

American Golf Discount Centre Limited

Directors' report and financial statements

Registered number 01720832

27 January 2013



Contents

Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement in respect of the Directors' report and the financial statements	5
Independent auditor's report to the members of American Golf Discount Centre Limited	6
Profit and Loss Account	8
Balance Sheet	9
Notes	10

Officers and professional advisers

Directors

K Styles
S Owens
P Riordan

Registered Office

Europa Boulevard
Gemini Business Park
Westbrook
Warrington
WA5 7YW

Bankers

National Westminster Bank Plc
6th Floor
1 Spinningfields Square
Manchester
M3 3AP

Solicitors

Gateley (Manchester) LLP
Ship Canal House
98 King Street
Manchester
M2 4WU

Shoosmiths LLP
7th Floor
125 Colmore Row
Birmingham
B3 3SH

Auditor

KPMG Audit Plc
Chartered Accountants
St James Square
Manchester
M2 6DS
United Kingdom

Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 27 January 2013. The comparative period is the 52 weeks ended 29 January 2012.

Principal activities

The principal activities of the company during the period continued to be the sale of golf equipment and accessories.

Business review

The period ended 27 January 2013 saw the business make further progress, against a challenging economic background. The golf market was impacted by a number of one-off events such as the European football championships and the London Olympics and one of the wettest summers on record in the UK. The business continued to grow its revenue and its store portfolio with an additional 3 stores opened during the period and a further 3 stores acquired and rebranded during the period.

In the year ahead the business intends to continue its growth, with additional new store openings planned.

Results and dividends

The results of the company for the period are set out in detail on page 8.

The profit for the period before tax amounted to £4,672,000 (*period ended 29 January 2012 profit £6,133,000*). The directors do not propose the payment of a dividend (*period ended 29 January 2012 £nil*).

Key performance indicators

We monitor our store portfolio's performance through the use of a number of key performance indicators as shown below.

	Period ended 27 January 2013 £000	Period ended 29 January 2012 £000
Sales	97,336	93,518
Earnings before interest, tax, depreciation, amortisation and exceptional items	7,315	7,978
Gross margin %	37.8%	38.4%
Employee costs as a percentage of sales	13.9%	14.5%

The following are some of the non-financial KPIs also used to monitor the business.

- Customer database management Number of Clubcard members as at 27 January 2013 1,029,987 (*period ended 29 January 2012 863,002*)
- Employee retention analysis Staff turnover for the period ended 27 January 2013 32.4% (*period ended 29 January 2012 30.3%*)

Directors' report *(continued)*

Going concern

The directors have considered the appropriateness of adopting the going concern basis in preparation of these financial statements

The directors have reviewed the trading and cash flow forecasts as part of their going concern assessment, including reasonable downside sensitivities which take into account the uncertainties in the current operating environment including amongst other matters demand for the company's products and its available financing facilities. These show that the company is expected to be able to operate within its banking facilities and comply with its banking covenants.

Taking into account the above uncertainties and circumstances, the directors formed a judgment that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Principal risks and uncertainties

Operational threats and performance risk

Like all retail businesses our business is susceptible to an economic downturn that could affect consumer spending. We aim to deliver what customers want better than our competitors by understanding and responding to their behaviour. By doing this we aim to minimise the impact of changes to the economic climate.

Competition

The golf retail market is highly competitive. We aim to compete by offering the best value, best product range and the best service levels to consumers. We constantly monitor competitor prices and seek to offer best value to our customers.

People capabilities

Our greatest asset is our employees. We aim to retain and motivate the best people with the right capabilities at all levels within the business. We review our people policies regularly and are committed to investing in training and development.

Financial risk management

The company's principal financial assets are cash and trade and other debtors. Credit risk is primarily on its trade debtors. In terms of credit risk as the business is a retailer it has no significant outstanding customer debts.

The directors monitor liquidity closely. All borrowing is agreed and monitored by the board. The company does not use any complex financial instruments.

Fraud and compliance

There is always the potential for low level financial crimes within the business. Accounting procedures at all levels are clearly set out and monitored to reduce the risk of fraud.

IT Systems and infrastructure

The business is dependent on efficient IT systems. We have controls and backup capabilities in place as well as support contracts with third parties to maintain the integrity and efficiency of our IT systems.

