



Financial Statements

Official World Golf Ranking

(A Company Limited By Guarantee)

For the year ended 31 December 2008

Company no: 4996725

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Company information

Company registration number	4996725
Registered office	Wentworth Drive Virginia Water Surrey GU25 4LX
Directors	M F Bonallack P Dawson D B Fay T W Finchem G C O'Grady F Ridley J P Steranka K R Waters
Secretary	J Orr
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditor Churchill House Chalvey Road East Slough Berkshire SL1 2LS

Official World Golf Ranking (A Company Limited By Guarantee)
Financial statements for the year ended 31 December 2008

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Report of the directors

The directors present their report together with financial statements for the year ended 31 December 2008.

Principal activity

The company operates the Official World Golf Ranking for male professional golfers.

Business review

There was a loss for the year after taxation amounting to £116,317 (2008: £8,768 profit). The members' loans are detailed in note 9 of the accounts and are denominated in US Dollars. At the year-end these loans have been revalued and due to the strength of the US Dollar there is an exchange loss of £143,758. This exchange loss has been provided for in the 2008 accounts. If the effects of this provision were ignored then the company would have made a loss for the year after tax of £2,748.

As detailed in the Members' Agreement, the company is a 'non-profit' making body and, as such, is prohibited from paying a dividend or making any other similar distribution to its Members.

Directors

The directors who served the company during the year were as follows:

M F Bonallack
P Dawson
D B Fay
T W Finchem
G C O'Grady
F Ridley
J P Steranka
K R Waters

All directors served throughout the year.

Directors' responsibilities

The directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments 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.

Report of the directors (continued)

The directors are responsible for keeping proper accounting records that 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.

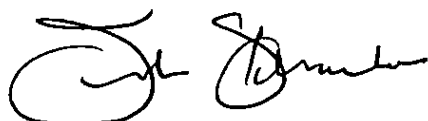
Auditor

Grant Thornton UK LLP have expressed their willingness to continue in office. In accordance with s485(4) of the Companies Act 2006 a resolution to reappoint Grant Thornton UK LLP as auditor will be proposed at the annual general meeting.

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.

ON BEHALF OF THE BOARD



Director

14th July 2009

Report of the independent auditor to the members of Official World Golf Ranking (A Company Limited By Guarantee)

We have audited the financial statements of Official World Golf Ranking for the year ended 31 December 2008 which comprise the principal accounting policies, the profit and loss account, the balance sheet, and notes 1 to 15. These financial statements have been prepared under 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 auditor

The directors' responsibilities for preparing the report of the directors and financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities within the report of the directors.

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. We also report to you whether in our opinion the information given in the report of the directors is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 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 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.

Report of the independent auditor to the members of Official World Golf Ranking (A Company Limited By Guarantee) (continued)

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 loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the report of the directors is consistent with the financial statements.



GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LONDON THAMES VALLEY OFFICE
SLOUGH

22 July 2009

Principal accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The principal accounting policies of the company, which remain unchanged during the year, are set out below.

The directors have reviewed the accounting policies adopted by the company and consider them to be the most appropriate.

Going concern

The directors have received confirmation from one of the members that it has the capacity to and will provide sufficient financial support as may be necessary to enable the company to continue trading and meeting its liabilities as they fall due for the foreseeable future. The directors are therefore satisfied that the use of the going concern basis for preparation of the financial statements remains appropriate.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (Revised 1996) 'Cash Flow Statements' from including a cash flow statement in the financial statements on the grounds that the company is a small company.

Turnover

Turnover is the total amount receivable by the company for ranking services for male professional golfers, excluding VAT and trade discounts. Fees are charged annually and recognised on the accruals basis.

Tangible fixed assets

Tangible fixed assets are included at cost and depreciated on a straight-line basis over their estimated useful economic life of 3 years

Intangible fixed assets

Goodwill is included at cost and amortised on a straight-line basis over its estimated useful economic life of 20 years.

Deferred taxation

Deferred tax is recognised on all timing differences where transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured on an undiscounted basis using rates that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All other exchange differences are dealt with through the profit and loss account.

Profit and loss account

	Note	2008 £	2007 £
Turnover	1	<u>119,000</u>	<u>133,000</u>
Gross profit		119,000	133,000
Administrative expenses		<u>(276,582)</u>	<u>(124,007)</u>
Operating (loss)/profit		(157,582)	8,993
Interest receivable	3	<u>1,791</u>	<u>2,159</u>
(Loss)/profit on ordinary activities before taxation	1	(155,791)	11,152
Tax on loss/profit on ordinary activities	4	<u>39,474</u>	<u>(2,384)</u>
(Loss)/profit transferred to reserves	10	<u>(116,317)</u>	<u>8,768</u>

All activities are continuing.

There were no recognised gains or losses other than the loss for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

	Note	2008 £	2008 £	2007 £	2007 £
Fixed assets					
Tangible assets	5		2,991		7,997
Intangible assets	6		283,383		302,275
Current assets					
Debtors	7	41,747		2,286	
Cash at bank		143,859		150,104	
		185,606		152,390	
Creditors: amounts falling due within one year	8	(26,223)		(44,346)	
Net current assets			159,383		108,044
Total assets less current liabilities			445,757		418,316
Creditors: amounts falling due after more than one year	9		(531,804)		(388,046)
Net (liabilities)/assets			(86,047)		30,270
Capital and reserves					
Profit and loss account	10		(86,047)		30,270
Members' funds	11		(86,047)		30,270

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

The financial statements were approved by the Board of Directors on 14th July 2009 and are signed on their behalf by:

Keith Walton

Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements

1 Turnover and (loss)/profit on ordinary activities before taxation

The turnover and (loss)/profit on ordinary activities before taxation are attributable to the principal activity described in the report of the directors. It is derived entirely from within the United Kingdom.

