

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2013**



A25      \*A316WQ9V\*      #217  
07/02/2014  
COMPANIES HOUSE

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**

**COMPANY INFORMATION**

<b>Directors</b>	N J Evans Esq (Chairman) D P Joy Esq (Chief Executive) D A Basham Esq Mrs M H Berriman D A Croxton Esq Miss J C Hanratty CVO OBE Dr A M Jones Esq T D Leece Esq C A Wagstaff Esq Mrs J Walker J D R Weir Esq Mrs J E Wright G A Yates Esq
<b>Company secretary</b>	C A Wagstaff Esq
<b>Registered number</b>	05564018
<b>Registered office</b>	The National Golf Centre The Broadway Woodhall Spa Lincolnshire LN10 6PU
<b>Independent auditor</b>	BDO LLP Regent House Clinton Avenue Nottingham NG5 1AZ
<b>Bankers</b>	Lloyds Bank Plc 14 High Street Horncastle Lincolnshire LN9 5BL

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**

**CONTENTS**

	Page
<b>Strategic report</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Directors' responsibilities statement</b>	<b>3</b>
<b>Independent auditor's report</b>	<b>4 - 5</b>
<b>Consolidated income and expenditure account</b>	<b>6</b>
<b>Consolidated balance sheet</b>	<b>7</b>
<b>Company balance sheet</b>	<b>8</b>
<b>Consolidated cash flow statement</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10 - 22</b>

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 OCTOBER 2013**

The directors present their statement for the year

These financial statements represent the second set of consolidated accounts post-merger of the English Women's Golf Association and The English Golf Union and the first that fully integrates all activities under the England Golf trading style. The group accounts consolidate the results of England Golf and the trading entity of the National Golf Centre, Woodhall Spa Golf Management 2005 Limited.

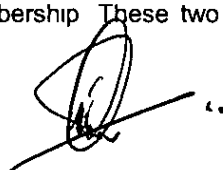
The group pre-tax surplus for the year, after charging £275,000 in respect of exceptional grants was £809,000 compared to a surplus of £412,000 in 2012 after charging £457,000 of exceptional merger costs. The England Golf proportion of this pre-tax surplus was £769,000 compared to £307,000 in 2012.

The results of England Golf are in line with expectations and reflect both an increase in income together with cost savings and economies of scale post-merger, most noticeably shown in staff costs. The trading operation at Woodhall Spa has had a challenging year with visitor income falling, however cost savings made during the second half of the year helped achieve a year end pre-tax surplus of £40,000 and will provide a stronger base going forward in 2014, which promises to be a much better trading year.

The group balance sheet reflects reserves of £4,353,000 of which £1,671,000 are deemed as being the Special Projects Fund. Post year end the group has realised part of the investments and established a strategy and investment fund for reserves amounting to around £2.6m. The irrigation project at Woodhall Spa amounting to a total cost of £603,000 was completed during the year and is included within tangible fixed assets as plant and equipment.

The principal source of income remains affiliation fees and 2013 was the second year in which men's fees were increased by a £1. This increase helped compensate for a 4% fall nationally in affiliation numbers which represents the largest single fall in membership since the peak of 2005. In 2014 men's and women's fees will harmonise at the lower men's figure of £7.25, this together with rule changes in regard to affiliation fees and dual memberships and expected continuing falls in membership will have a significant impact on income going forward.

Funding from Sport England in respect of Performance and Development for the period 2013-2017 is guaranteed, however full funding is conditional upon the achievement of targets and the most strategic challenges facing the sport will be the maintenance of participation as well as arresting the decline in membership. These two areas will form the cornerstone of England Golf's strategic aims over the next few years.

  
Name N J Evans Esq (Chairman)  
For and on behalf of the directors

Date 14 January 2014

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 OCTOBER 2013**

The directors present their report and the financial statements for the year ended 31 October 2013

**Principal activities**

As the National Governing Body for amateur golf the principal activity of the company is the promotion, administration and encouragement of amateur golf in England

**Results**

The surplus for the year, after taxation, amounted to £757,024 (2012 - £367,823)

**Directors**

The directors who served during the year were

N J Evans Esq (Chairman)  
D P Joy Esq (Chief Executive) (appointed 22 April 2013)  
D A Basham Esq  
Mrs M H Berriman  
D A Croxton Esq  
Miss J C Hanratty CVO OBE  
Dr A M Jones Esq (appointed 25 September 2013)  
T D Leece Esq  
C A Wagstaff Esq  
Mrs J Walker  
J D R Weir Esq  
Mrs J E Wright  
G A Yates Esq