Directors' report *(continued)*

Employee involvement

The company has established structures and procedures for consultation and communication with its employees, including staff briefings and the extensive use of the company intranet site for two-way communication

Employment of disabled persons

Suitable procedures are in operation to support the company's policy that disabled persons (whether registered or not) shall be considered for employment and subsequent training, career development and promotion on the basis of their aptitudes and abilities

Supplier payments policy

The company's policy is to settle terms of payments with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payments and we abide by the terms of payment. Trade creditors of the group at 27 January 2013 were equivalent to 88 days (*29 January 2012 – 76 days*) purchases based on the average daily amount invoiced by suppliers during the period

Charitable and political donations

The company made no charitable or political contributions during the period (*period ended 29 January 2012 £nil*)

Directors

The directors who served throughout the period and subsequently were as follows

K Styles (appointed 7 June 2012)
S Owens (appointed 7 January 2013)
P Riordan (appointed 19 June 2012)
N Wood (resigned 7 June 2012)
G Gould (resigned 18 June 2012)

The company has made qualifying third party indemnity provisions for the benefit of its directors which remain in force at the date of this report

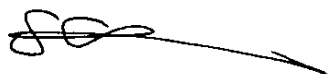
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the Board



Stuart Owens
Director

Europa Boulevard
Gemini Business Park
Westbrook
Warrington
WA5 7YW
24 July 2013

Directors' responsibilities statement in respect of the Directors' report and the financial statements

The directors are responsible for preparing the Annual 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 Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice)

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 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 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 will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG Audit Plc

St James' Square
Manchester
M2 6DS
United Kingdom

Independent auditor's report to the members of American Golf Discount Centre Limited

We have audited the financial statements of American Golf Discount Centre Limited for the period ended 27 January 2013 set out on pages 8 to 21. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 5, 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 to 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 Auditing Practices Board'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 Financial Reporting Council's website at 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 company's affairs as at 27 January 2013 and of its profit for the period then ended,
- have been properly prepared in accordance with UK 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

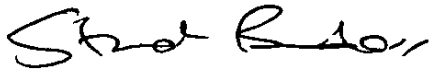
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of American Golf Discount Centre Limited (*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



Stuart Burdass (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
St James Square
Manchester
M2 6DS
26 July 2013

Profit and Loss Account
for the period ended 27 January 2013

		Period ended 27 January 2013			Period ended
		Before	Exceptional	Total	29 January
		Exceptional	Items	£'000	2012
	Note	Items	£'000		Total
		£'000			£'000
Turnover from continuing operations	2	97,336	-	97,336	93,518
Cost of sales		(60,558)	-	(60,558)	(57,648)
Gross profit		36,778	-	36,778	35,870
Administrative expenses	4	(31,717)	(462)	(32,179)	*(29,103)
Distribution costs		(1,028)	-	(1,028)	(1,003)
Other operating income		1,132	-	1,132	538
Operating profit from continuing operations	3	5,165	(462)	4,703	6,302
Net interest payable and similar charges	7	(31)	-	(31)	(169)
Profit on ordinary activities before taxation		5,134	(462)	4,672	6,133
Tax on profit on ordinary activities	8			(1,369)	(1,203)
Profit on ordinary activities after taxation and profit for the period	17			3,303	4,930

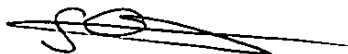
There were no recognised gains or losses in either the current or previous period except as shown above consequently a statement of total recognised gains and losses has not been presented

*In the preceding period ended 29 January 2012 there were exceptional administrative credits of £94k

Balance Sheet
at 27 January 2013

	<i>Note</i>	27 January 2013 £'000	29 January 2012 £ 000
Fixed assets			
Goodwill	9	3,054	2,291
Tangible assets	10	5,970	5,395
Investments	11	4,440	4,241
		13,464	11,927
Current assets			
Stocks	12	13,638	11,918
Debtors	13	15,462	15,094
Cash at bank and in hand		1,794	-
		30,894	27,012
Creditors: amounts falling due within one year	14	(22,453)	(19,741)
Net current assets		8,441	7,271
Total assets less current liabilities		21,905	19,198
Provisions for liabilities	15	(444)	(1,040)
Net assets		21,461	18,158
Capital and reserves			
Called up share capital	17	330	330
Share premium account	17	175	175
Profit and loss account	17	20,956	17,653
Total shareholders' funds	17	21,461	18,158

These financial statements were approved by the board of directors on 24 July 2013 and were signed on its behalf by



Stuart Owens
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below. They have been applied consistently throughout the period and the preceding period.

