

**Report of the Directors and
Financial Statements for the Year Ended 31 March 2002
for
BEARWOOD LAKES GOLF CLUB PLC**

200379



BEARWOOD LAKES GOLF CLUB PLC

**Company Information
for the Year Ended 31 March 2002**

DIRECTORS:

D Newling Ward
R Wilson
S Newling Ward
J S Evans

SECRETARY:

L Furnell

REGISTERED OFFICE:

Keepers Cottage
Bearwood Road
Sindlesham
Near Wokingham
Berkshire
RG41 4SJ

REGISTERED NUMBER:

2931379

AUDITORS:

Churchmill Partnership
Chartered Accountants
and Registered Auditors
Churchmill House
Ockford Road
Godalming
Surrey GU7 1QY

BEARWOOD LAKES GOLF CLUB PLC

Report of the Directors for the Year Ended 31 March 2002

The directors present their report with the financial statements of the company for the year ended 31 March 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of providing Bearwood Lakes Golf Club with the golf course and clubhouse together with ancillary facilities and everything reasonable for the carrying on of the business of the club in accordance with its objects and club rules.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The directors expect the company to continue to trade successfully.

DIVIDENDS

The loss on ordinary activities after taxation was £(12,281) (2001 profit - £53,010) which will be transferred to reserves. The directors are unable to recommend the payment of a dividend.

FUTURE DEVELOPMENTS

The directors expect the company to continue to trade successfully.

DIRECTORS

The directors during the year under review were:

D Newling Ward
R Wilson
S Newling Ward
J S Evans – appointed 1.4.01

D Newling Ward holds one share of the company.

None of the other directors had any direct beneficial interest in the share capital of the company other than through their shareholdings in Ward Wilson Investments Limited which is the ultimate parent undertaking and 99.9% shareholder of the company. The interests of the directors in Ward Wilson Investments Limited are disclosed in the accounts of the ultimate parent undertaking.

SUPPLIER PAYMENT POLICY

The company's policy is to agree terms of payment with its suppliers and to settle accounts in accordance with its contractual and legal obligations.

FIXED ASSETS

Information on changes in tangible fixed assets are given in note 6 to the accounts.

STATEMENT OF 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 profit or loss 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.

BEARWOOD LAKES GOLF CLUB PLC

**Report of the Directors
for the Year Ended 31 March 2002**

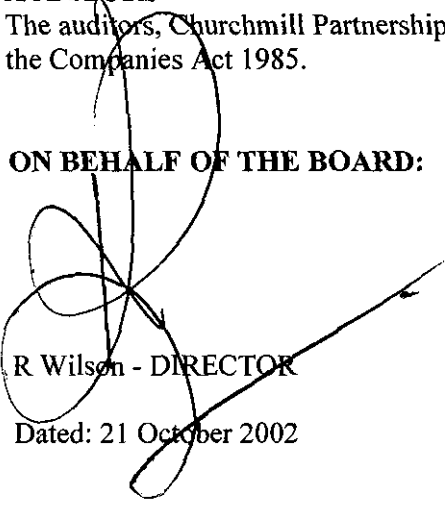
STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

AUDITORS

The auditors, Churchmill Partnership, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



R Wilson - DIRECTOR

Dated: 21 October 2002

BEARWOOD LAKES GOLF CLUB PLC

Report of the Independent Auditors to the Shareholders of Bearwood Lakes Golf Club Plc

We have audited the financial statements of Bearwood Lakes Golf Club Plc for the year ended 31 March 2002 on pages five to twelve. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page three the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Report of the Directors is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

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

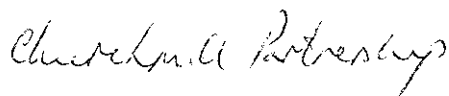
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 as at 31 March 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Churchmill Partnership
Chartered Accountants
and Registered Auditors
Churchmill House
Ockford Road
Godalming
Surrey GU7 1QY

Dated: 21st October 2002

BEARWOOD LAKES GOLF CLUB PLC

**Profit and Loss Account
for the Year Ended 31 March 2002**

		<u>31.3.02</u>	<u>31.3.01</u>
	Notes	£	£
TURNOVER		1,890,366	1,733,569
Cost of sales		<u>481,234</u>	<u>406,110</u>
GROSS PROFIT		1,409,132	1,327,459
Administrative expenses		<u>1,374,487</u>	<u>1,271,940</u>
OPERATING PROFIT	3	34,645	55,519
Interest payable and similar charges	4	<u>46,926</u>	<u>2,509</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(12,281)	53,010
Tax on (loss)/profit on ordinary activities	5	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(12,281)	53,010
Deficit brought forward		<u>(1,379,386)</u>	<u>(1,432,396)</u>
DEFICIT CARRIED FORWARD		<u>£(1,391,667)</u>	<u>£(1,379,386)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