**Provision of information to auditor**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditor in connection with preparing his report and to establish that the company and the group's auditor is aware of that information

**Auditor**

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board and signed on its behalf



**C A Wagstaff Esq**  
Secretary

Date 14 January 2014

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the directors' report 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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the surplus or deficit of the company and the group 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK 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 and the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to 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 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ENGLISH GOLF UNION LIMITED**

We have audited the financial statements of The English Golf Union Limited for the year ended 31 October 2013 which comprise the consolidated income and expenditure account, the consolidated and company balance sheets, the consolidated cash flow statement 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 auditor**

As explained more fully in the statement of directors' responsibilities, 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 October 2013 and of the group's surplus for the year then ended, and
- 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 strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ENGLISH GOLF UNION LIMITED**

**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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

BDO LLP

**Roger Merchant** (Senior statutory auditor)  
for and on behalf of BDO LLP, Statutory auditor  
Nottingham  
United Kingdom

15 January 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)



**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 OCTOBER 2013**

	Note	2013 £	2012 £
<b>INCOME</b>	1,2	<b>9,352,554</b>	9,291,919
Expenditure		<b>(8,371,004)</b>	(8,506,301)
Exceptional administrative expenses		<b>(275,000)</b>	(456,791)
Total expenditure		<b>(8,646,004)</b>	(8,963,092)
<b>OPERATING SURPLUS</b>	3	<b>706,550</b>	328,827
Income from other fixed asset investments		<b>19,325</b>	18,628
Interest receivable and similar income		<b>82,729</b>	64,672
<b>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>808,604</b>	412,127
Tax on surplus on ordinary activities	6	<b>(51,580)</b>	(44,304)
<b>SURPLUS FOR THE FINANCIAL YEAR</b>	16	<b>757,024</b>	367,823

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the income and expenditure account

The notes on pages 10 to 22 form part of these financial statements

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 05564018**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 OCTOBER 2013**

	Note	£	2013 £	£	2012 £
<b>FIXED ASSETS</b>					
Tangible assets	7		1,171,000		867,633
Investments	8		643,973		637,301
			<u>1,814,973</u>		<u>1,504,934</u>
<b>CURRENT ASSETS</b>					
Stocks	9	182,259		162,555	
Debtors	10	524,334		476,236	
Investments	11	2,500,000		2,200,000	
Cash at bank and in hand		1,001,964		1,700,584	
		<u>4,208,557</u>		<u>4,539,375</u>	
<b>CREDITORS</b> . amounts falling due within one year	12	(1,222,754)		(2,050,057)	
			<u>2,985,803</u>		<u>2,489,318</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>4,800,776</u>		<u>3,994,252</u>
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	13	(97,500)		(48,000)	
Other provisions	14	(350,000)		(350,000)	
			<u>(447,500)</u>		<u>(398,000)</u>
<b>NET ASSETS</b>			<u>4,353,276</u>		<u>3,596,252</u>
<b>CAPITAL AND RESERVES</b>					
Capital reserve	16		366,310		366,310
Income and expenditure account	16		3,986,966		3,229,942
	17		<u>4,353,276</u>		<u>3,596,252</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



**N J Evans Esq (Chairman)**  
Director

Date 14 January 2014

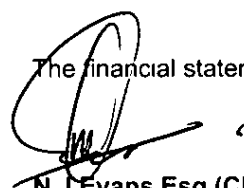
The notes on pages 10 to 22 form part of these financial statements

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER 05564018**

**COMPANY BALANCE SHEET**  
**AS AT 31 OCTOBER 2013**

	Note	£	2013 £	£	2012 £
<b>FIXED ASSETS</b>					
Tangible assets	7		274,829		217,729
Investments	8		643,974		637,302
			<u>918,803</u>		<u>855,031</u>
<b>CURRENT ASSETS</b>					
Stocks	9	76,906		50,550	
Debtors	10	517,495		424,457	
Investments	11	2,500,000		2,200,000	
Cash at bank and in hand		961,613		1,432,150	
		<u>4,056,014</u>		<u>4,107,157</u>	
<b>CREDITORS</b> amounts falling due within one year	12	(1,875,589)		(2,599,903)	
<b>NET CURRENT ASSETS</b>			<u>2,180,425</u>		<u>1,507,254</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,099,228</u>		<u>2,362,285</u>
<b>PROVISIONS FOR LIABILITIES</b>					
Other provisions	14		(350,000)		(350,000)
<b>NET ASSETS</b>			<u>2,749,228</u>		<u>2,012,285</u>
<b>CAPITAL AND RESERVES</b>					
Income and expenditure account	16		2,749,228		2,012,285
	17		<u>2,749,228</u>		<u>2,012,285</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



