

Company Registration No. 01720832

**American Golf Discount Centre
Limited
Report and Financial Statements**

For the period ended 25 January 2009

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American Golf Discount Centre Limited

Report and financial statements 2009

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American Golf Discount Centre Limited

Report and financial statements 2009

Officers and professional advisers

Directors

G Gould
S Livingstone

Secretary

G Gould

Registered Office

Europa Boulevard
Gemini Business Park
Westbrook
Warrington
WA5 5YW

Bankers

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

Solicitors

Halliwells
3 Hardman Square
Manchester
M3 3EB

Auditors

Deloitte LLP
Chartered Accountants
Birmingham

American Golf Discount Centre Limited

Directors' report

The directors present their annual report and the audited financial statements for the period ended 25 January 2009.

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 25 January 2009 saw the business make further progress, achieving like for like sales growth against a challenging economic background. The business continued to grow its store portfolio with an additional 2 stores opened during the year.

In the year ahead the business intends to continue its successful growth, with selective new store openings planned as well as further investment in the internet operation.

Results and dividends

The results of the company for the period are set out in detail on page 7.

The loss for the period amounted to £4,617,000 (period ended 27 January 2008 profit: £1,028,000). The directors do not propose the payment of a dividend (2008: £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 25 January 2009 £'000	Period ended 27 January 2008 £'000
Sales	67,675	64,228
Earnings before interest, tax, depreciation, amortisation and exceptional items	3,312	3,424
Gross margin %	37.2%	36.4%
Employee costs as a percentage of sales	15.2%	14.9%

The following are some of the non-financial KPI's for the business:

- Customer database management Number of Clubcard members as at 25 January 2009: 406,199 (period ended 27 January 2008: 275,257)
- Employee retention analysis Staff turnover for the period ended 25 January 2009: 31.2% (period ended 27 January 2008: 36.4%)

American Golf Discount Centre Limited

Directors' report (continued)

Going concern

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

AGDC Holdings Limited ("the group"), which is the parent undertaking of this company, completed a successful restructuring of the group's financing facilities in January 2010. Following the successful completion of the restructuring of the group's financing structure the directors are of the opinion that the company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within its facilities.

The company is subject to a number of risks and uncertainties which arise as a result of the current economic environment. In determining that the company is a going concern these risks, which are described in the principal risks and uncertainties section, have been considered by the directors.

After reviewing the financial projections and facilities available, the directors consider that the company has adequate financial resources to continue in operational existence for the next 12 months and the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Principal risks and uncertainties

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.

Employee involvement

The company has established structures and procedures for consultation and communication with its employees, including the formal operation of an employee forum.

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 25 January 2009 were equivalent to 58 days (27 January 2008 - 58 days) purchases based on the average daily amount invoiced by suppliers during the period.

Operational threats and performance risk

Like all retail businesses our business is susceptible to 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.

American Golf Discount Centre Limited

Directors' report (continued)

Principal risks and uncertainties (continued)

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.

Charitable and political donations

The company made no charitable or political contributions during the period (period ended 27 January 2008: £nil).

Directors

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

A McDonald (resigned 13 June 2008)

G Gould

S Livingstone (resigned 3 November 2009)

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.

Auditors

A resolution to reappoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

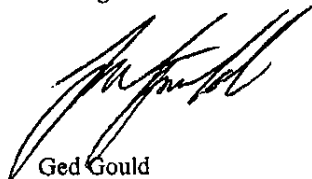
Each of the persons who is a director at the date of approval of this report confirms that:

(1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Approved by the Board of Directors
and signed on behalf of the Board



Ged Gould

Secretary

19th January 2010

American Golf Discount Centre Limited

Statement of directors' responsibilities

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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 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.

