

Financial Statements Official World Golf Ranking (A Company Limited By Guarantee)

For the year ended 31 December 2009



Company no 4996725

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 2009

Index

Report of the directors	3 - 4
Report of the Independent auditor	5 - 6
Principal accounting policies	7
Profit and loss account	8
Balance sheet	9
Notes to the financial statements	10 - 14

Report of the directors

The directors present their report together with financial statements for the year ended 31 December 2009.

Principal activity

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

Business review

There was a profit for the year after taxation amounting to £27,842 (2008: £116,317 loss). 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, and
- 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 adequate 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 2006. 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.

Report of the directors

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 Chapter 5 of Part 15 of the Companies Act 2006.

BY ORDER OF THE BOARD



J Orr
Secretary

Company no: 4996725

13th July 2010

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 2009 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

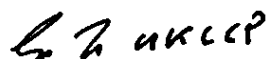
In our opinion the information given in the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Stephen Maslin
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Slough

20 July 2010

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 small.

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	2009 £	2008 £
Turnover	1	119,000	119,000
Administrative expenses		<u>(80,046)</u>	<u>(276,582)</u>
Operating profit/(loss)		38,954	(157,582)
Net interest	3	<u>72</u>	<u>1,791</u>
Profit/(loss) on ordinary activities before taxation	1	39,026	(155,791)
Tax on profit/(loss) on ordinary activities	4	<u>(11,184)</u>	<u>39,474</u>
Profit/(loss) transferred to reserves	10	<u>27,842</u>	<u>(116,317)</u>

All activities are continuing.

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

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

Balance sheet

	Note	2009 £	2009 £	2008 £	2008 £
Fixed assets					
Intangible assets	5		264,491		283,383
Tangible assets	6		-		2,991
Current assets					
Debtors	7	25,544		41,747	
Cash at bank		<u>138,956</u>		<u>143,859</u>	
		164,500		185,606	
Creditors: amounts falling due within one year	8	<u>(3,771)</u>		<u>(26,223)</u>	
Net current assets			<u>160,729</u>		<u>159,383</u>
Total assets less current liabilities			425,220		445,757
Creditors: amounts falling due after more than one year	9		<u>(483,425)</u>		<u>(531,804)</u>
Net liabilities			<u>(58,205)</u>		<u>(86,047)</u>
Capital and reserves					
Profit and loss account	10		<u>(58,205)</u>		<u>(86,047)</u>
Members' deficit	11		<u>(58,205)</u>		<u>(86,047)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Chapter 5 of Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Board of Directors on
13 July 2010 and are signed on their behalf by



M F Bonclack
Director

Notes to the financial statements

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

The turnover and profit/(loss) 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 profit/(loss) on ordinary activities before taxation is stated after charging/(crediting):

	2009 £	2008 £
Auditor's remuneration.		
Audit fees	2,250	2,250
Taxation fees	1,500	1,500
Foreign exchange difference on members' loans	(48,379)	143,758
Depreciation	2,991	5,006
Amortisation	18,892	18,892

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 Net interest

	2009 £	2008 £
Interest payable	(15)	-
Interest receivable	87	1,791
Net interest	72	1,791

4 Tax on profit/(loss) on ordinary activities

(a) Analysis of charge/(credit) in the year

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

	2009 £	2008 £
UK Corporation tax at 21% (2008. 21%)	18	(7,932)
Deferred tax	11,166	(31,542)
Tax on profit/(loss) on ordinary activities	11,184	(39,474)

Notes to the financial statements (continued)

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

(b) Factors affecting tax charge for the year

The tax assessed for the year is lower than the relevant rate of corporation tax in the UK of 21% (2008: 21%)
The differences are explained below:

	2009 £	2008 £
Profit/(loss) on ordinary activities before taxation	<u>39,026</u>	<u>(155,791)</u>
Profit/(loss) on ordinary activities multiplied by the relevant rate of corporation tax of 21% (2008: 21%)	8,195	(32,716)
Effect of		
Expenses not deductible for tax purposes	196	196
Depreciation in excess of capital allowances	250	1,153
(Utilisation)/accumulation of tax losses	(8,623)	22,946
Marginal relief adjustment	-	-
Effect of change in tax rates	-	489
Current tax charge/(credit) for the year	<u>18</u>	<u>(7,932)</u>

5 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2009 and 31 December 2009	<u>377,844</u>
Amortisation	
At 1 January 2009	94,461
Charge for the year	<u>18,892</u>
At 31 December 2009	<u>113,353</u>
Net book value	
At 31 December 2009	<u>264,491</u>
At 31 December 2008	<u>283,383</u>

Notes to the financial statements (continued)

6 Tangible fixed assets

	£
Cost	
At 1 January 2009 and 31 December 2009	<u>15,018</u>
Depreciation	
At 1 January 2009	12,027
Charge for the year	<u>2,991</u>
At 31 December 2009	<u>15,018</u>
Net book value	
At 31 December 2009	<u>-</u>
At 31 December 2008	<u>2,991</u>

7 Debtors

	2009 £	2008 £
Other debtors	4,963	2,068
Deferred tax (note 16)	20,581	31,747
Corporation tax	-	7,932
	<u>25,544</u>	<u>41,747</u>

8 Creditors: amounts falling due within one year

	2009 £	2008 £
Trade creditors	-	8,988
Accruals and deferred income	3,753	6,250
Corporation tax	18	-
Amounts owed to related undertakings	-	10,985
	<u>3,771</u>	<u>26,223</u>

9 Creditors: amounts falling due after more than one year

	2009 £	2008 £
Members' loans	<u>483,425</u>	<u>531,804</u>

Notes to the financial statements (continued)

10 Reserves

	Profit and loss account £
At 1 January 2009	(86,047)
Retained profit for the year	<u>27,842</u>
At 31 December 2009	<u>(58,205)</u>

11 Reconciliation of movement in members' deficit

	2009 £	2008 £
Members' (deficit)/funds at 1 January	(86,047)	30,270
Profit/(loss) for the financial year	<u>27,842</u>	<u>(116,317)</u>
Members' deficit 31 December	<u>(58,205)</u>	<u>(86,047)</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 2009 and 31 December 2008.

14 Contingent liabilities

There were no contingent liabilities at 31 December 2009 or 31 December 2008.

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 2009 £	Sales to related parties 2008 £	Purchases from related parties 2009 £	Purchases from related parties 2008 £
The Professional Golfers' Association of America	17,000	17,000	-	-
International Federation of PGA Tours	17,000	17,000	-	-
United States Golf Association	17,000	17,000	-	-
PGA Tour Inc	17,000	17,000	-	-
Augusta National, Inc.	17,000	17,000	-	-
R & A Championships Ltd	17,000	17,000	-	-
PGA European Tour	17,000	17,000	52,471	53,348

The aggregate amounts owed to related parties are shown in notes 9 and 10 to the financial statements
None of these balances incur interest

16 Deferred taxation

The deferred tax asset recognised in the financial statements is in respect of timing differences as analysed below

	2009 £	2008 £
Capital allowances and depreciation	2,019	1,686
Tax losses carried forward	18,562	30,061
	<u>20,581</u>	<u>31,747</u>