**N J Evans Esq (Chairman)**  
**Director**

Date 14 January 2014

The notes on pages 10 to 22 form part of these financial statements

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 OCTOBER 2013**

	Note	2013 £	2012 £
Net cash flow from operating activities	18	133,907	412,038
Returns on investments and servicing of finance	19	123,701	70,190
Taxation	19	(23,580)	(18,904)
Capital expenditure and financial investment	19	(932,648)	(560,140)
<b>DECREASE IN CASH IN THE YEAR</b>		<b>(698,620)</b>	<b>(96,816)</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

	2013 £	2012 £
Decrease in cash in the year	(698,620)	(96,816)
<b>CHANGE IN NET DEBT RESULTING FROM CASH FLOWS</b>	<b>(698,620)</b>	<b>(96,816)</b>
Other non-cash changes	-	250,000
Purchase of short term unlisted investments	300,000	350,000
<b>MOVEMENT IN NET (DEBT)/ FUNDS IN THE YEAR</b>	<b>(398,620)</b>	<b>503,184</b>
Net funds at 1 November 2012	3,900,584	3,397,400
<b>NET FUNDS AT 31 OCTOBER 2013</b>	<b>3,501,964</b>	<b>3,900,584</b>

The notes on pages 10 to 22 form part of these financial statements

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2013**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

**1.2 Basis of consolidation**

The financial statements consolidate the accounts of The English Golf Union Limited and its subsidiary undertaking, Woodhall Spa Golf Management 2005 Limited. In addition the consolidated accounts include the English Women's Golf Association, in which merger accounting principles have been used.

**1.3 Income**

Income comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax.

Affiliation fees are accounted for on a receivable basis.

Subscription income is accounted for in the period to which it relates.

Grant and sponsorship income is recognised when the related expenditure is committed in line with the related grant or sponsorship criteria. Where grant income is received and not spent, it is included within other creditors as deferred income.

All other income is recognised when the goods or services are supplied.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property improvements-	4-10% straight line
Motor vehicles and caravan -	25% reducing balance
Plant, equipment and other fixed assets -	4-25% straight line

**1.5 Investments**

- (i) **Subsidiary undertakings**  
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Other investments**  
Investments held as fixed assets are shown at cost less provision for impairment.

**1.6 Operating leases**

Rentals under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

**1.7 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2013**

**1. ACCOUNTING POLICIES (continued)**

**1.8 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

**1.9 Pensions**

The group operates defined contribution pension schemes and the pension charge represents the amounts payable by the group to the funds in respect of the year

**1.10 Pension provision**

The group has a contractual obligation to provide a former Chief Executive with a supplementary pension following retirement

The obligation for the pension remains within the group and the financial statements include a provision for the future payments which has been discounted to its net present value. Changes in estimates and assumptions in respect of the obligation together with the unwinding of the discount rate and any payments made, are included in the income and expenditure account

**2 INCOME**

Income relates to the principal activities described in note 1.3

All income arose within the United Kingdom

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

**3 OPERATING SURPLUS**

The operating surplus is stated after charging/(crediting)

	2013 £	2012 £
Amortisation - intangible fixed assets	-	(10,447)
Depreciation of tangible fixed assets		
- owned by the group	183,173	162,855
Auditor's remuneration	24,350	33,400
Operating lease rentals		
- plant and machinery	128,615	109,177
- other operating leases	65,380	146,638
Surplus on sale of investments	(6,704)	-
Deficit on disposal of tangible fixed assets	28,187	4,084
Exceptional items - reorganisation and merger costs	-	456,791
Exceptional items - grants	275,000	-
	<u>275,000</u>	<u>-</u>

The exceptional items of £275,000 relate to grants approved by the voting members in relation to The Golf Foundation and County talent programmes

**4 STAFF COSTS**

Consolidated staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	2,155,990	2,604,330
Social security costs	197,157	242,914
Other pension costs	125,855	130,151
	<u>2,479,002</u>	<u>2,977,395</u>

The average monthly number of employees, including the directors, during the year was as follows

