

REGISTRAR

WEST HERTS GOLF CLUB LIMITED
(A Company Limited by Guarantee)

ANNUAL REPORT AND ACCOUNTS

31ST DECEMBER 1999



MYERS CLARK
CHARTERED ACCOUNTANTS

WEST HERTS GOLF CLUB LIMITED

ANNUAL REPORT AND ACCOUNTS

31ST DECEMBER 1999

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WEST HERTS GOLF CLUB LIMITED

OFFICERS AND ADVISERS

Directors

R. Twydle	K. Thompson
A. Connell	D. Brown
R. Newton	C. Hansard
R.V.R. Drake	Mrs. R. Pretlove
E. Woodward	P. Ellwood

Secretary

C. Dodman

Registered Office

Cassiobury Park,
Watford,
Herts.
WD1 7SL

Auditors

Myers Clark,
Chartered Accountants,
Woodford House,
Woodford Road,
Watford,
Herts.
WD1 1DL

Bankers

Allied Irish Bank Plc.,
81/89, St. Albans Road,
Watford,
Herts.
WD1 1RG

Solicitors

Matthew Arnold and Baldwin,
20 Station Road,
Watford,
Herts.,
WD1 1HT

WEST HERTS GOLF CLUB LIMITED

DIRECTORS' REPORT

The Directors present their annual report together with the audited accounts of the Company for the year ended 31st December 1999.

Principal Activity

The Company's principal activity during the year continued to be the provision of golf and related facilities.

Guarantee Company

The Company is limited by guarantee and does not have a share capital.

Review of the Business

A summary of the results of the year's trading is given on page 5 of the accounts.

Market Value of Land and Buildings

In the opinion of the Directors the Company's freehold land and buildings had an open market value of £125,000 at 31st December 1999.

Political and Charitable Contributions

During the year the Company made various charitable contributions totalling £400. In addition, members through competition entry fees and special events have contributed approximately £4,600 to local charities.

Directors and Management Committee

The following persons served during the year as Committee Members and Directors for Companies Act purposes:

K. Thompson - Captain

D. Brown - Vice Captain

A. Connell

B. Craddock - Captain (resigned - 1.4.99)

K. Connelly (resigned 1.4.99)

Mrs R. Pretlove

R.V.R. Drake

P. Ellwood

K. Rigby (resigned 1.4.99)

R. Twytle (appointed 1.4.99)

G. Youngs (resigned 1.4.99)

C. Hansard (appointed 1.4.99)

E. Woodward (appointed 1.4.99)

R. Newton (appointed 1.4.99)

Statement of Directors' Responsibilities

Company law requires the Directors to prepare accounts for each financial year which 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 those accounts the Directors are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent and prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

WEST HERTS GOLF CLUB LIMITED

DIRECTORS' REPORT (continued)

Auditors

In accordance with Section 385(2) of Companies Act 1985 a resolution will be submitted at the forthcoming Annual General Meeting that Myers Clark, Chartered Accountants, be re-appointed as auditors.

By Order of the Committee



C. Dodman
Club and Company Secretary

Cassiobury Park,
Watford,
Herts.
WD1 7SL

22nd February 2000

WEST HERTS GOLF CLUB LIMITED

AUDITORS' REPORT TO THE MEMBERS OF WEST HERTS GOLF CLUB LIMITED

We have audited the accounts on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies as set out on page 7.

Respective responsibilities of Directors and Auditors

As described on page 2 the company's Directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion


We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the accounts, 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 accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we have evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Woodford House,
Woodford Road,
Watford,
Herts.
WD1 1DL


MYERS CLARK
CHARTERED ACCOUNTANTS AND
REGISTERED AUDITOR

24th February 2000

WEST HERTS GOLF CLUB LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED

31ST DECEMBER 1999

	Notes	1999	1998
Turnover	3	520,270	536,578
Other operating income	4	35,784	63,263
		<hr/> 556,054	<hr/> 599,841
Administrative expenses		568,440	503,820
Operating (loss)/profit		<hr/> (12,386)	<hr/> 96,021
Interest receivable	5	29,885	36,481
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	6	<hr/> 17,499	<hr/> 132,502
Taxation on profit on ordinary activities	8	6,427	8,809
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<hr/> 11,072	<hr/> 123,693
Transfer from Capital Expenditure Reserve		-	320,332
RETAINED PROFIT FOR THE FINANCIAL YEAR		<hr/> 11,072	<hr/> 444,025
Retained profit brought forward		659,006	214,981
RETAINED PROFIT CARRIED FORWARD		<hr/> £670,078	<hr/> £659,006

All the Company's operations are classed as continuing.

