

**SURREY NATIONAL GOLF CLUB LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

**Company No 2845617 (England and Wales)**



# **SURREY NATIONAL GOLF CLUB LIMITED**

## **COMPANY INFORMATION**

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Directors	Mr R G Noades Mrs N L Noades Mr S Hodson Mr P J Skinner
Secretary	Mr P J Skinner
Company Number	2845617
Registered Office	Streete Court Rooks Nest Park Godstone Surrey RH9 8BZ
Auditors	Meyer Williams Chartered Accountants 19/21 Bull Plain Hertford Herts SG14 1DX

# **SURREY NATIONAL GOLF CLUB LIMITED**

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# SURREY NATIONAL GOLF CLUB LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004

The directors present their report together with the financial statements for the year ended 31<sup>st</sup> May 2004.

### Principal Activities and Review of Business

The company's principal activity continued to be that of the ownership and management of a golf course.

### Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

The directors are satisfied with the results for the year.

The directors do not recommend payment of a dividend.

### Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	31 <sup>st</sup> May 2004	1 <sup>st</sup> June 2003
<b>"A" Ordinary Shares of £1</b>		
Mr R G Noades	-	-
Mrs N L Noades	-	-
Mr S Hodson	-	-
Mr P J Skinner	-	-
<b>"B" Ordinary Shares of £1</b>		
Mr R G Noades	-	-
Mrs N L Noades	-	-
Mr S Hodson	-	-
Mr P J Skinner	-	-

Mr Noades has an interest in 100% of the issued share capital of Altonwood Holdings Limited the company's ultimate holding company.

### Events Since the End of the Year

There were no post balance sheet events.

### Political and Charitable Contributions

The company made no political or charitable contributions during the year.

**SURREY NATIONAL GOLF CLUB LIMITED**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

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**Fixed Assets**

In the opinion of the directors there is no significant difference between the net book value and open market value of the company's freehold property.

**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 company's affairs and of the profit or loss for that year. In preparing these 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;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;

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 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.

**Auditors**

The auditors, Meyer Williams Chartered Accountants, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

This report was approved by the board on 9<sup>th</sup> March 2005, and signed on its behalf.

P. J. 

Mr P J Skinner, Secretary

Date: 9<sup>th</sup> March 2005

**SURREY NATIONAL GOLF CLUB LIMITED**

**REPORT OF THE INDEPENDENT AUDITORS TO THE  
SHAREHOLDERS OF SURREY NATIONAL GOLF CLUB LIMITED**

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We have audited the financial statements of Surrey National Golf Club Limited for the year ended 31 May 2004 on pages 4 to 14. These financial statements have been prepared 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 auditors' 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 on page two the company's directors are responsible for the preparation of 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 Report of the Directors 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 transactions with the company is not disclosed.

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

**Basis of opinion**

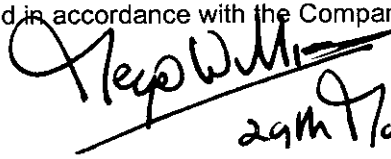
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 the company's affairs as at 31 May 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Meyer Williams  
19/21 Bull Plain  
Hertford, Herts  
SG14 1DX  
REGISTERED AUDITORS



29th March 2005

**SURREY NATIONAL GOLF CLUB LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 MAY 2004**

	<b>Notes</b>	<b>2004 £</b>	<b>2003 £</b>
<b>Turnover</b>	2	<b>1,198,227</b>	821,511
Cost of Sales		<b>860,851</b>	548,495
<b>Gross Profit</b>		<b>337,376</b>	273,016
Administrative Expenses		<b>302,388</b>	257,430
<b>Operating Profit</b>	3	<b>34,988</b>	15,586
Exceptional item	5	<b>81,000</b>	65,000
		<b>115,988</b>	80,586
Interest Receivable		<b>116</b>	351
Interest Payable and Similar Charges	4	<b>(119,011)</b>	(78,751)
<b>(Loss)/Profit on Ordinary Activities before Taxation</b>		<b>(2,907)</b>	2,186
Tax on Profit on ordinary activities	6	<b>-</b>	-
<b>(Loss)/Profit for the Financial Year</b>		<b>(2,907)</b>	2,186
<b>Retained Profit Brought Forward</b>		<b>2,878</b>	692
<b>Retained (Loss)/Profit Carried Forward</b>		<b>(29)</b>	2,878

All amounts relate to continuing activities.

There are no recognised gains or losses for 2004 or 2003 other than those included in the profit and loss account.

