I Herrema	Brigham Cup	R A Muse and E Bywater
G.H. Turner Trophy (Seniors)	P Balmer	Hanson Trophy	Mr and Mrs O'Collier
Alexander Cup	A Pattison	Calcutta Doubles	S Rae and A Reay

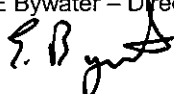
LADIES

Club Champion	Mrs A McAllister	Chipchase Vase	Mrs J Atkinson
Gazette Vase	Mrs M Graham	Fenwick Salver	Mrs S Turnbull
Clara Anderson Trophy	Mrs I Dutton	Mabane Bowl	Mrs J Wood
Hedworth Williamson	Miss M Graham	Nancy Walker Trophy	Mrs A McCain
Harton Moor Trophies	Mrs J Collier and Mrs D Smith	Eve Levy Rose Bowl	Mrs J Williams
Mohair Bangle	Mrs S Turnbull	Lady Readhead Trophy	Mrs D Gibb
Centenary Plate	Mrs G Woodcock	Eleanor New Claret Jug	Mrs J Paul
Candelabra	Mrs M Bates	Past Captains Salver	Mrs D Smith
Joyce Evers Brooch	Miss L Taylor	President's Plate	Mrs J Sanderson

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.

Signed by: E Bywater – Director



Dated: 4 February 2004

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOUTH SHIELDS GOLF CLUB LTD

We have audited the financial statements of The South Shields Golf Club Limited for the year ended 31 December 2003 which comprise the Profit and Loss Account, the Balance Sheet and the relevant notes. These financial statements have been prepared, in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, 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 members 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 members 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.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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. 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 supplied specified by law regarding directors' remuneration and transactions with the company 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. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards 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 of the state of affairs of the company as at 31 December 2003 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Blueprint Audit Limited

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Blueprint Audit Limited
Registered Auditor

Tenon House
Ferryboat Lane
Sunderland
SR5 3JN

Date signed: 19 February 2004

THE SOUTH SHIELDS GOLF CLUB LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2003

Notes	2003		2002	
	£	£	£	£
	FIXED ASSETS			
7	Tangible assets	179599		200331
	CURRENT ASSETS			
8	Stocks	3844		3686
9	Debtors	3348		3201
	Cash in hand	794		493
	Cash at bank	<u>111753</u>		<u>104027</u>
		119739		111407
	CREDITORS: Amounts falling due within one year:			
	Trade creditors	1099		2216
	Corporation tax	-		392
	Accruals	<u>10627</u>		<u>22733</u>
		11726		25341
	NET CURRENT ASSETS	<u>108013</u>		<u>86066</u>
	TOTAL ASSETS LESS CURRENT LIABILITIES	<u>£287612</u>		<u>£286397</u>
	MEMBERS FUNDS			
12	Accumulated fund	<u>£287612</u>		<u>£286397</u>

E Bywater

I M Mankin

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Directors

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the Board on 4 February 2004

The notes on pages 6 to 8 form part of these financial statements.

THE SOUTH SHIELDS GOLF CLUB LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

Notes		2003 £	2002 £
2	Turnover	345683	321337
	Cost of sales	<u>292418</u>	<u>270200</u>
	Gross profit	53265	51137
3	Administrative expenses	<u>56503</u>	<u>50105</u>
		3238	1032
4	Other operating income	<u>4159</u>	<u>3924</u>
	Surplus from operations before taxation	921	4956
6	Taxation	(<u>294</u>)	<u>392</u>
	Net surplus for year	1215	4564
	Revenue surplus brought forward	<u>286397</u>	<u>281833</u>
	Revenue surplus carried forward	<u>£287612</u>	<u>£286397</u>

The notes on pages 6 to 8 form part of these financial statements.

THE SOUTH SHIELDS GOLF CLUB LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified by the transitional arrangements which have been followed this year on adopting Financial Reporting Standard for Smaller Entities (Effective June 2002).

Turnover

Turnover is derived from the provision of goods and services after deduction of Value Added Tax.

Depreciation

Depreciation is provided to write off the cost of all fixed assets, except freehold land, over their expected useful lives. It is calculated on the original cost of the assets at the following rates:

Freehold buildings	2% per annum
Course machinery and irrigation system	10% - 25% per annum
Office Equipment and Clubhouse Furniture	20% per annum

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first-in, first-out basis. Net realisable value is based on the estimated selling price less further costs to completion and disposal.

Operating Leases

All leases are operating leases. Rentals under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

2. TURNOVER AND RESULTS

Turnover and results are wholly attributable to one activity, that of conducting a golf club.