The (loss)/profit on ordinary activities before taxation is stated after:

	2008 £	2007 £
Auditor's remuneration:		
Audit fees	2,250	2,500
Taxation	1,500	1,500
Foreign exchange difference on members' loans	143,758	(5,092)
Depreciation	5,006	7,021
Amortisation	18,892	18,893

2 Directors and employees

The company had no employees during the year other than the directors.

No director received any remuneration in the year.

3 Interest receivable

	2008 £	2007 £
Other interest receivable and similar income	1,791	2,159

4 Tax on (loss)/profit on ordinary activities

(a) Analysis of charge in the year

The taxation (credit)/charge is based on the loss/profit for the year and is made up as follows:

	2008 £	2007 £
UK Corporation tax at 21% (2007: 20%)	(7,932)	2,587
Deferred tax	(31,542)	(203)
Tax on (loss)/profit on ordinary activities	(39,474)	2,384

Notes to the financial statements (continued)

4 Tax on (loss)/profit on ordinary activities (continued)

(b) Factors affecting tax charge for the year

The tax assessed for the year is different from than the relevant rate of corporation tax in the UK of 21% (2007: 20%). The differences are explained below:

	2008 £	2007 £
(Loss)/profit on ordinary activities before taxation	<u>(155,791)</u>	<u>11,152</u>
(Loss)/profit on ordinary activities multiplied by the relevant rate of corporation tax of 21% (2007: 20%)	<u>(32,716)</u>	<u>2,230</u>
Effect of:		
Expenses not deductible for tax purposes	196	187
Capital allowances for period in excess of depreciation	1,153	203
Accumulation of tax losses	22,946	-
Marginal relief adjustment	-	(33)
Effect of change in tax rates	<u>489</u>	<u>-</u>
Current tax (credit)/charge for the year	<u>(7,932)</u>	<u>2,587</u>

5 Tangible fixed assets

	£
Cost	
At 1 January 2008 and 31 December 2008	<u>15,018</u>
Depreciation	
At 1 January 2008	7,021
Charge for the year	<u>5,006</u>
At 31 December 2008	<u>12,027</u>
Net book value	
At 31 December 2008	<u>2,991</u>
At 31 December 2007	<u>7,997</u>

Notes to the financial statements (continued)

6 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2008 and 31 December 2008	<u>377,844</u>
Amortisation	
At 1 January 2008	75,569
Charge for the year	<u>18,892</u>
At 31 December 2008	<u>94,461</u>
Net book value	
At 31 December 2008	<u>283,383</u>
At 31 December 2007	<u>302,275</u>

7 Debtors

	2008 £	2007 £
Other debtors	2,068	2,083
Deferred tax	31,747	203
Corporation tax	<u>7,932</u>	<u>-</u>
	<u>41,747</u>	<u>2,286</u>

8 Creditors: amounts falling due within one year

	2008 £	2007 £
Trade creditors	8,988	-
Accruals and deferred income	6,250	31,183
Corporation tax	-	2,587
Amounts owed to related undertakings	<u>10,985</u>	<u>10,576</u>
	<u>26,223</u>	<u>44,346</u>

Notes to the financial statements (continued)

9 Creditors: amounts falling due after more than one year

	2008	2007
	£	£
Members' loans	<u>531,804</u>	<u>388,046</u>

10 Reserves

	Profit and loss account £
At 1 January 2008	30,270
Retained loss for the year	<u>(116,317)</u>
At 31 December 2008	<u>(86,047)</u>

11 Reconciliation of movement in members' funds

	2008	2007
	£	£
Members' funds at 1 January	30,270	21,502
(Loss)/profit for the financial year	<u>(116,317)</u>	<u>8,768</u>
Members' (deficit)/funds at 31 December	<u>(86,047)</u>	<u>30,270</u>

12 Members

There are seven members of the company. Each member has guaranteed to contribute £1 on winding up of the company.

13 Capital commitments

The company had no capital commitments at 31 December 2008 and 31 December 2007.

14 Contingent liabilities

There were no contingent liabilities at 31 December 2008 or 31 December 2007.

Notes to the financial statements (continued)

15 Related party transactions

During the year the company entered into transactions with its members on normal commercial terms which are classified as related party transactions under the definitions given in Financial Reporting Standard No. 8 'Related Party Disclosures'.

The aggregate amounts of transactions entered into with related parties during the year by type of transaction was as follows:

	Sales to related parties 2008 £	Sales to related parties 2007 £	Purchases from related parties 2008 £	Purchases from related parties 2007 £
The Professional Golfers' Association of America	17,000	19,000	-	-
International Federation of PGA Tours	17,000	19,000	-	-
United States Golf Association	17,000	19,000	-	-
PGA Tour Inc.	17,000	19,000	-	-
Augusta National, Inc.	17,000	19,000	-	-
R & A Championships Ltd	17,000	19,000	-	-
PGA European Tour	17,000	19,000	53,348	54,861

The aggregate amounts owed to related parties are shown in notes 8 and 9 to the financial statements.
None of these balances incur interest.