The notes on pages 7 to 14 form part of these financial statements

**SURREY NATIONAL GOLF CLUB LIMITED**

**BALANCE SHEET**

AS AT 31<sup>ST</sup> MAY 2004

	Notes	2004		2003	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	8		6,222,165		5,821,851
<b>Current Assets</b>					
Stocks	9	34,301		27,893	
Debtors	10	48,779		47,025	
Cash at bank and in hand		179,869		139,926	
		<u>262,949</u>		<u>214,844</u>	
<b>Creditors: Amounts Falling Due Within One Year</b>	11	4,354,143		3,840,165	
<b>Net Current Liabilities</b>			(4,091,194)		(3,625,321)
<b>Total Assets Less Current Liabilities</b>			<u>2,130,971</u>		<u>2,196,530</u>
<b>Creditors: Amounts Falling Due After More Than One Year</b>	12		2,130,000		2,192,652
			<u>971</u>		<u>3,878</u>
<b>Capital and Reserves</b>					
Share capital	14		1,000		1,000
Profit and loss account			(29)		2,878
			<u>971</u>		<u>3,878</u>
<b>Shareholders' Funds</b>	15				

These financial statements were approved by the board on 9<sup>th</sup> March 2005 and signed on its behalf.

Mr R G Noades  
Director

The notes on pages 7 to 14 form part of these financial statements



**SURREY NATIONAL GOLF CLUB LIMITED**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

	<b>Notes</b>	<b>2004 £</b>	<b>2003 £</b>
<b>CASH FLOW STATEMENT</b>			
<b>Net Cash Inflow from Operating Activities</b>	21	<b>684,462</b>	693,237
<b>Returns on Investments and Servicing of Finance</b>	22	<b>(118,895)</b>	(78,400)
<b>Capital Expenditure and Financial Investment</b>	22	<b>(495,472)</b>	(2,279,340)
<b>Cash Inflow/(Outflow) Before Use of Liquid Resources and Financing</b>		<u><b>70,095</b></u>	<u>(1,664,503)</u>
<b>Financing</b>	22	<b>(30,152)</b>	1,691,588
<b>Increase in Cash</b>		<u><u><b>39,943</b></u></u>	<u><u>27,085</u></u>
<b>Reconciliation of Net Cash Flow to Movement in Net Debt</b>			
<b>Increase in Cash in the year</b>		<b>39,943</b>	27,085
<b>Cash inflow/(outflow) from decrease in net debt and lease financing</b>	23	<b>30,152</b>	(1,691,588)
<b>Decrease/(Increase) in Net Debt</b>	23	<u><b>70,095</b></u>	<u>(1,664,503)</u>
<b>Net Debt at 1st June 2003</b>		<b>(2,085,226)</b>	(420,723)
<b>Net Debt at 31st May 2004</b>	23	<u><u><b>(2,015,131)</b></u></u>	<u><u>(2,085,226)</u></u>

The notes on pages 7 to 14 form part of these financial statements

# **SURREY NATIONAL GOLF CLUB LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

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### **1 Accounting policies**

#### **Basis of Accounting**

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable Accounting and Financial Reporting Standards.

The directors consider that the going concern basis is appropriate on the grounds that the directors of Altonwood Limited (the company's parent undertaking) have confirmed that they will continue to make available adequate facilities to support the company.

#### **Turnover**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

#### **Depreciation**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold property, over their expected useful lives. The rates and periods generally applicable are:

Freehold property	see below
Plant and machinery	20% on cost
Motor vehicles	25% on cost
Furniture and equipment	20% on cost

Although a provision for impairment was made in a previous financial year, depreciation is not provided in respect of freehold property. This policy represents a departure from the rules set out in the Companies Act 1985 which require all fixed assets to be depreciated over their expected useful lives. The company's property is maintained to such a standard that its residual value is not less than its cost and the directors consider that systematic annual depreciation would be inappropriate.

The directors consider that the policy adopted is necessary in order that the Financial Statements give a true and fair view. The amount of depreciation which might otherwise have been provided cannot be separately identified or quantified.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

#### **Deferred Taxation**

In accordance with Financial Reporting Standard 19 provision is made at current rates for taxation deferred in respect of all material timing differences except those relating to revalued fixed assets.

#### **Cash and liquid resources**

For the purposes of the cashflow statement cash and liquid resources is defined as cash at bank and in hand.

# SURREY NATIONAL GOLF CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004

### 1 Accounting policies - continued

#### Contribution to Pension Funds

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the scheme.

#### Leased Assets

All payments made under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

#### Related Party Transactions

As disclosed in the related parties note, the parent company is Altonwood Limited and the ultimate parent company is Altonwood Holdings Limited. The results of the company are included in the consolidated financial statements of Altonwood Holdings Limited, which are available to the public from the Registrar of Companies, Companies House, Crown Way, Cardiff CF4 3UZ.

The company has taken advantage of the exemptions conferred by Financial Reporting Statement 8, "Related Party Disclosures". Transactions and balances with other group companies that are eliminated in the consolidated financial statements of Altonwood Holdings Limited are not disclosed for companies where the ultimate parent company controls 90% or more of the voting rights.