3. OPERATING SURPLUS	2003	2002
	£	£
The operating surplus is stated after charging:		
Depreciation	29578	28480
Auditors remuneration	2000	1900
4. OTHER OPERATING INCOME	2003	2002
	£	£
Bank deposit interest	<u>4159</u>	<u>3924</u>

THE SOUTH SHIELDS GOLF CLUB LIMITED

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003 (Continued)**

5.	EMPLOYEES	2003 £	2002 £			
	Staff costs					
	Wages and salaries	80746	83423			
	Social security costs	<u>6982</u>	<u>6653</u>			
		£87728	£90076			
		=====	=====			
	The average weekly number of employees during the year was made up as follows:	2003 No.	2002 No.			
	Course staff	5	6			
	Administration staff	<u>1</u>	<u>1</u>			
		6	7			
		=	=			
6.	TAXATION	2003 £	2002 £			
	Based on the investment income for the year:					
	Corporation tax at 10%	-	392			
	Corporation tax refund re previous year	<u>294</u>	<u>-</u>			
		£294	£392			
		=====	=====			
7.	TANGIBLE ASSETS					
		Office Equipment £	Clubhouse Furniture and Equipment £	Freehold Land and Buildings £	Course Machinery and Irrigation System £	Total £
	Cost					
	As at 1 January 2003	1403	33214	194893	266636	496146
	Additions	<u>-</u>	<u>2337</u>	<u>-</u>	<u>6509</u>	<u>8846</u>
	As at 31 December 2003	1403	35551	194893	273145	504992
		=====	=====	=====	=====	=====
	Depreciation					
	As at 1 January 2003	562	12311	42402	240540	295815
	Provided for year	<u>281</u>	<u>7214</u>	<u>3734</u>	<u>18349</u>	<u>29578</u>
	As at 31 December 2003	843	19525	46136	258889	325393
		=====	=====	=====	=====	=====
	Net Book Value					
	As at 31 December 2002	<u>841</u>	<u>20903</u>	<u>152491</u>	<u>26096</u>	<u>200331</u>
	As at 31 December 2003	<u>560</u>	<u>16026</u>	<u>148757</u>	<u>14256</u>	<u>179599</u>

THE SOUTH SHIELDS GOLF CLUB LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003 (Continued)

8. STOCKS

	2003 £	2002 £
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The only category of stock is:

Goods for resale	<u>£3844</u>	<u>£3686</u>
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9. DEBTORS

	2003 £	2002 £
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Prepayments	1681	2525
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Other debtor	<u>1667</u>	<u>676</u>
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	<u>£3348</u>	<u>£3201</u>
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10. REVENUE COMMITMENTS

The amounts payable in the next year in respect of operating leases are shown below, analysed according to the expiry date of the lease.

	Land and Buildings	
	2003 £	2002 £
Expiry date:		
After five years	<u>£11000</u>	<u>£11000</u>

11. LIMITED BY GUARANTEE

The company is limited by guarantee in that every member undertakes to contribute during the time that he or she is a member, or within one year afterwards such amounts that may be required in the event of the company being wound up, for the payment of the debts, liabilities and the costs of winding-up not exceeding for ordinary and life members £4, for lady members £1 and for honorary, juvenile and temporary members 5p.

12. RECONCILIATION OF MOVEMENT IN MEMBERS FUNDS

	2003 £	2002 £
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Surplus for the financial year	1215	4564
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Opening members funds	<u>286397</u>	<u>281833</u>
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Net assets at 31 December 2003	<u>£287612</u>	<u>£286397</u>
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13. CONTROL

The company is under the control of its members.

THE SOUTH SHIELDS GOLF CLUB LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

EXPENDITURE	2003	2002	INCOME	2003	2002
COURSE			Sales - Bar	£ 59784	£ 46963
Wages	68863	73180	Gross Profit - Bar	30856	21145
Rent and fees	11000	11000	<u>Less: Retainer</u>	(24532)	(24550)
Rates	6608	6206	Expenses	(1538)	(3145)
Machinery maintenance	23855	18605	NET PROFIT/(LOSS)	4786	(6550)
Service building and fencing	3573	3989			
Sand and fertiliser	18034	15342			
Depreciation	22083	20381			
Professional	12903	12600			
Team expenses	3485	2811			
New 17 th hole	<u>11781</u>	<u>-</u>			
	182185	164114			
	<u> </u>	<u> </u>			
CLUB HOUSE					
Legal and professional fees	1800	3446			
Rates	9240	8676			
Repairs	10888	12119			
Cleaning	13455	11082			
Heat, light and water	13162	9432			
Depreciation	<u>7214</u>	<u>7818</u>			
	55759	52573			
	<u> </u>	<u> </u>			
ADMINISTRATION					
Training course	580	-			
Security services	2735	692			
V.A.T. irrecoverable	10220	8671			
Insurance	7056	6863			
Postage and stationery	3036	3715			
Management remuneration	18865	16896			
Telephone	1386	966			
General expenses	3491	5156			
Association subscriptions	5023	3810			
Corporation tax	-	392			
Bank charges	1306	1155			
Audit fee	2000	1900			
Depreciation	<u>281</u>	<u>281</u>	OTHER INCOME		
	55979	50497	Members		
	<u> </u>	<u> </u>	subscriptions	233982	233313
			Entrance fees	10700	11985
TOTAL EXPENDITURE	293923	267184	Temporary members	26318	25011
			Fruit machines	998	2275
Surplus carried to			Locker Fees	1720	1790
accumulation fund	<u>1215</u>	<u>4564</u>	Corporation tax refund	294	-
	£295138	£271748	Bank deposit interest	4159	3924
	<u> </u>	<u> </u>	Rate refund	7776	-
			Turner - donation	<u>4405</u>	<u> </u>
				£295138	£271748
				<u> </u>	<u> </u>