

CRO COPY

227975.

**NORTH MIDDLESEX GOLF CLUB
(1928) LIMITED**

**REPORTS TO SHAREHOLDERS
AND
FINANCIAL STATEMENTS
31 DECEMBER 1996**



NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

CONTENTS

	Page
Officers, Directors and Advisers	1
President's Report	2 - 3
Treasurer's Report	4
Captain's Report	5
Competition Results	6
Report of the Directors	7 - 8
Income and Expenditure Account	9
Balance Sheet	10
Notes to the Financial Statements	11 - 17
Report of the Auditors	18

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

OFFICERS AND ADVISERS

PRESIDENT B Rothwell

VICE PRESIDENT A F Perry

CAPTAIN M G Glynn

VICE CAPTAIN J W Penn

HONORARY TREASURER J G Dyke

DIRECTORS

D W Baldry
A D Carter
P N Cohen
J G Dyke
M G Glynn
A R Henshaw
P Lawless
J W Penn
A F Perry
T J O'Toole
B Rothwell
H G White

**SECRETARY/
GENERAL MANAGER AND
REGISTERED OFFICE**

M R Tapsell
The Manor House
Friern Barnet Lane
Whetstone
London N20 0NL

AUDITORS

Chantrey Vellacott
Russell Square House
10-12 Russell Square
London WC1B 5LF

and at

Queensway Chambers
58 Queensway
Stevenage
Herts SG1 1EG

SOLICITORS

Bower, Cotton & Bower
36 Whitefriars Street
London EC4Y 8BH

BANKERS

Barclays Bank plc
1250 High Road
Whetstone
London N20 0PB

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

PRESIDENT'S REPORT

1996 brought the end of Henry McFayden's term of office as President. Mac has been a hard working servant of the Club for more than 20 years. We all owe him a great deal.

Besides the ongoing maintenance and repairs there have been major improvement programmes this year. The ladies changing rooms have been completely refurbished to the same standard as the mens. The sprinkler system has been renewed with sprinklers added to approaches to the greens. Trees have popped up everywhere. The Clubhouse has been rewired in order to meet the requirements of our insurers. The kitchen has been gutted and refurbished in order to meet Health and Safety and our requirements. The directors and committees have worked hard to execute these projects at minimum cost and inconvenience to the members.

The change in the Articles of Association giving lady members the same opportunity as the men to determine the Club's direction is probably the most significant change since the formation of the Limited Company in 1928. The radical effects of this change some expected to occur, did not, and most members will feel easier now that all members of similar age and category of membership have the same opportunities irrespective of their sex. The directors are reviewing the Bye Laws to ensure that there is no other unwarranted discrimination.

The catering franchise expired during the year and the directors decided to invite tenders. Many applications were received and the directors worked very hard to find the one most suited to the needs of the Club. The General Manager and the House Committee will continue to monitor the caterer's performance and develop a service which produces good food, well presented, and available at almost any reasonable time. Of course, this is pointless if members do not avail themselves of the service and therefore I ask all members to do so and if you enjoy it and think it's good value for money, tell your friends, otherwise tell us.

After twelve years Dino Rapacioli decided to have a rest from running the 200 Club. Nobody can have failed to appreciate the effort he has put in to raise money for the little extras that make life more comfortable for us. Tom Pratt has agreed to take over. I thank both on your behalf.

The rent review of 1995 focused the directors' attention on the need to maintain the membership levels at those which had been agreed as being the maximum that the facilities could support. It was decided to re-introduce the category of "Full Restricted" member which besides raising additional revenue gives the opportunity for suitable and willing Restricted Members to graduate to Full Members. There are currently vacancies for all categories of membership other than Full. The directors will place special emphasis on achieving a full house and a waiting list.

The directors decided that the partner of all playing members should become a "Social Member". The purpose of this is to make the partners more at ease in the Club and hopefully broaden the participation in social events. The Social Committee work very hard to put on events and they are always excellent and generally well supported. However, this is one area where there is considerable scope to deliver more pleasure to more people and at the same time generate income for the Club.