### 2 Turnover

Turnover is attributable to the principal activity of the company.

The geographical analysis of turnover is as follows:

	2004 £	2003 £
UK	<u>1,198,227</u>	<u>821,511</u>

### 3 Operating Profit

The operating profit is arrived at after charging or crediting:

	2004 £	2003 £
Depreciation on owned assets	102,658	114,492
Hire of equipment – operating leases	64	360
Auditors' remuneration – non audit work	2,750	153
Auditors' remuneration	<u>6,500</u>	<u>6,000</u>

### 4 Interest Payable and Similar Charges

	2004 £	2003 £
Bank overdrafts and loans	<u>119,011</u>	<u>78,751</u>

**SURREY NATIONAL GOLF CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

<b>5</b>	<b>Exceptional item</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	Amount written off group borrowings	<b>81,000</b>	65,000

**6 Taxation**

The company has trading losses amounting to £179,958 available to be carried forward.

During the year the company transferred trading losses under group election amounting to £104,654 (2003 £111,235). No payment was received for the amounts transferred.

**7 Directors and Employees**

Staff costs were as follows:

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>357,596</b>	264,624
Social security costs	<b>32,468</b>	18,266
Other pension costs	<b>2,591</b>	2,425
	<b>392,655</b>	285,315

Directors' emoluments	<b>-</b>	<b>-</b>
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The average monthly number of employees, including directors, during the year was as follows:

	<b>2004</b>	<b>2003</b>
	<b>Number</b>	<b>Number</b>
Administration and operational	<b>47</b>	34

**SURREY NATIONAL GOLF CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

**8 Tangible Fixed Assets**

	Freehold Land and Buildings	Plant and Machinery	Motor Vehicles	Furniture And Equipment	Total
<b>Cost</b>	£	£	£	£	£
At 1 <sup>st</sup> June 2003	6,640,805	324,085	57,358	312,402	7,334,650
Additions	444,428	32,328	-	26,216	502,972
Disposals	-	-	(50,000)	-	(50,000)
<b>At 31<sup>st</sup> May 2004</b>	<b>7,085,233</b>	<b>356,413</b>	<b>7,358</b>	<b>338,618</b>	<b>7,787,622</b>
<b>Depreciation</b>					
At 1 <sup>st</sup> June 2003	1,177,423	217,059	55,979	62,338	1,512,799
Charge for year	-	38,892	1,377	62,389	102,658
Disposals	-	-	(50,000)	-	(50,000)
<b>At 31<sup>st</sup> May 2004</b>	<b>1,177,423</b>	<b>255,951</b>	<b>7,356</b>	<b>124,727</b>	<b>1,565,457</b>
<b>Net Book Value</b>					
<b>At 31<sup>st</sup> May 2004</b>	<b>5,907,810</b>	<b>100,462</b>	<b>2</b>	<b>213,891</b>	<b>6,222,165</b>
At 31 <sup>st</sup> May 2003	5,463,382	107,026	1,379	250,064	5,821,851

**9 Stocks**

	2004	2003
	£	£
Goods for resale	<b>34,301</b>	27,893

**10 Debtors**

	2004	2003
	£	£
Trade debtors	<b>6,590</b>	2,741
Other debtors	<b>1,226</b>	9,288
Prepayments and accrued income	<b>40,963</b>	34,996
	<b>48,779</b>	47,025

**SURREY NATIONAL GOLF CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

<b>11 Creditors: Amounts Falling Due Within One Year</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Other loans due within one year (Note 13)	<b>65,000</b>	32,500
Trade creditors	<b>206,242</b>	169,809
Amounts owed to group undertakings	<b>3,742,873</b>	3,350,664
Other taxes and social security	<b>41,332</b>	15,011
Other creditors	<b>260</b>	170
Accruals and deferred income	<b>298,436</b>	272,011
	<b><u>4,354,143</u></b>	<b><u>3,840,165</u></b>

The bank loans and overdrafts are secured by a Mortgage Debenture dated 25<sup>th</sup> March 1997 giving a specific charge over all properties owned or leased by the company together with a specific charge over debtors and a fixed and floating charge over all other assets.

Other loans are due to Findtree Limited and are secured by a debenture dated 27<sup>th</sup> March 1997 giving a specific charge over all properties owned or leased by the company together with a specific charge over debtors and a fixed and floating charge over all other assets.

Included within Amounts owed to group undertakings is a balance of £3,425,890 (2003 £3,134,890) which is secured by a legal charge dated 20 November 2000 over the company's assets.

<b>12 Creditors: Amounts Falling Due After More Than One Year</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Other loans (Note 13)	<b>130,000</b>	162,500
Bank loans (Note 13)	<b>2,000,000</b>	2,030,152
	<b><u>2,130,000</u></b>	<b><u>2,192,652</u></b>

See Note 11 for security details.