Independent Auditors' 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 25 January 2009, which comprises the profit and loss account, the balance sheet, and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 25 January 2009 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
Birmingham, United Kingdom

19 January 2010

American Golf Discount Centre Limited

Profit and loss account Period ended 25 January 2009

		Period ended 25 January 2009			Period ended 27 January 2008
	Note	Before Exceptional Items £'000	Exceptional Items £'000	Total £'000	£'000
Turnover	2	67,675	-	67,675	64,228
Cost of sales		(42,467)	-	(42,467)	(40,880)
Gross profit		25,208	-	25,208	23,348
Administrative expenses	4	(23,209)	(5,306)	(28,515)	(21,158)
Distribution costs		(1,158)	-	(1,158)	(933)
Other operating income		338	-	338	133
Operating (loss)/ profit	3	1,179	(5,306)	(4,127)	1,390
Net interest payable and similar charges	7	(398)	-	(398)	(444)
(Loss)/ profit on ordinary activities before taxation		781	(5,306)	(4,525)	946
Tax (charge)/ credit on profit on ordinary activities	8	(92)	-	(92)	82
(Loss)/ profit on ordinary activities after taxation being the retained (loss)/ profit for the period	19	689	(5,306)	(4,617)	1,028

All results derive from continuing operations.

In the preceding period ended 27 January 2008 there were exceptional administrative credits of £49,000.

American Golf Discount Centre Limited

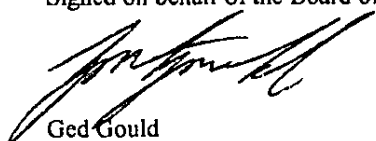
Balance sheet 25 January 2009

		25 January 2009 £'000	27 January 2008 £'000
	Note		
Fixed assets			
Goodwill	9	825	852
Tangible asset	10	4,685	5,529
Investments	11	432	5,041
		<u>5,942</u>	<u>11,422</u>
Current assets			
Stocks	12	10,074	11,325
Debtors	13	6,717	3,352
Cash at bank and in hand		-	501
		<u>16,791</u>	<u>15,178</u>
Creditors: amounts falling due within one year	14	<u>(12,639)</u>	<u>(12,137)</u>
Net current assets		<u>4,152</u>	<u>3,041</u>
Total assets less current liabilities		<u>10,094</u>	<u>14,463</u>
Provisions for liabilities	15	<u>(1,123)</u>	<u>(875)</u>
Net assets		<u>8,971</u>	<u>13,588</u>
Capital and reserves			
Called up share capital	18	330	330
Share premium account	19	175	175
Profit and loss account	19	8,466	13,083
Total shareholders' funds	19	<u>8,971</u>	<u>13,588</u>

These financial statements were approved by the Board of Directors and authorised for issue on

19th January 2010

Signed on behalf of the Board of Directors by



Ged Gould
Director

Company number: 01720832

American Golf Discount Centre Limited

Period ended 25 January 2009

Notes to 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 25 January 2009 and the 52 weeks ended 27 January 2008.

The company has taken advantage of the exemption conferred by section 228(5) of the Companies Act 1985 and has not produced group accounts.

Going concern

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

AGDC Holdings Limited ("the group"), which is the parent undertaking of this company, completed a successful restructuring of the group's financing facilities in January 2010. Following the successful completion of the restructuring of the group's financing structure the directors are of the opinion that the company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within its facilities.

After reviewing the financial projections and facilities available, the directors consider that the company has adequate financial resources to continue in operational existence for the next 12 months and the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Cash flow statement

The company is exempt from the requirement of FRS1 'Cashflow Statements' to prepare a cash flow statement because one is presented in the financial statements of AGDC Holdings Limited, the parent undertaking.

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 and intangible assets

Goodwill arising on the acquisition of subsidiary undertakings and 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.

1. Accounting policies (continued)

Investments

American Golf Discount Centre Limited

Period ended 25 January 2009

Notes to the financial statements

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. 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.

Finished goods and goods for resale are valued at purchase cost on an average cost basis.

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 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:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

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.

Deferred taxation is measured on a non-discounted basis.

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.

2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties. All turnover is attributable to the one continuing activity and arises in the United Kingdom and Eire.