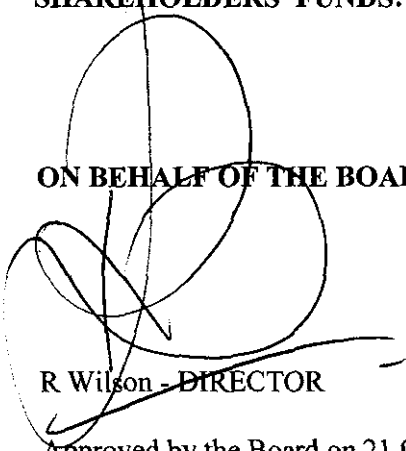
The notes form part of these financial statements

BEARWOOD LAKES GOLF CLUB PLC

Balance Sheet 31 March 2002

		31.3.02	31.3.01
	Notes	£	£
FIXED ASSETS:			
Tangible assets	6	3,860,183	3,684,088
CURRENT ASSETS:			
Stocks	7	103,225	88,477
Debtors	8	81,787	84,050
Cash at bank and in hand		<u>124,128</u>	<u>111,448</u>
		309,140	283,975
CREDITORS: Amounts falling due within one year	9	<u>676,030</u>	<u>661,745</u>
NET CURRENT LIABILITIES:		<u>(366,890)</u>	<u>(377,770)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>£3,493,293</u>	<u>£3,306,318</u>
CREDITORS: Amounts falling due after more than one year			
Bank Loans	10	650,000	507,500
Debentures	10	3,678,246	3,678,246
Amounts owed to group undertakings	10	457,186	393,308
Other	10	<u>87,027</u>	<u>94,149</u>
		<u>4,872,459</u>	<u>4,673,203</u>
CAPITAL AND RESERVES:			
Called up share capital	13	12,501	12,501
Profit and loss account		<u>(1,391,667)</u>	<u>(1,379,386)</u>
SHAREHOLDERS' FUNDS:	18	<u>£(1,379,166)</u>	<u>£(1,366,885)</u>
		<u>£ 3,493,293</u>	<u>£ 3,306,318</u>

ON BEHALF OF THE BOARD:


R Wilson - DIRECTOR

Approved by the Board on 21 October 2002

The notes form part of these financial statements

BEARWOOD LAKES GOLF CLUB PLC

Notes to the Financial Statements for the Year Ended 31 March 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The principal accounting policies are set out below.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents golf club joining fees and subscriptions plus amounts received in respect of golf shop and clubhouse sales excluding value added tax. Golf club joining fees are recognised in full on acceptance of membership whilst subscriptions are recognised over the period to which the subscription relates. All income arises in the United Kingdom.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	- 100 years
Equipment	- 4 years, 5 years and 10 years

Stocks

Stocks, representing goods for resale, are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Leases

Operating lease rentals are charged to the profit and loss account as incurred.

Cash flow statement

The company has taken advantage of the exemptions within Financial Reporting Standard Number 1, and has not presented a cash flow statement, as its cash flows are included in the consolidated statement of its ultimate parent undertaking.

Related party transaction

The company has taken advantage of the exemptions within Financial Reporting Standard Number 8, and has not disclosed inter-group transactions as it is owned 99.9% by its parent company.

BEARWOOD LAKES GOLF CLUB PLC

Notes to the Financial Statements for the Year Ended 31 March 2002

2. STAFF COSTS

	31.3.02	31.3.01
	£	£
Wages and salaries	663,635	562,148
Social security costs	<u>38,677</u>	<u>31,083</u>
	<u>702,312</u>	<u>593,231</u>

The average monthly number of employees during the year was as follows:

31.3.02	31.3.01
<u>62</u>	<u>55</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.3.02	31.3.01
	£	£
Depreciation - owned assets	175,928	167,513
Profit on disposal of fixed assets	(1,117)	(5,302)
Auditors' remuneration	4,530	4,500
Operating lease rentals - land and buildings	<u>-</u>	<u>227,382</u>
Directors' emoluments	<u>12,000</u>	<u>12,000</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.3.02	31.3.01
	£	£
Bank interest	377	2,509
Bank loan interest	<u>46,549</u>	<u>-</u>
	<u>46,926</u>	<u>2,509</u>

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2002 nor for the year ended 31 March 2001.