	2013 No	2012 No
Administration	50	60
Golf operations	42	51
	<u>92</u>	<u>111</u>

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

**5 DIRECTORS' REMUNERATION**

	2013 £	2012 £
Emoluments	<u>136,040</u>	<u>180,128</u>
Company pension contributions to defined contribution pension schemes	<u>8,400</u>	<u>11,648</u>

During the year retirement benefits were accruing to 2 directors (2012 - 2) in respect of defined contribution pension schemes

**6 TAXATION**

	2013 £	2012 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on surplus for the year	3,500	25,000
Adjustments in respect of prior periods	(1,420)	(696)
<b>Total current tax</b>	<u>2,080</u>	<u>24,304</u>
<b>Deferred tax</b> (see note 13)		
Origination and reversal of timing differences	49,500	20,000
<b>Tax on surplus on ordinary activities</b>	<u>51,580</u>	<u>44,304</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 20% (2012 - 20%) The differences are explained below

	2013 £	2012 £
Surplus on ordinary activities before tax	<u>808,604</u>	<u>412,127</u>
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 20%)	161,721	82,425
<b>Effects of</b>		
Capital allowances for year in excess of depreciation	(37,689)	(8,797)
Utilisation of tax losses	-	(13,519)
Adjustments to tax charge in respect of prior periods	(1,420)	(696)
Other timing differences leading to an increase in taxation	1,667	1,367
Mutual activities not taxable	(122,199)	(36,476)
<b>Current tax charge for the year</b> (see note above)	<u>2,080</u>	<u>24,304</u>



**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

**7 TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Leasehold property improve- ments £</b>	<b>Motor vehicles and caravan £</b>	<b>Plant, equipment and other fixed assets £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 November 2012	507,714	107,402	1,837,575	2,452,691
Additions	-	-	501,182	501,182
Disposals	-	(89,756)	(313,132)	(402,888)
Transfer between classes	(282,564)	-	282,564	-
At 31 October 2013	<u>225,150</u>	<u>17,646</u>	<u>2,308,189</u>	<u>2,550,985</u>
<b>Depreciation</b>				
At 1 November 2012	77,669	90,091	1,417,298	1,585,058
Charge for the year	15,000	4,837	163,336	183,173
On disposals	-	(80,951)	(307,295)	(388,246)
Transfer between classes	(2,619)	-	2,619	-
At 31 October 2013	<u>90,050</u>	<u>13,977</u>	<u>1,275,958</u>	<u>1,379,985</u>
<b>Net book value</b>				
At 31 October 2013	<u>135,100</u>	<u>3,669</u>	<u>1,032,231</u>	<u>1,171,000</u>
At 31 October 2012	<u>430,045</u>	<u>17,311</u>	<u>420,277</u>	<u>867,633</u>

Included within Plant, equipment and other fixed assets is an irrigation system completed in the last two years at a total cost of £603,080. The depreciation charged during the year was £22,000 and the net book value at the year end was £581,080.

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

<b>Company</b>	<b>Leasehold property improve- ments £</b>	<b>Motor vehicles and caravan £</b>	<b>Plant, equipment and other fixed assets £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 November 2012	225,150	80,392	213,618	519,160
Additions	-	-	128,983	128,983
Disposals	-	(62,746)	(120,113)	(182,859)
At 31 October 2013	225,150	17,646	222,488	465,284
<b>Depreciation</b>				
At 1 November 2012	75,050	63,081	163,300	301,431
Charge for the year	15,000	4,837	42,504	62,341
On disposals	-	(53,941)	(119,376)	(173,317)
At 31 October 2013	90,050	13,977	86,428	190,455
<b>Net book value</b>				
At 31 October 2013	135,100	3,669	136,060	274,829
At 31 October 2012	150,100	17,311	50,318	217,729

**8 FIXED ASSET INVESTMENTS**

<b>Group</b>	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 November 2012	787,809
Additions	46,215
Disposals	(39,543)
At 31 October 2013	794,481
<b>Impairment</b>	
At 1 November 2012 and 31 October 2013	150,508
<b>Net book value</b>	
At 31 October 2013	643,973
At 31 October 2012	637,301

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

**8 FIXED ASSET INVESTMENTS (continued)**

Company	Investments in subsidiary companies £	Listed investments £	Total £
<b>Cost or valuation</b>			
At 1 November 2012	1	637,301	637,302
Additions	-	46,215	46,215
Disposals	-	(39,543)	(39,543)
At 31 October 2013	1	643,973	643,974
<b>Net book value</b>			
At 31 October 2013	1	643,973	643,974
At 31 October 2012	1	637,301	637,302