At the end of 1995 the rent review had been settled and a large back payment of subscriptions became due. The directors decided that it would be unreasonable to apply the additional full effect of the rent increase to the 1996 subscription and therefore it would be necessary to severely restrict spending in 1996 and utilise some of the reserves held for other purposes. In the event, the Treasurer, the Directors, the Committee Chairmen and General Manager have managed to apply such control and efficiencies that it has been possible to replenish some of the reserves utilised during the course of the year from the operating surplus. They are to be congratulated. The directors are determined that tight control of spend to agreed budgets will continue.

For the past few years the directors have operated a system of Sinking Funds to which reserves are allocated for use in the future. The creation of these Sinking Funds has allowed the directors to fund anticipated maintenance and repair as part of a planned programme. This is intended to allow major projects, eg decorating the outside of the Clubhouse, to proceed at the appropriate time without putting excessive strain on finances for that year. The directors intend to refine and extend this planning so that so far as it is possible there are no significant unexpected demands on our funds. The forward planning is to include improvements as well as maintenance and repair of all our assets. In this way we aim to provide some of the things that we would all like to have but have never been able to afford.

This year the directors have planned the renewal of a large part of the external fences, redecoration of the lounge and dining room, repairs to the 9th green, flood control of the 2nd green and more trees will pop up. No doubt members will have many different priorities, but please remember that we can only do what funds allow.

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

PRESIDENT'S REPORT (Cont'd)

The directors have determined that given our current reserves, planned expenditure, and susceptibility to changes in other revenue over which we have limited control, it is necessary to increase the subscription rate by a nominal 10 percent. In 1996 I had the opportunity of playing at many golf clubs, some of them famous names, and I can say in all honesty that I did not find a course in better condition, a better bill of fare, better organisation, or more sociable people than at North Middlesex. The Club is a credit to its directors, its management and staff, its volunteers, its professional and caterer and above all its members. At the moment the Club is well known within Middlesex and the country. This is in part due to the success of Gareth Evans as an up and coming international player. We should all wish him every success and encourage more youngsters to follow in his footsteps.

I have asked the Treasurer and Captain to report on the accounts and golf and social matters separately and their reports follow.

In this report I have refrained from thanking individuals, except in special circumstances. We all know who the people are who put in the extra effort that we all rely on, so thank them yourselves, personally, they deserve it.

B ROTHWELL
President

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

TREASURER'S REPORT

Following the views expressed at the Annual General Meeting last year the accounts presented to the members for 1996 are full accounts, complying with the Companies Act and bearing an audit certificate.

Budgeting for 1996 gave your Board a number of problems. Due to the delay in finalising the rent, the Board had only just been able to ask for an increase in the 1995 subscription when the 1996 charge had to be fixed. It was decided that, although it was known that there would be an increase in a number of expenses, the rise in the subscription would be held to a figure which would only cover the additional rent and rates. It was realised that this would mean that a lesser amount could be allocated to the Sinking Funds than in previous years and that the under recovery of costs could not be a regular event.

The considerable merit of the Sinking Fund system was proved during the year. Following an inspection, our insurers required that the Clubhouse be rewired if cover was to be continued, and towards the end of the year a major reconstruction and decoration of the kitchen was undertaken to comply with current Health and Safety regulations. These two unexpected events required capital expenditure of £10,470 and payments from the Sinking Funds of £20,595 and would have been difficult for the Club to manage without some form of levy if the available funds had not been set aside in previous years in anticipation of the unexpected.

The balance on the Special Reserve, established by the VAT refund, reduced by £50,740 during the year as the result of the payment for the balance of the sprinkler system, the men's locker room and the ladies locker and shower rooms.

Costs were kept under control without reducing the standard of facilities which we have come to expect. Not surprisingly, water costs were higher in a hot summer and the demands of the new sprinkler system, but the improved water supply enabled savings on other course costs. New arrangements with our suppliers of gas, electricity and telephone services resulted in significant savings.