BEARWOOD LAKES GOLF CLUB PLC

Notes to the Financial Statements for the Year Ended 31 March 2002

6. TANGIBLE FIXED ASSETS

	Leasehold property	Equipment	Totals
	£	£	£
COST:			
At 1 April 2001	3,508,770	1,157,941	4,666,711
Additions	174,682	184,638	359,320
Disposals	-	(11,785)	(11,785)
	<u>3,683,452</u>	<u>1,330,794</u>	<u>5,014,246</u>
At 31 March 2002			
DEPRECIATION:			
At 1 April 2001	209,330	773,293	982,623
Charge for year	54,174	121,754	175,928
Eliminated on disposals	-	(4,488)	(4,488)
	<u>263,504</u>	<u>890,559</u>	<u>1,154,063</u>
At 31 March 2002			
NET BOOK VALUE:			
At 31 March 2002	<u>3,419,948</u>	<u>440,235</u>	<u>3,860,183</u>
At 31 March 2001	<u>3,299,440</u>	<u>384,648</u>	<u>3,684,088</u>

7. STOCKS

	31.3.02	31.3.01
	£	£
Goods held for resale	<u>103,225</u>	<u>88,477</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.02	31.3.01
	£	£
Trade debtors	42,066	12,094
Other debtors	<u>39,721</u>	<u>71,956</u>
	<u>81,787</u>	<u>84,050</u>

Debentures are recognised at gross receivable value at the date of issue.

BEARWOOD LAKES GOLF CLUB PLC

Notes to the Financial Statements for the Year Ended 31 March 2002

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.02 £	31.3.01 £
Bank loans and overdrafts (see note 11)	100,000	112,500
Trade creditors	85,594	103,186
Hire purchase	-	17,760
Subscriptions in advance	399,778	391,435
Accruals	<u>90,658</u>	<u>36,864</u>
	<u>676,030</u>	<u>661,745</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.02 £	31.3.01 £
Bank loans (see note 11)	650,000	507,500
Debentures	3,678,246	3,678,246
Deferred income - life membership	87,027	94,149
Amounts owed to group undertakings	<u>457,186</u>	<u>393,308</u>
	<u>4,872,459</u>	<u>4,673,203</u>

Each debenture represents an unsecured obligation of the company and is issued for a period of 99 years. The debentures are redeemable at par by the debenture holder, if desired, after 30 years. The earliest redemption date is 6 December 2024. In accordance with Financial Reporting Standard Number 4 - Capital Instrument costs of £44,500 associated with the issues of the above debentures have been deducted from the proceeds. These costs are being amortised ratably over a 30 year period. Debenture holders have the right to nominate individuals, including themselves, to membership and to vote at the Annual General Meeting of the golf club. Debenture holders have no voting interest in the company.

BEARWOOD LAKES GOLF CLUB PLC

Notes to the Financial Statements for the Year Ended 31 March 2002

11. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.3.02 £	31.3.01 £
Amounts falling due within one year or on demand:		
Bank loans	<u>100,000</u>	<u>112,500</u>
Amounts falling due between two and five years:		
Bank loans	<u>650,000</u>	<u>507,500</u>

12. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.02 £	31.3.01 £
Bank loans	<u>750,000</u>	<u>620,000</u>

The loans are secured by an unscheduled mortgage debenture incorporating a fixed and floating charge and a first legal mortgage over Bearwood Lakes Golf Club.

13. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.3.02	31.3.01
			£	£
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>
Allotted and issued:				
Number:	Class:	Nominal value:	31.3.02	31.3.01
			£	£
50,000	Share capital	£1	<u>12,501</u>	<u>12,501</u>

14. ULTIMATE PARENT COMPANY

The ultimate parent company is Ward Wilson Investments Limited, a company registered in England.

Copies of the financial statements of Ward Wilson Investments Limited may be obtained from Keepers Cottage, Bearwood Road, Wokingham, Berkshire, RG41 4SJ.

BEARWOOD LAKES GOLF CLUB PLC

Notes to the Financial Statements for the Year Ended 31 March 2002

15. CONTINGENT LIABILITIES

At 31 March 2001, the company's parent undertaking, Ward Wilson Investments Limited had a bank borrowing facility of which the company was co-guarantor of £150,000.

16. CAPITAL COMMITMENTS

	31.3.02	31.3.01
	£	£
Contracted but not provided for in the financial statements	<u>44,710</u>	<u>118,577</u>

17. OTHER FINANCIAL COMMITMENTS

The Company leases the golf course land and buildings from Wilson Ward Investments Ltd at a basic rent of £15,000 per annum plus an annual turnover rent. The Company also has a sales, marketing and management agreement with Southern Golf Management Ltd for a further 4 years.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.3.02	31.3.01
	£	£
(Loss)/Profit for the financial year	<u>(12,281)</u>	<u>53,010</u>
Net (reduction)/addition to shareholders' funds	(12,281)	53,010
Opening shareholders' funds	<u>(1,366,885)</u>	<u>(1,419,895)</u>
Closing shareholders' funds	<u>(1,379,166)</u>	<u>(1,366,885)</u>
 Equity interests	 <u>(1,379,166)</u>	 <u>(1,366,885)</u>