American Golf Discount Centre Limited

Period ended 25 January 2009 Notes to the financial statements

3. Operating (loss)/ profit

Operating (loss) profit is stated after charging:

	Period ended 25 January 2009 £'000	Period ended 27 January 2008 £'000
Depreciation of owned fixed assets	2,055	1,930
Depreciation of assets held under finance leases	31	106
Amortisation	47	47
Operating lease rentals		
- plant and machinery	108	207
- other	4,431	3,871
Loss on disposal of fixed assets	27	213
The analysis of auditors' remuneration is as follows:		
Fees payable to the company's auditor for the audit of the company's annual financial statements	36	43
Fees payable to the company's auditor and their associates for other services to the company		
- Tax services	11	47
- Corporate finance services	-	30
- Other services	1	1

4. Exceptional administration expenses

The following exceptional administration costs / (credits) were incurred:

	Period ended 25 January 2009 £'000	Period ended 27 January 2008 £'000
Refinancing costs	-	40
Share capital restructuring costs	-	116
Consultancy costs	60	-
Onerous lease charges	275	55
Loss on disposal of fixed assets	-	213
Profit on lease surrender	-	(473)
Directors severance costs	113	-
Impairment of investment	4,609	-
Reorganisation costs	249	-
	5,306	(49)

4. Exceptional administration expenses (continued)

American Golf Discount Centre Limited

Period ended 25 January 2009

Notes to the financial statements

Reorganisation costs include legal and professional fees in relation to the refinancing of the business.
Consultancy costs relate to a one-off project regarding the stock management system.

5. Staff costs

	Period ended 25 January 2009 £'000	Period ended 27 January 2008 £'000
Wages and salaries	9,424	8,820
Social security costs	883	761
Pension costs	8	4
	<u>10,315</u>	<u>9,585</u>

The average number of employees during the period was as follows:

	Period ended 25 January 2009 Number	Period ended 27 January 2008 Number
Warehouse and sales	527	435
Administration	57	56
Management	15	13
	<u>599</u>	<u>504</u>

6. Directors' emoluments

	Period ended 25 January 2009 £'000	Period ended 27 January 2008 £'000
Emoluments	<u>558</u>	<u>561</u>

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.

6. Directors' emoluments (continued)

The amounts in respect of the highest paid director are as follows:

American Golf Discount Centre Limited

Period ended 25 January 2009

Notes to the financial statements

	Period ended 25 January 2009 £'000	Period ended 27 January 2008 £'000
Emoluments	163	275
7. Net interest payable and similar charges		
	Period ended 25 January 2009 £'000	Period ended 27 January 2008 £'000
Bank overdraft	298	366
Finance leases and hire purchase contracts	-	6
Unwind of discount on provisions	100	72
	398	444
8. Tax on (loss)/ profit on ordinary activities		
	Period ended 25 January 2009 £'000	Period ended 27 January 2008 £'000
(a) Tax on (loss)/ profit on ordinary activities. The tax charge/ (credit) is made up as follows:		
Current tax		
UK corporation tax	-	-
Tax under / (over) provided in previous periods	92	(82)
Total current tax charge/ (credit) (note 8(b))	92	(82)
Deferred tax		
Origination and reversal of timing differences	-	-
Tax charge/ (credit) on (loss)/ profit on ordinary activities	92	(82)

American Golf Discount Centre Limited

Period ended 25 January 2009

Notes to the financial statements

8. Tax on (loss)/ profit on ordinary activities (continued)

	Period ended 25 January 2009 £'000	Period ended 27 January 2008 £'000
(b) Factors affecting current tax charge		
The differences are reconciled below:		
(Loss)/ profit on ordinary activities before taxation	(4,525)	946
(Loss)/ profit on ordinary activities at standard UK corporation tax rate of 28.3% (2008 – 30%)	(1,281)	284
Effects of:		
Expenses not deductible for tax purposes	252	352
Non-taxable income	-	(30)
Impairment of investment in subsidiary undertakings	1,304	-
Depreciation in excess of capital allowances	358	316
Other timing differences	-	19
Group relief not paid for	(633)	(863)
Effect of chargeable gains	-	(78)
Adjustment to tax charge in respect of previous periods	92	(82)
Total current tax charge/ (credit) (note 8(a))	92	(82)