Income from green fees showed a small increase, but is still significantly below the levels of five years ago. The bar contribution was affected by increased costs, but this was more than offset by the income from the gaming machines and other sundry income, both areas where it is very difficult to forecast income.

The result is a considerable improvement on the previous year, but additional costs combined with the Board's intention to continue to seek to improve Club facilities, both on and off the course, have necessitated a further increase in subscriptions for 1997/98.

J G DYKE
Honorary Treasurer

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

CAPTAIN'S REPORT

The last twelve months have seen my captaincy come and go with thankfully precious few interruptions in our golfing calendar. The year started on a very high note for Bernie Bristow who won the Dinner Cup in fine style. Captain's Weekend was won at the first attempt by Noel O'Connell in blustery and certainly trying conditions. Alan Bigley once again proved what a consistent force he is in the Club by winning both the Club Championship and Scratch Gold Medal in the face of very stiff opposition.

The Tigers, ably captained by John Manning, won through to the semi final of the Middlesex Tigers competition. It was a fine year once again for our Foxes Section with Ron Lear winning individual and fourball events, the latter with Matt Reilly. The Rabbits section is, as always, flourishing. Jim Lynch has decided to step down as organiser of the section, so on behalf of the members, I would like to thank him for all his efforts. I am sure he will be a hard act to follow.

Ron Lain has once again led the Friars with commendable enthusiasm and will hopefully continue to do so for many years to come. Charlie Rogers has, as always, put in a great deal of effort in furthering the cadets section and this year has once again seen the section go from strength to strength.

The last year has seen our course maintain its reputation of having probably the best greens in the area, and generally has been presented throughout the season in a manner which I am sure will have been to everyone's satisfaction.

This year we played host to the Society of London Golf Captains, an honour that has not come our way for a good many years. Their Captain paid tribute to the course and the whole set up of our club. Our reputation for being one of the most hospitable clubs in London was enhanced once again.

M G GLYNN

Captain

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

COMPETITION RESULTS

The results of the various competitions played during the year were as follows:

SCRATCH GOLD MEDAL	A J BIGLEY	SENIOR GOLD MEDAL	R KRUGER
PRESIDENT'S CUP	S L NEWELL	JUNIOR GOLD MEDAL	T P REGAN
CAPTAIN'S PRIZE	N O'CONNELL	CROLE-REES FOURSOMES	L W DELAHUNTY A D FOWLER
TIM VOSS FOURBALL	G A FARR T C PRATT	ROVER CUP DIVISION 1 DIVISION 2	S ROSS P N COHEN
CANADA CUP	W P ORGAN	SUMMER FOURSOMES	P I FOX M MITCHELL
FULLER CUP	J W PENN	VETERAN'S CUP	L SHIMEILD
BARNET BOWL	R W HERRON	SILVER RABBIT	C T WILLETT
PURNELL CUP	A J OLIVER	CUNNINGHAM CUP	G A FARR
DINNER CUP	B BRISTOW	FRED CHAMBERS MIXED FOURSOMES	MRS L LAWRENCE L PORTERFIELD
JUNIOR CUP	C T WILLETT	WARD JONES CUP	R LEAR
CLUB CHAMPIONSHIP	A J BIGLEY	ARTHUR LORD MIXED FOURSOMES	MRS C F HOGG A J BIGLEY
CROOKE CUP	J A LAFFOLEY	DARBY & JOAN MIXED FOURSOMES	MR & MRS J PORTERFIELD
SUMMER TOURNAMENT	P JAMES	MIRK TROPHY MIXED FOURSOMES	MRS E LAYSON J P HAYES
PRESIDENT'S SPECIAL AWARD	G E HORSHAM	HILLMAN TROPHY	S H SHARP
REYNARD TROPHY	M N OLIVER	JIM ROBERTS CUP	R ROGERS

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 DECEMBER 1996**

The directors submit their report, together with the audited financial statements of the company, for the year ended 31 December 1996.

