

THE MORPETH GOLF CLUB (1992) LIMITED
NOTICE OF THIRD ANNUAL GENERAL MEETING

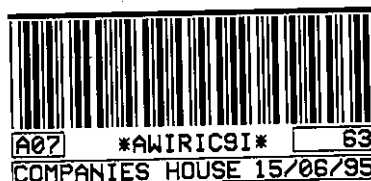
NOTICE IS HEREBY GIVEN that the second ANNUAL GENERAL MEETING of THE MORPETH GOLF CLUB (1992) LIMITED ("the Club") will be held in the Club House, Morpeth at 7.30 p.m. on Thursday, 1st December 1994.,

BUSINESS

1. To approve the Minutes of the ANNUAL GENERAL MEETING of 1993.
2. To receive the Chairman's Report
3. To receive the Report of the Directors and the Audited Accounts for the year ended 31st August 1994.
4. To receive the Auditors Report
5. To receive the Social, Greens, Handicap, House and Wines Committees' Reports
6. To elect Directors
7. To elect a Captain
8. To elect a Vice-Captain
9. To elect Social, Greens, Handicap, House and Wines Committees
10. To re-appoint the Auditors and to authorise the Directors to fix their remuneration.
11. To transact any other ordinary general business of the Club.

BY ORDER OF THE BOARD

K.D. Cazaly
The Club House
The Common
Morpeth
Northumberland



28th October 1994

Please note that only "Club Members" as defined in Article 1.5 of the Club's Articles of Association are entitled to attend and vote at the Meeting.

THE MORPETH GOLF CLUB (1992) LIMITED

REPORT OF THE BOARD OF DIRECTORS

The Directors present their second annual report with the accounts of the Company for the year ended 31 August 1994.

Principal Activity

The principal activity of the Company is the operation of the Golf Club situate at The Common, Morpeth, Northumberland.

Directors

The Directors who held office throughout (unless stated) or during the year were as follows:

J.C. Bilclough	H.D. Cone	W.B. Stoker
J. Brown	D.C. Finnie	J.J. Hawkes
A. Colthorpe	N.S. Lamb	G.C. Wilkinson

In accordance with the Articles the following Directors retire by rotation and offer themselves for re-election.

A. Colthorpe	N.S. Lamb	W.B. Stoker
--------------	-----------	-------------

Capital

The Company is limited by guarantee and does not have a share capital. The liability of members is limited, and in the event of a winding up, each member undertakes to contribute such amount as may be required and not exceeding £10.

Directors' Responsibilities

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period. In preparing those accounts, the Directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts.

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

Auditors

The auditors, Messrs Herbert Armstrong & Co. will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

In preparing the above report, the Directors have taken advantage of the special exemptions applicable to small Companies.

K.D. CAZALY
(Secretary)



Approved by the Board: 17 October 1994

THE MORPETH GOLF CLUB (1992) LTD.**AUDITORS REPORT TO THE MEMBERS OF THE MORPETH GOLF CLUB (1992) LTD.**

We have audited the accounts on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective Responsibilities of Directors and Auditors

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

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient, reliable and relevant evidence to give reasonable assurance that the accounts are free from material mis-statements, 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 accounts.

Opinion

In our opinion, the accounts give a true and fair view of the state of the Company's affairs as at 31 August 1994 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985, applicable to small companies.


HERBERT ARMSTRONG & CO.

CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

32a Newgate Street
Morpeth
Northumberland
NE61 1BA

19 October 1994

THE MORPETH GOLF CLUB (1992) LTD.
INCOME AND EXPENDITURE ACCOUNT FOR YEAR ENDED 31 AUGUST 1994

£	1993	£	INCOME	£	1994	£
			REFRESHMENTS			
112,244			Bar Sales			110,410
	7,034		Less: Stock at 31 August 1993	4,503		
	<u>69,513</u>		Purchases	<u>73,760</u>		
	76,547			78,263		
<u>72,044</u>	<u>4,503</u>		Less: Stock at 31 August 1994	<u>8,324</u>		<u>69,939</u>
40,200			Gross Profit on Refreshments			40,471
			SUBSCRIPTIONS			
	157,201		Annual	164,037		
172,650	<u>15,449</u>		Entrance	<u>5,546</u>		169,583
			OTHER INCOME			
1,869			Locker Rents			1,684
27,668			Green Fees			27,413
524			Telephone Receipts			513
	6,855		Gaming Machines	4,776		
4,402	<u>2,453</u>		Less: Gaming Machine rental	<u>1,388</u>		3,388
1,363			Billiards			1,504
250			Donations received			—
1,709			Advance Discounts Written Off			1,635
3,327			Investment Interest			2,537
2,329			Whitbread - Bank Interest Subsidy			1,823
7,255			Pro Am/Open Competitions			7,057
<u>2,400</u>			Catering Franchise			<u>2,200</u>
265,946						259,808
			DEFICIT FOR YEAR (1994)			6,246
			Applied as follows			
			Transfer to Revenue Account	<u>6,246</u>		
<u>265,946</u>						<u>266,054</u>