Basis of preparation

The financial statements are prepared under the historical cost convention.

The accounts are drawn up for the financial period ending on the nearest previous Sunday to 31 January and are for the 52 weeks ended 27 January 2013 and the 52 weeks ended 29 January 2012.

The company has taken advantage of the exemption conferred by section 398 of the Companies Act 2006 and has not produced group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of AGDC Holdings Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of AGDC Holdings Limited, within which this Company is included, can be obtained from the address given in note 20.

Going concern

The directors have considered the appropriateness of adopting the going concern basis in preparation of these financial statements.

The directors have reviewed the trading and cash flow forecasts as part of their going concern assessment, including reasonable downside sensitivities which take into account the uncertainties in the current operating environment including amongst other matters demand for the company's products and its available financing facilities. These show that the company should be able to operate within its banking facilities and comply with its banking covenants.

Taking into account the above uncertainties and circumstances, the directors formed a judgment that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Tangible fixed assets

All fixed assets are stated at cost net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write down the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Plant and machinery	15% straight line
Fixtures & fittings	20%-33% straight line
Motor vehicles	25% reducing balance
Leasehold property	10% straight line

Goodwill

Goodwill arising on the acquisition of businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is 20 years. Provision is made for any impairment.

On disposal or closure of a previously acquired business, the attributable amount of goodwill previously written off to reserves is included in determining the profit or loss on disposal.

Notes (continued)

1 Accounting policies (continued)

Investments

Investments in subsidiary undertakings are stated at cost less any permanent diminution in value

Impairment

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative impact on the estimated cash flows of that asset. All impairment losses are recognised in the profit and loss account. An impairment loss in respect of goodwill is not reversed.

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of goods purchased for resale, cost is based on the purchase price on an average cost basis. Net realisable value is based on estimated selling price less any further selling costs. Provision is made for obsolete, slow moving or defective items where appropriate.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided for at amounts expected to be paid (recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised, without discounting, in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency

Transactions denominated in foreign currencies are translated into sterling at rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. These differences are recorded in the profit and loss account.

Leasing and hire purchase commitments

Assets held under finance leases and other similar contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts are capitalised in the balance sheet as tangible fixed assets and depreciated over the shorter of their lease term and useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest element of the rental obligations is charged to the profit and loss account over the periods of the leases and hire purchase contracts and represents a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Turnover

Turnover represents sales of goods recognised at the point of sale to the customer, excluding value added tax.

Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Notes (continued)

1 Accounting policies (continued)

Exceptional items

Exceptional items are charges or credits which the directors consider to be material, in aggregate, and either non-recurring in nature or the directors they consider require separate disclosure due to their size

2 Turnover and profit on ordinary activities before taxation

Turnover and profit on ordinary activities before taxation are derived from the Company's principal activity and arises in the United Kingdom and Eire Turnover from stores acquired during the year amounted to £249,000, whilst they contributed £85,000 to operating profit

3 Operating profit

The operating profit is stated after charging/(crediting)

	Period ended 27 January 2013 £'000	Period ended 29 January 2012 £'000
Depreciation of owned fixed assets	2,003	1,644
Depreciation of assets held under finance leases	-	3
Amortisation	147	123
Foreign exchange (gain)/loss	(1)	6
Operating lease rentals		
- plant and machinery	116	109
- other	6,711	6,229
Loss on disposal of fixed assets	4	38
Rent receivable	(135)	(134)
Exceptional items (see note 4)	462	(94)
Auditor's remuneration is as follows:		
Fees payable to the company's auditor for the audit of the company's annual financial statements	33	32
Fees payable to the company's auditor for other services to the company		
- Tax services	21	14
- Other services	-	-

In addition to the above amounts expensed in the profit & loss account during the period other fees paid to KPMG Audit Plc amounting to £nil were capitalised with regard to the acquisition of stores (period ended 29 January 2012 £6,000)