The Company had no recognised gains or losses other than the profit for the year.

The notes on pages 7 to 12 form part of these accounts.

WEST HERTS GOLF CLUB LIMITED

BALANCE SHEET AT 31ST DECEMBER 1999

	Notes	1999	1998
TANGIBLE FIXED ASSETS	9	1,161,979	352,113
CURRENT ASSETS			
Stocks	10	7,564	11,528
Debtors	11	55,845	25,805
Investments	12	-	25,000
Cash at bank and in hand		304,510	363,586
		<u>367,919</u>	<u>425,919</u>
CREDITORS: amounts falling due within one year	13	36,841	119,026
NET CURRENT ASSETS		<u>331,078</u>	<u>306,893</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,493,057</u>	<u>659,006</u>
CREDITORS: amounts falling due after one year	14	822,979	-
		<u>£ 670,078</u>	<u>£659,006</u>
CAPITAL AND RESERVES			
Profit and loss account	15	670,078	659,006
MEMBERS' FUNDS	16	<u>£ 670,078</u>	<u>£659,006</u>

Approved by the Management Committee on 22nd February 2000

K. THOMPSON

DIRECTORS AND MEMBERS OF THE MANAGEMENT COMMITTEE

D. BROWN

The notes on pages 7 to 12 form part of these accounts.

WEST HERTS GOLF CLUB LIMITED

NOTES TO THE ACCOUNTS

AT 31ST DECEMBER 1999

1. STATUS

The Company being limited by guarantee has no share capital but each ordinary member undertakes to contribute a sum not exceeding £2 in the event of a winding-up whilst he is a member or within one year after he has ceased to be a member.

2. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

Accounting Convention

The accounts are prepared under the historical cost convention, and in accordance with applicable accounting standards.

Statement of Cash Flows

The Company qualifies as a small company under the Companies Act 1985 and accordingly the Directors have elected to take advantage of the exemption under FRS1 not to prepare a statement of cash flows.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land and buildings, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Furniture, plant and machinery	-	over 2 to 5 years
Course	-	over 2 to 5 years

No depreciation has been charged in the current year on the clubhouse development expenditure on the grounds that any depreciation would be immaterial.

Stocks

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

Grants

Grants in respect of fixed assets are treated as deferred income and credited to the profit and loss account over the expected economic life of the relevant assets.

3. TURNOVER

Turnover represents all income derived from golf course services, stated net of value added tax, during the year. Turnover is attributable to one class of business, the provision of golfing facilities.

WEST HERTS GOLF CLUB LIMITED

NOTES TO THE ACCOUNTS

AT 31ST DECEMBER 1999 (continued)

4. OTHER OPERATING INCOME

	1999	1998
Bar and catering sales	196,200	219,433
Less: Cost of sales	176,039	175,883
	<u>20,161</u>	<u>43,550</u>
Net profit on fruit machines	15,698	13,154
Profit/(loss) on dances and events	77	184
	<u>35,936</u>	<u>56,888</u>
Rent receivable	3,800	8,717
Expenses	3,952	2,342
	<u>(152)</u>	<u>6,375</u>
	<u>£ 35,784</u>	<u>£ 63,263</u>

5. INTEREST RECEIVABLE

	1999	1998
Bank interest	29,714	34,655
National Savings Income Bond	171	1,826
	<u>£29,885</u>	<u>£36,481</u>

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1999	1998
This is stated after charging:		
Auditors' remuneration	2,200	2,150
Depreciation	49,639	47,012
Operating lease rentals - property	50,000	50,000
	<u></u>	<u></u>

WEST HERTS GOLF CLUB LIMITED

NOTES TO THE ACCOUNTS

AT 31ST DECEMBER 1999 (continued)

7. DIRECTORS AND EMPLOYEES

The average number of persons, excluding Directors, employed by the Company during the year was as follows:

	1999	1998
Green staff	7	7
Bar, catering and cleaning	4	4
Administration	3	3
	<u> </u>	<u> </u>
Wages and salaries	240,395	235,145
Social security costs	19,034	18,241
	<u> </u>	<u> </u>
	£259,429	£253,386
	<u> </u>	<u> </u>

8. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

The Company is a non-profit making association and therefore not assessable to corporation tax on ordinary activities. The charge relates to corporation tax charged on interest received and rental income.