RESULTS AND DIVIDEND

The results for the year are shown in the income and expenditure account on page 9.

In accordance with the Articles of Association of the company no dividends may be paid on the shares of the company.

REVIEW OF THE BUSINESS

The company is engaged in operating a golf club and providing catering and ancillary services to the members. A review of the business is set out in the President's Report on pages 2 and 3.

FUTURE DEVELOPMENTS AND EVENTS SINCE THE END OF THE YEAR

There have been no events since the year end which have had a material effect on the business of the company.

DIRECTORS AND THEIR INTERESTS

The directors in office throughout the year and their interests in the share capital of the company are set out below:

D W Baldry	P Lawless
A D Carter	H G McFayden (resigned 1 April 1996)
P N Cohen	T J O'Toole
J E Doherty (resigned 1 April 1996)	J W Penn
J G Dyke	A F Perry
M G Glynn	B Rothwell
A R Henshaw	H G White

Each director held one 'A' share of £50 during his period of directorship.

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 affairs of the company and of the surplus or deficit of the company for that period. In preparing those 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;
- 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 to 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.

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

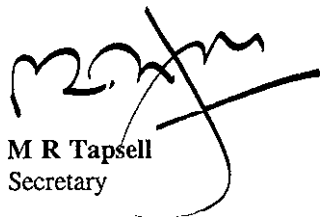
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 1996 (Cont'd)

AUDITORS

A resolution concerning the reappointment of Chantrey Vellacott as auditors of the company will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors on 28 February 1997
and signed on their behalf by:



M R Tapsell
Secretary

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED**INCOME AND EXPENDITURE ACCOUNT**
FOR THE YEAR ENDED 31 DECEMBER 1996

	Notes	£	1996 £	£	1995 £
INCOME					
Subscriptions			248,935		241,435
Green fees			65,165		64,184
Bar contribution	2		16,003		21,960
Other	3		24,781		13,207
			<hr/>		<hr/>
			354,884		340,786
EXPENDITURE					
Greens account	4	127,011		129,480	
House account	5	63,799		90,989	
General Manager's account	6	164,700		155,474	
Irrecoverable VAT		14,800		17,210	
		<hr/>		<hr/>	
			370,310		393,153
OPERATING DEFICIT					
			<hr/>		<hr/>
			(15,426)		(52,367)
ENTRANCE FEES					
Entrance fees		11,200		10,700	
Interest receivable		8,555		13,333	
Interest payable		-		(338)	
		<hr/>		<hr/>	
			19,755		23,695
SURPLUS/(DEFICIT) BEFORE TAXATION					
			<hr/>		<hr/>
			4,329		(28,672)
TAXATION					
Taxation	9		(2,759)		(2,890)
			<hr/>		<hr/>
SURPLUS/(DEFICIT) FOR THE YEAR					
	19		£1,570		£(31,562)
			<hr/>		<hr/>

None of the company's activities was acquired or discontinued during the above two financial years and the company has no recognised gains or losses other than shown above.

The notes on pages 11 to 17 form part of these financial statements.

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1996

	Notes	£	1996 £	£	1995 £
FIXED ASSETS					
Tangible assets	10		237,659		209,881
Investments	11		144		144
			<hr/>		<hr/>
			237,803		210,025
CURRENT ASSETS					
Stocks	12	13,871		13,467	
Debtors	13	15,093		58,797	
Cash at bank and in hand		120,102		168,931	
		<hr/>		<hr/>	
		149,066		241,195	
CREDITORS: Amounts falling due within one year	15	119,966		173,453	
		<hr/>		<hr/>	
NET CURRENT ASSETS			29,100		67,742
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			266,903		277,767
CREDITORS: Amounts falling due after more than one year	16		71,090		74,722
			<hr/>		<hr/>
			£195,813		£203,045
			<hr/>		<hr/>
CAPITAL AND RESERVES					
Called up share capital	17		19,725		19,075
General reserve fund	18		81,940		29,630
Reserves for repairs to club buildings and course	18		59,554		69,006
Special reserve fund	18		34,594		85,334
			<hr/>		<hr/>
MEMBERS' FUNDS	19		£195,813		£203,045
			<hr/>		<hr/>

Approved by the Board of Directors on 28 February 1997
and signed on their behalf by:



..... B ROTHWELL - President



..... J G DYKE - Honorary Treasurer

The notes on pages 11 to 17 form part of these financial statements.