**Listed investments**

The market value of the listed investments at 31 October 2013 was £698,784 (2012 - £685,533)

Immediately following the year end, the company realised investments held at a cost of £332,438 for £364,466 yielding a surplus on disposal of £32,018

Details of the principal subsidiaries can be found under note number 24

**9. STOCKS**

	<u>Group</u>		<u>Company</u>
	2013 £	2012 £	2013 £
Retail	151,395	131,051	76,906
Greenkeeping	15,397	16,184	-
Food and beverage	15,467	15,320	-
	<u>182,259</u>	<u>162,555</u>	<u>76,906</u>
			<u>50,550</u>

**10 DEBTORS**

	<u>Group</u>		<u>Company</u>
	2013 £	2012 £	2013 £
Trade debtors	145,221	110,796	101,786
Amounts owed by group undertakings	-	-	63,257
Other debtors	379,113	365,440	352,452
	<u>524,334</u>	<u>476,236</u>	<u>517,495</u>
			<u>424,457</u>

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

**11. CURRENT ASSET INVESTMENTS**

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Treasury reserve deposits	<b>2,500,000</b>	2,200,000	<b>2,500,000</b>	2,200,000

**12 CREDITORS**  
**Amounts falling due within one year**

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Trade creditors	<b>312,424</b>	379,460	<b>251,723</b>	134,391
Amounts owed to group and related undertakings	-	-	<b>853,944</b>	891,491
Corporation tax	<b>3,500</b>	25,000	<b>3,500</b>	25,000
Social security and other taxes	<b>118,504</b>	107,335	<b>49,266</b>	65,306
Other creditors and accruals	<b>788,326</b>	1,538,262	<b>717,156</b>	1,483,715
	<b>1,222,754</b>	2,050,057	<b>1,875,589</b>	2,599,903

**13 DEFERRED TAXATION**

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
At beginning of year	<b>48,000</b>	28,000	-	-
Charge for the year	<b>49,500</b>	20,000	-	-
At end of year	<b>97,500</b>	48,000	-	-

The provision for deferred taxation is made up as follows

	<u>Group</u>		<u>Company</u>	
	2013	2012	2013	2012
	£	£	£	£
Accelerated capital allowances	<b>98,000</b>	51,000	-	-
Tax losses brought forward	<b>(500)</b>	(3,000)	-	-
	<b>97,500</b>	48,000	-	-

**THE ENGLISH GOLF UNION LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2013**

**14. PROVISIONS**

	<b>Pension provision £</b>
<b>Group and company</b>	
At 1 November 2012 and 31 October 2013	<b>350,000</b>

**Pension provision**

Under his contract of employment a previous Chief Executive had the benefit of a defined benefit pension plan with the company. An agreement was reached with him to fix the company's liability under the contract of employment by agreeing to pay a supplementary pension. This supplementary pension together with the expected annuity payable under the pension plan, will cap the company's liability at a lower level than would have been the case under the defined benefit pension plan. It has been decided, by the directors, to recognise an estimate of this future liability in the balance sheet of the company and reassess this provision on an annual basis.

On review of the provision for the year ended 31 October 2013 by the directors the level of provision required was assessed to be appropriate and no changes (2012 - no changes) to the provision were made.

The pension charge in note 21 includes payments made of £13,990 (2012 - £13,516)

**15. COMPANY STATUS**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

**16. RESERVES**

	Capital reserve £	Income and expenditure account £
<b>Group</b>		
At 1 November 2012	366,310	3,229,942
Surplus for the year	-	757,024
	<u>366,310</u>	<u>3,986,966</u>
At 31 October 2013		
		<u>Income and expenditure account £</u>
<b>Company</b>		
At 1 November 2012		2,012,285
Surplus for the year		736,943
		<u>2,749,228</u>
At 31 October 2013		

**Special Projects Fund**

Certain reserves included in the income and expenditure reserve are designated by the directors for special projects. The designated project fund has moved as indicated below.