4 Exceptional items

The following exceptional charges were incurred which are included within administration expenses

	Period ended 27 January 2013 £'000	Period ended 29 January 2012 £'000
Lease restructuring – one off payment	281	-
Restructuring costs	181	-
Onerous lease provision credit	-	(376)
Severance costs	-	282
	462	(94)

Notes (continued)

5 Staff costs

The average number of persons employed by the company (including directors) during the period was as follows

	Period ended 27 January 2013	Period ended 29 January 2012
Warehouse and sales	664	629
Administration	61	54
Management	19	20
	<u>744</u>	<u>703</u>

The aggregate payroll costs of these persons were as follows

	Period ended 27 January 2013 £'000	Period ended 29 January 2012 £'000
Wages and salaries	12,451	12,419
Social security costs	1,049	1,107
Pension costs	14	18
	<u>13,514</u>	<u>13,544</u>

In addition to the above, redundancy costs of £104,000 (*period ended 29 January 2012 £282,000*) were incurred which are included as exceptional costs in note 4

6 Directors' emoluments

	Period ended 27 January 2013 £'000	Period ended 29 January 2012 £'000
Emoluments	559	451
	<u>559</u>	<u>451</u>

The highest paid director received emoluments of £193,000 (*period ended 29 January 2012 £275,000*)

The company made no contributions to money purchase schemes for the benefit of directors and no directors were members of any defined contribution pension schemes

7 Interest payable and similar charges

	Period ended 27 January 2013 £'000	Period ended 29 January 2012 £'000
On bank overdraft	31	103
Unwind of discount on provisions	-	66
	<u>31</u>	<u>169</u>

Notes (continued)

8 Taxation on profit on ordinary activities

	Period ended 27 January 2013 £'000	Period ended 29 January 2012 £'000
Analysis of the tax charge/(credit) in the period		
<i>Current tax</i>		
UK corporation tax	1,185	992
Adjustments in respect of prior periods	8	(2)
Total current tax charge	1,193	990
<i>Deferred tax</i>		
Origination and reversal of timing differences	77	299
Effect of tax rate change on opening balance	99	(86)
	176	213
Tax charge on profit on ordinary activities	1,369	1,203

Factors affecting the tax charge for the current period

The current tax charge for the period is higher (*period ended 29 January 2012 lower*) than the standard rate of corporation tax in the UK (24.32%, *period ended 29 January 2012 26.32%*). The differences are explained below:

	Period ended 27 January 2013 £'000	Period ended 29 January 2012 £'000
Profit on ordinary activities before taxation	4,672	6,133
Profit on ordinary activities at standard UK corporation tax rate of 24.32% (<i>period ended 29 January 2012 26.32%</i>)	1,136	1,614
<i>Effects of</i>		
Expenses not deductible for tax purposes	131	183
Capital allowances in excess of depreciation	(84)	(299)
Group relief claimed (not paid for)	-	(506)
Adjustment to tax charge in respect of previous periods	8	(2)
Total current tax charge/(credit)	1,193	990

During the current year the Group has introduced a policy of paying for the benefit of group relief claimed, previously no charge was made by the group company providing the group relief.

There are no unrecognised deferred tax assets or liabilities at 27 January 2013 or 29 January 2012.

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014 and the December 2012 Autumn Statement announced a planned further reduction to 21% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reduction to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

The March 2013 Budget announced that the rate will reduce further to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement.

Notes (continued)

8 Taxation on profit on ordinary activities (continued)

The deferred tax asset at balance sheet date has been calculated based on the rate of 23% substantively enacted at the balance sheet date. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the Company's deferred tax asset accordingly.

The Chancellor has also proposed changes to further reduce the main rate of UK corporation tax by 1% per annum to 22% by 1 April 2014. These reductions have not been substantively enacted; the changes are not reflected in the above figures. The impact of this change is not considered to be significant.