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1996

1 ACCOUNTING POLICIES

(a) **Accounting convention**

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

(b) **Tangible fixed assets**

Fixed assets are depreciated over their expected useful lives at the following rates:

Course improvements	-	10% to 15% straight line
Course plant and equipment	-	10% to 15% straight line
Improvements to leasehold premises	-	10% straight line
Clubhouse furniture, fittings and equipment	-	5% to 25% straight line

(c) **Stocks**

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

(d) **Hire purchase and lease transactions**

Rentals under operating leases are charged to the income and expenditure account as they fall due.

(e) **Cash flow statement**

The company has taken advantage of the provisions of the Financial Reporting Standard No.1 and has not prepared a cash flow statement.

2 BAR CONTRIBUTION

		1996		1995
	£	£	£	£
Bar takings		130,803		129,284
Less cost of sales		65,014		62,450
		<hr/>		<hr/>
Gross profit	(50.3%)	65,789	(51.7%)	66,834
Less expenses:				
Wages and national insurance	46,607		41,407	
Miscellaneous expenses	3,179		3,467	
		<hr/>	<hr/>	
		49,786		44,874
		<hr/>		<hr/>
Bar contribution		£16,003		£21,960
		<hr/>		<hr/>

3 OTHER

	1996	1995
	£	£
Gaming machines, net of costs	20,564	10,610
Other	4,217	2,597
	<hr/>	<hr/>
	£24,781	£13,207
	<hr/>	<hr/>

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 DECEMBER 1996 (Cont'd)

4	GREENS ACCOUNT	1996 £	1995 £
	Wages, national insurance and professional's retainer	67,815	71,186
	Course materials	12,910	24,944
	Equipment maintenance and supplies	14,297	9,334
	Water	3,375	907
	Health and safety and training	1,914	1,859
	Miscellaneous	900	751
	Course sinking fund	2,000	-
	Depreciation:		
	Course improvements	7,371	5,371
	Course plant and equipment	16,429	16,492
	Profit on disposal of fixed assets	-	(1,364)
		<hr/> £127,011 <hr/>	<hr/> £129,480 <hr/>
5	HOUSE ACCOUNT	1996 £	1995 £
	Wages and national insurance	22,986	21,571
	Repairs, renewals, decoration and furnishings	5,447	7,158
	Cleaning, refuse disposal etc	7,490	6,064
	Security	1,774	4,003
	Catering expenses	2,180	2,660
	Pest control	890	851
	Miscellaneous expenses	3,536	4,597
	Repairs sinking funds	13,000	35,000
	Depreciation: Leasehold premises	6,496	9,085
		<hr/> £63,799 <hr/>	<hr/> £90,989 <hr/>
6	GENERAL MANAGER'S ACCOUNT	1996 £	1995 £
	Wages, national insurance and book keeping	49,322	48,505
	Rent, rates and water rates	68,425	55,843
	Insurance	9,127	8,062
	Light, heat and power	9,086	14,686
	Telephone	1,517	2,490
	Printing, postage and stationery	4,161	4,432
	Bank interest and charges	2,158	2,001
	Accountancy and audit	3,020	3,050
	Legal and professional charges	239	3,870
	Subscriptions and donations	2,774	2,045
	Office machinery maintenance and support	1,043	986
	Staff recruitment and training	1,673	1,710
	Competition support	770	-
	Sign writing	1,064	864
	Miscellaneous expenses	2,567	1,427
	Club diary costs	860	1,481
	Depreciation: Clubhouse equipment, furniture and fittings	6,894	4,022
		<hr/> £164,700 <hr/>	<hr/> £155,474 <hr/>