There is an unrecognised deferred tax asset of £1,256,221 (period ended 27 January 2008: £986,935) which due to uncertain future profits has not been recognised. This represents future capital allowances deductions in excess of qualifying depreciation of £1,256,058 (period ended 27 January 2008: £919,067), short term timing differences of £163 (period ended 27 January 2008: £18,126) and tax losses of £nil (period ended 27 January 2008: £49,742).

With effect from 1 April 2008, the full rate of corporation tax decreased from 30% to 28%.

American Golf Discount Centre Limited

Period ended 25 January 2009 Notes to the financial statements

9. Intangible assets

	Goodwill £'000
Cost	
At 27 January 2008	1,129
Additions	20
	<hr/>
At 25 January 2009	1,149
	<hr/>
Amortisation	
At 27 January 2008	277
Charge for the period	47
	<hr/>
At 25 January 2009	324
	<hr/>
Net Book Value	
At 27 January 2008	852
	<hr/>
At 25 January 2009	825
	<hr/>

Additions

In the prior year the company acquired the trade and assets of a store at Elburton. The additions represent a fair value adjustment in relation to the acquisition.

American Golf Discount Centre Limited

Period ended 25 January 2009 Notes to the financial statements

10. Tangible fixed assets

	Freehold and Long Leasehold Property £'000	Plant and machinery £'000	Fixtures & Fittings £'000	Motor vehicles £'000	Total £'000
Cost					
At 28 January 2008	6,957	152	12,256	247	19,612
Additions	183	-	1,134	-	1,317
Disposals	-	-	-	(187)	(187)
At 25 January 2009	7,140	152	13,390	60	20,742
Accumulated depreciation					
At 28 January 2008	4,863	135	8,944	141	14,083
Charge for the period	469	8	1,597	12	2,086
Disposals	-	-	-	(112)	(112)
At 25 January 2009	5,332	143	10,541	41	16,057
Net book value					
At 27 January 2008	2,094	17	3,312	106	5,529
At 25 January 2009	1,808	9	2,849	19	4,685
Land and building not depreciated is nil					

Leased assets included in the above:

Net book value					
At 27 January 2008	-	-	55	82	137
At 25 January 2009	-	-	32	15	47

11. Investments

	Investments in subsidiary undertakings £'000
Cost at 27 January 2008 and 25 January 2009	5,041
Amortisation	
At 27 January 2008	-
Impairment charge for the period	4,609
At 25 January 2009	4,609
Net book value	
At 27 January 2008	5,041

American Golf Discount Centre Limited

Period ended 25 January 2009 Notes to the financial statements

At 25 January 2009

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Details of subsidiary undertakings at 25 January 2009 are:

	Principal activity	Proportion and class of shares held
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 Great Britain. The aggregate capital and reserves of each subsidiary undertaking is as follows:

11. Investments (continued)

	Period end	Aggregate capital and reserves £
Par-Bilt (UK) Limited	25 January 2009	3,000
Crewe Golf and Leisure Limited	25 January 2009	100
Bilton Golf Promotions Limited	25 January 2009	10,000
Palm-Springs (UK) Limited	25 January 2009	100
Golf Clearance Centre Limited	25 January 2009	1
Glentake Limited	25 January 2009	(342,661)
Southwest Golf Limited	25 January 2009	758,785
Redtarn Limited	25 January 2009	1,500
Zonespan Limited	25 January 2009	1,500

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.