THE MORPETH GOLF CLUB (1992) LTD.
INCOME AND EXPENDITURE ACCOUNT FOR YEAR ENDED 31 AUGUST 1994

£	1993	£	EXPENDITURE	£	1994	£
			GREENS			
	49,003		Groundsmen's Wages	55,836		
	1,350		Pension Contributions	1,470		
	7,133		Repairs to Equipment etc.	9,629		
	20,784		Course Maintenance	23,821		
	2,487		Petrol, Oil and Licences	1,577		
88,104	<u>7,347</u>		Depreciation and Hire Purchase Interest	<u>14,245</u>	106,578	
			HOUSE			
	30,271		Wages - Bar	31,110		
	7,248		Wages - Cleaning	7,800		
	180		Pension Contributions	540		
	3,202		Gas	2,659		
	8,492		Electricity	8,872		
	4,695		Cleaning Materials and Laundry	4,036		
	708		Security Charges	3,452		
	5,741		Bar Maintenance etc.	4,555		
	12,559		Repairs and Renewals to Equipment	8,144		
83,467	<u>10,371</u>		Property Repairs and Depreciation	<u>10,408</u>	81,576	
			GENERAL			
	14,807		Rent, Rates Etc.	15,882		
	2,338		Professional Charges	3,508		
	8,861		Insurance, Licences and Fees	9,214		
	3,006		Water Rates	1,930		
	4,125		Professional Retainer	4,256		
	20,502		Secretarial Wages and Pensions	22,563		
	4,655		Telephone and Postage	4,255		
	6,056		Printing, Stationery and Advertising	6,360		
	175		Computer Software	—		
	2,788		Sundry Expenses	4,577		
	1,468		English Union of Golf Clubs	1,878		
	3,714		Bank Charges and Interest	2,575		
	610		Junior Expenses	764		
<u>73,295</u>	<u>190</u>		Loan Interest - Tetley	<u>138</u>	<u>77,900</u>	
244,866					266,054	
21,080			SURPLUS FOR YEAR (1993)		—	
			APPLIED AS FOLLOWS:			
	20,000		Transfer to Reserve Fund	—		
	<u>1,080</u>		Transfer to Revenue Account	—		
<u>265,946</u>					<u>266,054</u>	

**THE MORPETH GOLF CLUB (1992) LTD.
BALANCE SHEET AS AT 31 AUGUST 1994**

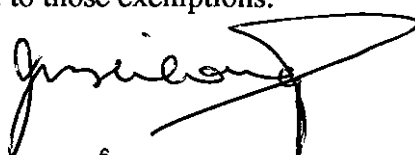
1993		Notes	£ 1994	£
	FIXED ASSETS			
	TANGIBLE ASSETS	2		
38,466	Property Improvements			34,619
26,850	Course Buildings and Improvements			44,789
<u>16,480</u>	Plant and Equipment			<u>31,188</u>
<u>81,796</u>				110,596
	CURRENT ASSETS			
4,503	Bar Stock		8,324	
2,548	Brewery Investments (Federation)		48	
1,041	Prepayments		400	
<u>88,701</u>	Cash at Bank and in hand		<u>52,178</u>	
<u>96,793</u>			<u>60,950</u>	
	CREDITORS (Amounts Falling Due Within One Year)			
4,285	Hire Purchase Instalments		10,236	
4,567	Bank Loan Repayments		4,567	
<u>35,089</u>	Other Creditors	3	<u>35,896</u>	
<u>43,941</u>			<u>50,699</u>	
<u>52,852</u>				<u>10,251</u>
<u>134,648</u>	NETT CURRENT ASSETS			<u>120,847</u>
	TOTAL ASSETS LESS CURRENT LIABILITIES			
	CREDITORS (Amounts Falling Due After More Than One Year)			
11,352	Hire Purchase Account (Balance)		12,992	
17,176	Bank Loan Account (Balance)		13,546	
3,245	Brewery Loan Account (Tetley)		2,383	
<u>21,169</u>	Brewery Advance Discounts	4	<u>16,466</u>	
<u>52,942</u>				<u>45,387</u>
<u>£81,706</u>				<u>75,460</u>
	CAPITAL AND RESERVES			
60,626	Morpeth Golf Club Accumulated Reserves	5		60,626
20,000	Reserve Fund			20,000
<u>1,080</u>	Revenue Account	6		<u>(5,166)</u>
<u>£81,706</u>				<u>£75,460</u>

The Directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the Company is entitled to those exemptions.

Signed on behalf of the Board of Directors

J.C. BILCLOUGH

Approved By the Board: 17 October 1994



THE MORPETH GOLF CLUB (1992) LTD.
NOTES TO THE ACCOUNTS YEAR ENDED 31st AUGUST 1994

1. ACCOUNTING POLICIES

(a) **Basis of Accounting**

These accounts have been prepared under the historical cost convention.

(b) **Stocks**

Bar stocks are valued, in accordance with professional valuers reports, at the lower of cost and net realisable value.

(c) **Fixed Assets and Depreciation**

Fixed assets are stated at cost or valuation less accumulated depreciation.

Valuation represents balances on the accounts of Morpeth Golf Club at 31 August 1992. The Board are satisfied that these values are reasonable.

Additions during the year are stated at cost.

Depreciation is provided at rates calculated to write down the assets to their estimated residual values over the course of their expected useful life.

The rates of depreciation used are as follows:-

Property improvements	10% p.a.	(Reducing Balance)
Course buildings and improvements	5% p.a.	(Reducing Balance)
Plant and equipment	25% p.a.	(Reducing Balance)

(d) **Cash Flow**

The accounts do not include a cash flow statement, because the Company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash Flow Statements'.

2. TANGIBLE FIXED ASSETS

	Property Improvements	Course Buildings & Improvements	Plant & Equipment
Cost or Valuation			
As at 1 September 1993	42,739	28,263	21,974
Additions at cost	—	20,296	25,104
As at 31 August 1994	<u>42,739</u>	<u>48,559</u>	<u>47,078</u>
Depreciation			
As at 1 September 1993	4,273	1,413	5,494
Provision for year	3,847	2,357	10,396
As at 31 August 1994	<u>8,120</u>	<u>3,770</u>	<u>15,890</u>
Net Book Value			
As at 31 August 1994	<u>34,619</u>	<u>44,789</u>	<u>31,188</u>
As at 31 August 1993	<u>38,466</u>	<u>26,850</u>	<u>16,480</u>

THE MORPETH GOLF CLUB (1992) LTD.
NOTES TO THE ACCOUNTS YEAR ENDED 31 AUGUST 1994

3. OTHER CREDITORS	1994	1993
	£	£
Trade creditors — Bar	6,545	5,989
Other creditors	540	1,219
Value Added Tax	1,643	4,254
PAYE and NIC	2,632	2,276
Accruals	15,100	11,971
Pro-Am competitions	<u>9,436</u>	<u>9,380</u>
	<u>£35,896</u>	<u>35,089</u>

4. BREWERY ADVANCE DISCOUNTS		
Carlsberg Tetley	4,623	4,628
Bass	10,444	11,274
Federation	—	3,071
Whitbread	<u>1,399</u>	<u>2,196</u>
	<u>£16,466</u>	<u>21,169</u>

5. MORPETH GOLF CLUB ACCUMULATED RESERVES

At a Special General Meeting of Morpeth Golf Club held on 22 July 1992 a resolution was passed that all the assets, tangible or intangible, of the Club shall vest in The Morpeth Golf Club (1992) Ltd. The balance of £60,626 represents the Accumulated Reserves of Morpeth Golf Club at 31 August 1992 which have been transferred to the Company.

6. REVENUE ACCOUNT	£
Balance as at 1 September 1993	1,080
Deficit for year	<u>(6,246)</u>
Balance as at 31 August 1994	<u>£(5,166)</u>

7. VALUE ADDED TAX

Following changes in legislation, a claim is being formulated for submission to HM Customs and Excise which will result in a refund. At this stage, it has not been possible to accurately quantify the amounts involved and no provision has been made in these accounts for any refund.