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1996 (Cont'd)

7	OPERATING DEFICIT		1996	1995			
			£	£			
	This is stated after charging:						
	Depreciation		37,190	34,969			
	Auditors' remuneration		2,000	1,900			
	Operating leases - equipment		397	1,673			
	- land and buildings		59,375	56,875			
			<u> </u>	<u> </u>			
	and after crediting:						
	Profit on disposal of fixed assets		-	1,364			
			<u> </u>	<u> </u>			
8	STAFF COSTS AND EMPLOYEES		1996	1995			
			£	£			
	Wages and salaries		153,018	154,480			
	Social security costs		13,144	12,989			
			<u> </u>	<u> </u>			
			£166,162	£167,469			
			<u> </u>	<u> </u>			
			Number	Number			
	The average number of monthly employees during the year was		15	16			
			<u> </u>	<u> </u>			
9	TAXATION		1996	1995			
	The income and expenditure account charge comprises:						
	UK corporation tax at 24% on interest received		£2,759	£2,890			
			<u> </u>	<u> </u>			
10	TANGIBLE FIXED ASSETS						
		Course	Course	Improve-	Clubhouse	Bar	
		improvements	plant and	ments to	furniture	improve-	Total
		£	equipment	leasehold	fittings &	ments	£
			£	premises	equipment	£	
	Cost:			£	£	£	
	At 1 January 1996	107,113	137,227	90,853	88,313	20,407	443,913
	Additions	24,389	3,902	12,980	23,697	-	64,968
	Disposals	-	(10,926)	-	-	-	(10,926)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	At 31 December 1996	131,502	130,203	103,833	112,010	20,407	497,955
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Depreciation:						
	At 1 January 1996	28,563	65,467	77,663	41,932	20,407	234,032
	Charge for the year	7,371	16,429	6,496	6,894	-	37,190
	Disposals	-	(10,926)	-	-	-	(10,926)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	At 31 December 1996	35,934	70,970	84,159	48,826	20,407	260,296
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Net book value:						
	At 31 December 1996	£95,568	£59,233	£19,674	£63,184	£Nil	£237,659
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	At 31 December 1995	£78,550	£71,760	£13,190	£46,381	£Nil	£209,881
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 1996 (Cont'd)**

11	INVESTMENTS - 3½% WAR STOCK	1996	1995
	Cost	£144	£144
		<hr/>	<hr/>
	Market value	£60	£60
		<hr/>	<hr/>
12	STOCKS	1996	1995
		£	£
	Bar stocks	6,184	7,078
	Green stocks	5,043	3,689
	Club ties, fuel etc	2,644	2,700
		<hr/>	<hr/>
		£13,871	£13,467
		<hr/>	<hr/>
13	DEBTORS	1996	1995
		£	£
	Trade debtors	5,000	33,175
	Prepayments and accrued income	10,093	25,622
		<hr/>	<hr/>
		£15,093	£58,797
		<hr/>	<hr/>
14	CASH AT BANK AND IN HAND	1996	1995
		£	£
	Halifax - special reserve	34,594	85,334
	- other funds	30,081	64,666
		<hr/>	<hr/>
		64,675	150,000
	Barclays Bank	52,073	15,865
	Cash in hand	3,354	3,066
		<hr/>	<hr/>
		£120,102	£168,931
		<hr/>	<hr/>
15	CREDITORS: Amounts falling due within one year	1996	1995
		£	£
	Subscriptions in advance	63,250	60,800
	Trade creditors	23,151	79,195
	Corporation tax	2,759	217
	Other taxes and social security costs	4,340	3,299
	Other creditors and accruals	26,466	29,942
		<hr/>	<hr/>
		£119,966	£173,453
		<hr/>	<hr/>

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1996 (Cont'd)

16	CREDITORS: Amounts falling due after more than one year	1996 £	1995 £
	Mandatory levy loan notes (see below)	50,449	53,391
	Locker rentals in advance (see below)	20,641	21,331
		<u>£71,090</u>	<u>£74,722</u>

A mandatory levy loan was imposed upon the members in order to finance remedial works to the clubhouse caused by dry rot. The loan was mandatory and is repayable upon ceasing to be a member of the company.