	1999	1998
Corporation tax at 21/ 20% (1998 - 21%)	6,179	8,809
Taxation under provided in previous years	248	-
	<u> </u>	<u> </u>
	£ 6,427	£ 8,809
	<u> </u>	<u> </u>

WEST HERTS GOLF CLUB LIMITED

NOTES TO THE ACCOUNTS

AT 31ST DECEMBER 1999 (continued)

9. TANGIBLE FIXED ASSETS

	Total	Land and Buildings	Furniture, Plant and Machinery	Course
Cost or Valuation				
At 1st January 1999	588,987	246,177	239,227	103,583
Additions	861,306	782,908	78,398	-
Disposals	(6,300)	-	(6,300)	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 1999	1,443,993	1,029,085	311,325	103,583
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1st January 1999	236,874	8,454	156,258	72,162
Provided during the year	49,639	4,340	36,843	8,456
Disposals	(4,499)	-	(4,499)	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 1999	282,014	12,794	188,602	80,618
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value				
At 31st December 1999	£1,161,979	£1,016,291	£122,723	£22,965
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 1998	£352,113	£237,723	£ 82,969	£31,421
	<hr/>	<hr/>	<hr/>	<hr/>

During the year the Club received a £165,000 grant from the Lottery Sports Fund and a further £165,000 from Watford Borough Council. These amounts have been treated as deferred income and will be credited to the profit and loss account over the remaining term of the Club's lease.

10. STOCKS

	1999	1998
Bar and catering stocks	4,092	7,257
Course materials	3,216	3,501
Other stock	256	520
"History of West Herts" books	-	250
	<hr/>	<hr/>
	£ 7,564	£11,528
	<hr/>	<hr/>

WEST HERTS GOLF CLUB LIMITED

NOTES TO THE ACCOUNTS

AT 31ST DECEMBER 1999 (continued)

11.	DEBTORS	1999	1998
	Other debtors	£55,845	£25,805
		<u> </u>	<u> </u>
12.	INVESTMENTS HELD AS CURRENT ASSETS	1999	1998
	National Savings Income Bond at cost	£ -	£25,000
		<u> </u>	<u> </u>
13.	CREDITORS		
	Amounts falling due within one year:	1999	1998
	Trade creditors	14,301	21,842
	Other taxes and social security costs	6,147	6,911
	Current corporation tax	6,179	8,934
	Other creditors	993	79,189
	Accruals and deferred income	9,221	2,150
		<u>£36,841</u>	<u>£119,026</u>
		<u> </u>	<u> </u>
14.	CREDITORS		
	Amounts falling due after one year:	1999	1998
	Other creditors	500,000	-
	Accruals and deferred income	322,979	-
		<u>£822,979</u>	<u>£ -</u>
		<u> </u>	<u> </u>

Other creditors represents an unsecured loan to the club from a benefactor. There is no entitlement to interest on the principal sum which is repayable on 15th February 2004.

15. PROFIT AND LOSS ACCOUNT

	Profit and Loss Account
At 1st January 1999	659,006
Profit for the financial year	11,072
	<u> </u>
At 31st December 1999	£670,078
	<u> </u>

WEST HERTS GOLF CLUB LIMITED

NOTES TO THE ACCOUNTS

AT 31ST DECEMBER 1999 (continued)

16.	MEMBERS' FUNDS	1999	1998
	Reconciliation of movements in members' funds		
	Profit for the financial year	11,072	123,693
	Opening members funds	659,006	535,313
	Closing members' funds	<u>£670,078</u>	<u>£659,006</u>

17. **COMMITMENTS UNDER OPERATING LEASES**

At 31st December 1999 the Company had annual commitments under operating leases as follows:

	Land and Buildings	
	1999	1998
Operating leases which expire in more than 5 years	£50,000	£50,000

18. **CONTINGENT LIABILITIES**

The Company operates under a lease agreement, the terms of which state that the clubhouse is to be maintained by the Company to a condition deemed as adequate within that lease. The clubhouse is currently being refurbished and extended, and the remaining capital expenditure contracted for at 31st December 1999 is anticipated as being in the region of £146,000. The expenditure incurred during the year, £782,908 has been provided for in the accounts.

19. **RELATED PARTY TRANSACTIONS**

Transactions have taken place during the year with businesses in which serving Directors have an interest as follows:

The Club paid £1,699 for printing services to West Herts Graphics, a firm owned by Mr. K. Thompson and a further £3,213 to Garston Supply Yard Limited, a company in which Mr C. Hansard is a Director.