American Golf Discount Centre Limited

Period ended 25 January 2009

Notes to the financial statements

12. Stocks

	25 January 2009 £'000	27 January 2008 £'000
Goods for resale	10,074	11,325

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

13. Debtors

	25 January 2009 £'000	27 January 2008 £'000
Trade debtors	354	583
Prepayments and accrued income	1,766	1,511
Corporation tax	-	12
Amounts owed by parent undertaking	4,597	1,246
	<u>6,717</u>	<u>3,352</u>

14. Creditors: amounts falling due within one year

	25 January 2009 £'000	27 January 2008 £'000
Overdrafts	962	-
Obligations under finance leases	2	3
Amounts owed to subsidiary undertakings	842	842
Trade creditors	7,653	8,119
Other taxes and social security	1,844	1,115
Other creditors	2	27
Accruals and deferred income	1,255	2,031
Corporation tax	79	-
	<u>12,639</u>	<u>12,137</u>

American Golf Discount Centre Limited

Period ended 25 January 2009 Notes to the financial statements

15. Provisions for liabilities

	Onerous lease provision £'000
At 28 January 2008	875
Utilised in the period	(127)
Adjustment arising from change in discount factor	275
Adjustment arising from discounting	100
At 25 January 2009	<u>1,123</u>

The onerous lease provision relates to the retail premises and municipal golf course in Crewe and the retail premises in Plymouth and Carlisle. The leases have 74 years remaining at Crewe, 5 years at Plymouth and 11 years at Carlisle. The minimum of all future lease payments and associated rates have been discounted using the company's weighted average cost of capital, the WACC has been recalculated in the period to take into account the changes in interest rates.

16. Operating lease commitments

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

	Land and buildings		Other	
	25	27	25	27
	January	January	January	January
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Operating leases which expire:				
Within one year	79	94	18	6
Within two to five years	462	236	102	45
After more than five years	3,913	4,014	-	-
	<u>4,454</u>	<u>4,344</u>	<u>120</u>	<u>51</u>

17. Related party transactions

AJ Norton and HW Bilton are considered to be related parties to the company due to the size of their share holding in AGDC Holdings Limited, the ultimate parent company of American Golf Discount Centre Limited.

American Golf Discount Centre Limited

Period ended 25 January 2009

Notes to the financial statements

Rental payments amounting to £385,749 (2008: £367,513) were made during the period to Gardenbook Properties Limited on normal commercial terms. No amounts were outstanding as at 25 January 2009 (27 January 2008: £nil). HW Bilton and AJ Norton are shareholders of Gardenbook Properties Limited (formerly Gardenbook Projects Limited).

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption available under FRS8 – 'Related party transactions', as the consolidated accounts of AGDC Holdings Limited, in which the company is included, are publicly available.

18. Called up share capital

	25 January 2009 £'000	27 January 2008 £'000
Authorised:		
500,000 Ordinary shares of £1 each	500	500
1,750,000 'B' Ordinary shares of 10 pence each	175	175
	<u>675</u>	<u>675</u>
Allotted, called-up and fully paid:		
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.

19. 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 27 January 2008	330	175	13,083	13,588
Loss for the period	-	-	(4,617)	(4,617)
At 25 January 2009	<u>330</u>	<u>175</u>	<u>8,466</u>	<u>8,971</u>

20. Contingent liabilities

The company is party to cross-guarantees on the bank term loans, mezzanine loans and working capital facility held by AGDC Holdings Limited, parent undertaking, totalling £26,694,000 (2008: £27,663,000).

There is a contingent liability amounting to £338,000 (27 January 2008 - £338,000) relating to invoices received from Tudorworth Properties Limited for building and shop fitting works claimed to have been carried out in 2003 and 2004 on behalf of American Golf Discount Centre Limited. The likelihood of an outflow crystallising as a result of this is unknown until the dispute is resolved.

American Golf Discount Centre Limited

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Notes to the financial statements

21. Ultimate holding company

The company is a wholly owned subsidiary of AGDC Holdings Limited, which in turn is ultimately controlled by Lloyds TSB Development Capital Limited. At 25 January 2009, the smallest and largest group of undertakings into which these financial statements are consolidated is AGDC Holdings Limited, registered in England and Wales. Copies of these accounts are available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.