	2013 £	2012 £
Brought forward balance	1,085,173	632,423
Transfer in from affiliation fees	856,000	440,000
Interest income	10,850	12,750
Grants authorised by members at general meeting (note 3)	(275,000)	-
Other grants	(6,461)	-
	<u>1,670,562</u>	<u>1,085,173</u>
Total		

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

**17 RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS**

	2013 £	2012 £
<b>Group</b>		
Opening members' funds	3,596,252	3,228,429
Surplus for the year	757,024	367,823
	<u>4,353,276</u>	<u>3,596,252</u>
Closing members' funds	<u>4,353,276</u>	<u>3,596,252</u>
	2013 £	2012 £
<b>Company</b>		
Opening members' funds	2,012,285	1,615,910
Surplus for the year	736,943	396,375
	<u>2,749,228</u>	<u>2,012,285</u>
Closing members' funds	<u>2,749,228</u>	<u>2,012,285</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account

**18 NET CASH FLOW FROM OPERATING ACTIVITIES**

	2013 £	2012 £
Operating surplus	706,550	328,827
Amortisation of intangible fixed assets	-	(10,447)
Depreciation of tangible fixed assets	183,173	162,855
Surplus on sale of investments	6,704	-
Deficit on disposal of tangible fixed assets	(28,187)	(4,084)
Government grants	-	(8,522)
Increase in stocks	(19,704)	(8,708)
(Increase)/decrease in debtors	(69,747)	47,748
Decrease in creditors	(644,882)	(95,631)
	<u>133,907</u>	<u>412,038</u>
<b>Net cash inflow from operating activities</b>	<u>133,907</u>	<u>412,038</u>

**19 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2013 £	2012 £
<b>Returns on investments and servicing of finance</b>		
Interest received	104,376	51,562
Income from investments	19,325	18,628
	<u>123,701</u>	<u>70,190</u>
<b>Net cash inflow from returns on investments and servicing of finance</b>	<u>123,701</u>	<u>70,190</u>

**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

**19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)**

	2013 £	2012 £
<b>Taxation</b>		
Corporation tax	(23,580)	(18,904)
	<u>2013</u> £	<u>2012</u> £
<b>Capital expenditure and financial investment</b>		
Purchase of listed investments	(46,215)	(218,489)
Sale of listed investments	32,841	6,250
Purchase of tangible fixed assets	(662,103)	(53,312)
Sale of tangible fixed assets	42,829	55,411
Purchase of short term unlisted investments	(300,000)	(350,000)
<b>Net cash outflow from capital expenditure and financial investment</b>	<u>(932,648)</u>	<u>(560,140)</u>

**20 ANALYSIS OF CHANGES IN NET CASH**

	1 November 2012 £	Cash flow £	Other non-cash changes £	31 October 2013 £
Cash at bank and in hand	1,700,584	(698,620)	-	1,001,964
Current asset investments	2,200,000	300,000	-	2,500,000
<b>Net funds</b>	<u>3,900,584</u>	<u>(398,620)</u>	<u>-</u>	<u>3,501,964</u>

**21 PENSION COMMITMENTS**

The group operates defined contributions pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost in the year was £125,855 (2012 - £130,151).



**THE ENGLISH GOLF UNION LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2013**

**22 OPERATING LEASE COMMITMENTS**

At 31 October 2013 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		2013	Other
	2013	2012		
Group	£	£	£	£
<b>Expiry date</b>				
Within 1 year	-	-	15,552	23,103
Between 2 and 5 years	-	-	56,460	77,684
After more than 5 years	65,380	65,380	-	-
	<u>65,380</u>	<u>65,380</u>	<u>-</u>	<u>-</u>

At 31 October 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		2013	Other
	2013	2012		
Company	£	£	£	£
<b>Expiry date</b>				
Within 1 year	-	-	15,552	23,103
Between 2 and 5 years	-	-	56,460	77,684
After more than 5 years	33,380	33,380	-	-
	<u>33,380</u>	<u>33,380</u>	<u>-</u>	<u>-</u>

**23 RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption contained in FRS 8 and has not disclosed transactions or balances with wholly owned subsidiaries of the group

At the year end, £822,271 (2012 - £822,271) was payable by the company to the English Women's Golf Association which merged with the English Golf Union Limited in 2012

During the year the group paid £69,130 (2012 - £72,740) in relation to rent payable for its offices. This has been paid to Woodhall Spa Estate Management Company Limited, a company limited by guarantee, the guarantors of which are the 34 Men's County Golf Unions

**24 PRINCIPAL SUBSIDIARIES**

Company name	Country	Percentage Shareholding	Description
Woodhall Spa Golf Management 2005 Limited	United Kingdom	100	Management of golf courses and facilities that constitute the National Golf Centre