**SURREY NATIONAL GOLF CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

<b>13</b>	<b>Loans</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	Amounts included in creditors and payable in more than five years by installments:		
	Bank loans	<b>968,484</b>	945,079
	Amounts repayable:		
	In one year or less, or on demand	<b>65,000</b>	32,500
	Between one and two years	<b>258,083</b>	279,860
	Between two and five years	<b>903,433</b>	967,713
		<b>1,226,516</b>	1,280,073
	In five years or more	<b>968,484</b>	945,079
		<b>2,195,000</b>	2,225,152
	The bank loan is repayable over ten years and interest is charged at 2% over the bank base rate.		
<b>14</b>	<b>Share Capital</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	Authorised		
	Equity Shares		
	760 "A" Ordinary shares of £1.00 each	<b>760</b>	760
	240 "B" Ordinary shares of £1.00 each	<b>240</b>	240
		<b>1,000</b>	1,000
	<b>Allotted</b>		
	<b>Equity Shares</b>		
	760 Allotted called up and fully paid "A" ordinary shares of £1.00 each	<b>760</b>	760
	240 Allotted, called up and fully paid "B" ordinary shares of £1.00 each	<b>240</b>	240
		<b>1,000</b>	1,000
<b>15</b>	<b>Reconciliation of Shareholders' Funds</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	(Loss)/Profit for the financial year	<b>(2,907)</b>	2,186
	(Decrease)/Increase in shareholders' funds	<b>(2,907)</b>	2,186
	Opening shareholders' funds	<b>3,878</b>	1,692
	Closing shareholders' funds	<b>971</b>	3,878

**SURREY NATIONAL GOLF CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

**16 Capital Commitments**

The company had no capital commitments at 31 May 2004 or at 31 May 2003.

**17 Pension Scheme**

The company operates a defined contribution pension scheme for the benefit of certain staff. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The total contributions paid in the year amounted to £2,592 (2003 £2,425).

**18 Related Parties**

In the directors' opinion the company's parent company and controlling party is Altonwood Limited, a company incorporated in England. The company's ultimate parent company is Altonwood Holdings Limited, a company incorporated in England

During the year the company purchased goods and services amounting to £10,750 from Brentford FC Limited a group undertaking.

The company's ultimate controlling party during the current and previous years has been Mr R G Noades.

**19 Transactions with Directors**

Mr P J Skinner has an interest in the supply of accountancy services to the company which amounted to £10,545 (2003 £10,118).

All transactions are undertaken on normal commercial terms.

**20 Contingent Liabilities**

The company has given guarantees to its bankers in respect of other group companies which amounted to £101,210 at 31<sup>st</sup> May 2004 (2003 £218,844).

**21 Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities**

	2004	2003
	£	£
Operating profit	34,988	15,586
Depreciation charges	102,658	114,492
Profit on sale of fixed assets	(7,500)	(7,601)
(Increase) in stocks	(6,408)	(18,663)
Increase in debtors	(1,754)	(934)
Increase in other creditors	481,478	525,357
Exceptional item	81,000	65,000
	<u>684,462</u>	<u>693,237</u>



**SURREY NATIONAL GOLF CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MAY 2004**

<b>22</b>	<b>Gross Cash Flows</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	<b>Returns on Investments and Servicing Finance</b>		
	Interest received	<b>116</b>	351
	Interest paid	<b>(119,011)</b>	(78,751)
	Net cash outflow for returns on investments and servicing of finance	<b>(118,895)</b>	(78,400)
	<b>Capital Expenditure and Financial Investment</b>		
	Payments to acquire tangible fixed assets	<b>(502,972)</b>	(2,312,740)
	Proceeds from the sale of fixed assets	<b>7,500</b>	33,400
	Net cash outflow from investing activities	<b>(495,472)</b>	(2,279,340)
	<b>Financing</b>		
	Bank loan repayments	<b>(30,152)</b>	(88,816)
	Other loan repayments	-	(32,500)
	Bank loans received	-	1,812,904
	Net cash (outflow)/inflow from financing	<b>(30,152)</b>	1,691,588
<b>23</b>	<b>Analysis of Changes in Net Debt</b>		
	<b>Cash</b>	<b>2003</b>	<b>Cash flows</b>
		<b>£</b>	<b>£</b>
	Cash at bank and in hand	139,926	39,943
	<b>Debt</b>		
	Other loans due within 1 year	(32,500)	(32,500)
	Bank loans due after 1 year	(2,030,152)	30,152
	Other loans due after 1 year	(162,500)	32,500
		<b>(2,225,152)</b>	<b>30,152</b>
		<b>(2,085,226)</b>	<b>70,095</b>
			<b>(2,015,131)</b>