9 Intangible assets

	Goodwill £'000
<i>Cost</i>	
At 29 January 2012	2,862
Additions (see below)	433
Reclassified from investments following hive up (see note 11)	477
	<hr/>
At 27 January 2013	3,772
	<hr/>
<i>Amortisation</i>	
At 29 January 2012	571
Charge for the period	147
	<hr/>
At 27 January 2013	718
	<hr/>
<i>Net book value</i>	
At 29 January 2012	2,291
	<hr/>
At 27 January 2013	3,054
	<hr/>

During the period the Company acquired the trade and assets of 2 existing golf stores. The goodwill of £433,000 has been capitalised. The company also acquired the entire share capital of Golftrader Limited, see note 11 and immediately following the acquisition the trade and net assets acquired were hived up into the Company and Golftrader Limited became dormant. Accordingly £477,000 of goodwill relating to the acquisition has been reclassified from investments to goodwill.

	Book value £'000	Fair value adjustment £'000	Fair value to company £'000
Net assets acquired			
Stock	363	-	363
Other current assets	41	-	41
	<hr/>	<hr/>	<hr/>
	404	-	404
Liabilities	(205)	-	(205)
	<hr/>	<hr/>	<hr/>
Net assets	199	-	199
	<hr/>	<hr/>	<hr/>
Goodwill arising on acquisition			477
			<hr/>
Satisfied by			
Net proceeds			676
			<hr/>

Notes (continued)

10 Tangible fixed assets

	Long Leasehold Property £'000	Plant and Machinery £'000	Fixtures & Fittings £'000	Motor Vehicles £'000	Total £'000
Cost					
At 29 January 2012	7,753	153	18,249	173	26,328
Additions	239	-	2,334	31	2,604
Disposals			(12)	(36)	(48)
At 27 January 2013	7,992	153	20,571	168	28,884
Accumulated depreciation					
At 29 January 2012	6,560	147	14,176	50	20,933
Charge for the period	345	1	1,616	41	2,003
Disposals	-	-	(12)	(10)	(22)
At 27 January 2013	6,905	148	15,780	81	22,914
Net book value					
At 29 January 2012	1,193	6	4,073	123	5,395
At 27 January 2013	1,087	5	4,791	87	5,970

Depreciation for the year on assets held under finance leases and similar hire purchase contracts was £nil (2012 £4,000)

Notes (continued)

11 Investments

	Investment in subsidiaries £'000
Cost	
At 29 January 2012	8,850
Additions (see below)	676
Reclassified to goodwill (see note 9)	(477)
	<hr/>
At 27 January 2013	9,049
	<hr/>
Provisions	
At 29 January 2012 and 27 January 2013	4,609
	<hr/>
Net book value	
At 29 January 2012	4,241
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At 27 January 2013	4,440
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Additions during the period relate to the acquisition of Golfrader Limited. On the 19 December 2012 the company acquired the entire share capital of Golfrader Limited for consideration paid of £676,000. On the date of acquisition the assets and liabilities together with the trade of the company were hived up into American Golf Discount Centre Limited and Golfrader Limited has subsequently become dormant.

Details of subsidiary undertakings at 27 January 2013 are

	Principal activity	Proportion and class of shares held
Golfrader Limited	Dormant	100% ordinary
SW Golf Limited	Internet retailer	100% ordinary
Par-Bilt (UK) Limited	Dormant	100% ordinary
Crewe Golf and Leisure Limited	Dormant	100% ordinary
Bilton Golf Promotions Limited	Dormant	100% ordinary
Golf Clearance Centre Limited	Dormant	100% ordinary
Palm-Springs (UK) Limited	Dormant	100% ordinary
Glentake Limited	Dormant	100% ordinary
Southwest Golf Limited	Dormant	100% ordinary
Redtarn Limited	Dormant	100% ordinary
Zonespan Limited	Dormant	100% ordinary

Palm Springs (UK) Limited is a subsidiary undertaking of Par Bilt (UK) Limited. All of the other subsidiary undertakings are owned directly by American Golf Discount Centre Limited, and are incorporated in England and Wales.