Locker rentals are paid in advance and written off over 15 years. Any balance outstanding is repayable upon a person ceasing to be a member.

17	CALLED UP SHARE CAPITAL	1996 and 1995 £
	Authorised:	
	450 "A" shares of £50 each	22,500
	300 "B" shares of £25 each	7,500
		<u>£30,000</u>
	Allotted and fully paid	
	"A" shares	£
	At 1 January 1996: 337 "A" shares of £50 each	16,850
	Redeemed: 21 "A" shares of £50 each	(1,050)
	Allotted: 10 "A" shares of £50 each	500
	Converted: 58 "B" shares of £25 each to £50 "A" shares fully paid	2,900
	At 31 December 1996: 384 "A" shares of £50 each	<u>£19,200</u>
	"B" shares	£
	At 1 January 1996: 89 "B" shares of £25 each	2,225
	Redeemed: 10 "B" shares of £25 each	(250)
	Converted: 58 "B" shares of £25 each to £50 "A" shares	(1,450)
	At 31 December 1996: 21 "B" shares of £25 each	<u>£525</u>

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1996 (Cont'd)

17 CALLED UP SHARE CAPITAL (Cont'd)

The number of shares in issue represents the shares held by current members. The holders of "A" and "B" shares are not entitled to receive dividends.

The holders of "B" shares are not entitled to be elected as directors and officers of the company, nor are they entitled to receive notice of or to attend or vote at any general meeting of the company. Subject to the by-laws of the Club they are in all other respects entitled to all the rights and subject to all the duties of a member of the company.

The company is a company limited by guarantee and having a share capital. In the event of the company being wound up each "A" and "B" shareholder would be liable for a sum not exceeding £5 or £2.50 respectively.

Shares are redeemable upon cessation of Club membership.

18 RESERVES	General reserve fund £	Sinking funds		Special reserve £	Total
		Repairs £	Course £		
Balance at 1 January 1996	29,630	49,084	19,922	85,334	183,970
Surplus for year	1,570	-	-	-	1,570
Utilisation of special reserve	52,434	-	-	(52,434)	-
Transfer of interest	(1,694)	-	-	1,694	-
Transfer from income and expenditure account	-	13,000	2,000	-	15,000
Expenditure in year	-	(23,378)	(1,074)	-	(24,452)
	<u>£81,940</u>	<u>£38,706</u>	<u>£20,848</u>	<u>£34,594</u>	<u>£176,088</u>

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	1996 £	1995 £
Surplus/(deficit) for the year	1,570	(31,562)
Net (decrease)/increase in sinking fund	(9,452)	11,205
Transfer to special reserve	-	109,311
Net change in issued share capital	650	(475)
Net deduction from member's funds	(7,232)	88,479
Opening members' funds	203,045	114,566
Closing members' funds	<u>£195,813</u>	<u>£203,045</u>

20 CAPITAL COMMITMENTS

Capital expenditure contracted for but not yet provided for in the accounts was £Nil (1995 - £26,762).

NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1996 (Cont'd)

21 OTHER FINANCIAL COMMITMENTS

At 31 December 1996 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 1997.

	Land and buildings	
	1996	1995
Operating leases which expire:		
After 5 years	£59,375	£56,875
	<u> </u>	<u> </u>

REPORT OF THE AUDITORS TO THE MEMBERS OF NORTH MIDDLESEX GOLF CLUB (1928) LIMITED

We have audited the financial statements set out on pages 9 to 17 which have been prepared under the historical cost convention and the accounting policies set out on page 11.

Respective responsibilities of directors and auditors

As described on page 7, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements 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 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 at 31 December 1996 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

chantrey vellacott

CHANTREY VELLACOTT

Chartered Accountants and Registered Auditors

STEVENAGE

7 March 1997