11. Investments (continued)

The aggregate capital and reserves of each subsidiary undertaking is as follows

	Period end	Aggregate capital and reserves £'000s
Golfrader Limited	27 January 2013	199
SW Golf Limited	27 January 2013	251
Par-Bilt (UK) Limited	27 January 2013	3
Crewe Golf and Leisure Limited	27 January 2013	-
Bilton Golf Promotions Limited	27 January 2013	10
Palm-Springs (UK) Limited	27 January 2013	-
Golf Clearance Centre Limited	27 January 2013	-
Glentake Limited	27 January 2013	(343)
Southwest Golf Limited	27 January 2013	826
Redtarn Limited	27 January 2013	2
Zonespan Limited	27 January 2013	2

The directors are of the opinion that the aggregate value of the company's investment in subsidiary undertakings is not less than the amount at which they are stated in the accounts

Notes (continued)

12 Stocks

	27 January 2013 £'000	29 January 2012 £'000
Goods for resale	13,638	11,918

There is no material difference between the balance sheet value of stocks and their replacement cost

13 Debtors

	27 January 2013 £'000	29 January 2012 £'000
Trade debtors	563	528
Prepayments and accrued income	2,972	2,218
Other debtors	161	131
Amounts owed by parent undertaking	10,462	10,943
Amounts owed by subsidiary undertaking	-	38
Corporation tax	244	-
Deferred tax asset (see below)	1,060	1,236
	15,462	15,094

	£'000
<i>Deferred tax asset</i>	
At 29 January 2012	1,236
Charge to the profit and loss for the period	(176)
	1,060
At 27 January 2013	

The deferred tax asset recognised relates to fixed asset timing differences

14 Creditors: amounts falling due within one year

	27 January 2013 £'000	29 January 2012 £'000
Overdrafts	-	1,029
Amounts owed to subsidiary undertakings	1,792	842
Trade creditors	15,816	12,478
Other taxes and social security	1,555	2,103
Other creditors	1,554	1,433
Accruals and deferred income	1,736	1,350
Corporation tax	-	506
	22,453	19,741

The overdraft is secured by a fixed and floating charge

Notes (continued)

15 Provisions for liabilities

	Onerous lease provision £'000
At 29 January 2012	1,040
Utilised in the period	(88)
Provision release	(508)
	<hr/>
At 27 January 2013	444
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The onerous lease provision relates to the retail premises in Carlisle. The lease has 8 years remaining. The minimum of all future lease payments and associated rates have been discounted using an appropriate discount rate which has been recalculated in the period to take into account the changes in risk free rates and property yields.

16 Financial commitments

The company capital commitments are as follows:

	27 January 2013 £'000	29 January 2012 £'000
Contracted for but not provided for	1,797	560
	<hr/>	<hr/>

The company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 27 January 2013 £'000	29 January 2012 £'000	Other 27 January 2013 £'000	29 January 2012 £'000
Operating leases which expire				
Within one year	326	100	18	33
Within two to five years	798	503	75	31
After more than five years	6,247	5,754	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	7,371	6,357	93	64
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

17 Called up share capital and reserves

	27 January 2013 £'000	29 January 2012 £'000
<i>Allotted, called-up and fully paid</i>		
325,000 Ordinary shares of £1 each	325	325
47,578 'B' Ordinary shares of 10 pence each	5	5
	<u>330</u>	<u>330</u>

The Ordinary shares and 'B' Ordinary shares rank pari-passu in all respects

Statement of reserves and reconciliation of shareholders' funds

	Share capital £'000	Share premium account £'000	Profit and loss account £'000	Total shareholders' funds £'000
At 29 January 2012	330	175	17,653	18,158
Profit for the period	-	-	3,303	3,303
	<u>330</u>	<u>175</u>	<u>20,956</u>	<u>21,461</u>

18 Pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £14,000 (*period ended 27 January 2012 £18,000*).

Contributions amounting to £nil (*29 January 2012 £1,000*) were payable to the scheme and are included in creditors.

19 Contingent Liabilities

The company is party to cross-guarantees on bank term loans of £14,000,000 and a working capital facility of up to £6,000,000 held by AGDC Holdings Limited, parent undertaking (*29 January 2012 working capital facility £6,000,000*).

20 Ultimate holding company

The Company is a subsidiary undertaking of Sun Capital Partners V, L P which is the ultimate parent company incorporated in the Cayman Islands.

The smallest group in which the results of the Company are consolidated is that headed by AGDC Holdings Limited, incorporated in England and Wales. The largest group in which the results of the Company are consolidated is that headed by Eagle UK Holdco Limited, incorporated in England and Wales. The consolidated financial statements of the group are available to the public and may be obtained from Registrar of Companies, Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ.