



# Financial Statements Wentworth Senior Masters Limited

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For the Year Ended 31 December 2007



Company No. 3357239

## Company information

Company registration number	3357239
Registered office	Wentworth Drive Virginia Water Surrey GU25 4LX
Directors	S N Christie A S Dungworth G C O'Grady J D S Small A K Stubbs K R Waters
Secretary	J Orr
Bankers	Barclays Bank plc 28 George Street Luton Bedfordshire LU1 2AE
Solicitors	Harbottle and Lewis LLP Hanover House 14 Hanover Square London W1S 1HP
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors Churchill House Chalvey Road East Slough Berkshire SL1 2LS

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## Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2007

### Principal activity

The company is principally engaged in staging and organising the Wentworth Senior Masters golf tournament

### Results and dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements

The directors have not recommended a dividend

### Directors

The directors who served the company during the year were as follows

S N Christie  
A S Dungworth  
G C O'Grady  
J D S Small  
A K Stubbs  
K R Waters

### Directors' responsibilities

The directors are responsible for preparing 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 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 estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records 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.

## Report of the directors (continued)

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

### Auditor

Grant Thornton UK LLP have expressed their willingness to continue in office. In accordance with s485(4) of the Companies Act 2006 a resolution to reappoint Grant Thornton UK LLP as auditor will be proposed at the annual general meeting.

### Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

ON BEHALF OF THE BOARD



Director

14th August 2008

## Report of the independent auditor to the members of Wentworth Senior Masters Limited

We have audited the financial statements of Wentworth Senior Masters Limited for the year ended 31 December 2007 which comprise the principal accounting policies, profit and loss account, balance sheet and notes 1 to 15. 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 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 auditor

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

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 report of the directors 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 report of the directors and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of 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 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.

## Report of the independent auditor to the members of Wentworth Senior Masters Limited (continued)

### 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 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the report of the directors is consistent with the financial statements



GRANT THORNTON UK LLP  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
LONDON THAMES VALLEY OFFICE  
SLOUGH

22 August 2008

## Principal accounting policies

### Basis of preparation

The financial statements have been prepared under the historical cost convention

In view of the fact that the loans used to fund the business are provided by the shareholders and that there is no obligation for repayment except out of available surpluses, the directors are of the view that the preparation of the financial statements on the going concern basis is appropriate. The shareholders have confirmed their intention to continue to provide financial support to the company for at least twelve months from the date of approval of these financial statements.

The principal accounting policies of the company remain unchanged from the previous year and are set out below.

The directors have reviewed the accounting policies adopted by the company and consider them to be the most appropriate.

### Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (Revised 1996) 'Cash Flow Statements' from including a cash flow statement in the financial statements on the grounds that the company is a small company.

### Turnover

Turnover is the total amount receivable by the company for the staging and organisation of the Wentworth Senior Masters golf tournament, excluding VAT and trade discounts. Revenue is recognised on the accruals basis in the year that the event it relates to takes place.

### Deferred taxation

Deferred tax is recognised on all timing differences where transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured on an undiscounted basis using rates of tax that have been enacted or substantively enacted by the balance sheet date.



## Profit and loss account

	Note	2007 £	2006 £
Turnover	1	471,977	460,498
Cost of sales		(452,594)	(531,466)
Gross profit/(loss)		19,383	(70,968)
Other operating charges	2	(4,945)	(4,511)
<b>Operating profit/(loss)</b>	3	14,438	(75,479)
Interest receivable and similar income	5	2,902	752
<b>Profit/(loss) on ordinary activities before taxation</b>	1	17,340	(74,727)
Tax on profit/(loss) on ordinary activities	6	(573)	-
<b>Profit/(loss) for the financial year</b>	11	16,767	(74,727)

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

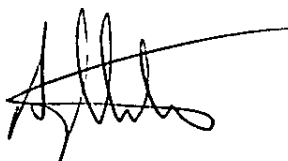
## Balance sheet

	Note	2007 £	2006 £
<b>Current assets</b>			
Debtors	7	21,457	8,090
Cash at bank		181,246	88,985
		<u>202,703</u>	<u>97,075</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(423,316)</u>	<u>(334,455)</u>
<b>Total assets less current liabilities</b>		<u>(220,613)</u>	<u>(237,380)</u>
<b>Creditors: amounts falling due after more than one year</b>	9	<u>(771,251)</u>	<u>(771,251)</u>
<b>Net liabilities</b>		<u>(991,864)</u>	<u>(1,008,631)</u>
<b>Capital and reserves</b>			
Called-up share capital	10	2	2
Profit and loss account	11	<u>(991,866)</u>	<u>(1,008,633)</u>
<b>Shareholders' deficit</b>	12	<u>(991,864)</u>	<u>(1,008,631)</u>

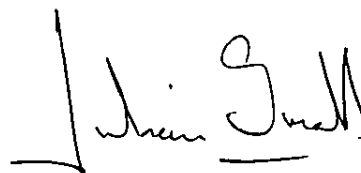
These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These financial statements were approved by the directors on 14<sup>th</sup> August 2008 and are signed on their behalf by

Director



Director



## Notes to the financial statements

### 1 Turnover and profit/(loss) on ordinary activities before taxation

The turnover and profit/(loss) on ordinary activities before taxation are attributable to the principal activity as described in the report of the directors and derived entirely from within the United Kingdom

### 2 Other operating charges

	2007 £	2006 £
Administrative expenses	<u>4,945</u>	<u>4,511</u>

### 3 Operating profit/(loss)

Operating profit/(loss) is stated after charging

	2007 £	2006 £
Auditor's remuneration		
Audit fees	2,715	2,500
Non-audit fees	<u>2,050</u>	<u>1,600</u>

### 4 Directors and employees

The company had no employees (2006 none) during the year other than the directors. No director received any remuneration (2006 £nil) for their services to the company.

### 5 Interest receivable and similar income

	2007 £	2006 £
Bank interest receivable	<u>2,902</u>	<u>752</u>

## Notes to the financial statements (continued)

### 6 Taxation on profit/(loss) on ordinary activities

	2007 £	2006 £
Current tax	573	-
Tax on profit/(loss) on ordinary activities	<u>573</u>	<u>-</u>

Unrelieved tax losses of approximately £486,760 (2006 £473,205) remain available to offset against future trading profits

These losses result in a deferred tax asset of £97,352, however this has not been recognised as the ultimate realisation of this asset is uncertain

#### Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the small company rate of corporation tax in the UK of 20% (2006 19%)

	2007 £	2006 £
Profit/(loss) on ordinary activities before taxation	<u>17,340</u>	<u>(74,727)</u>
Profit/(loss) on ordinary activities multiplied by the small company rate of corporation tax	3,468	(14,198)
Effect of		
Expenses not deductible for tax purposes	1,172	1,334
Group relief	-	3,994
Tax losses carried forward	-	8,870
Utilisation of tax losses	(4,060)	-
Effect of change in tax rate	(7)	-
Total current tax	<u>573</u>	<u>-</u>

### 7 Debtors

	2007 £	2006 £
Trade debtors	-	-
Amounts owed by related undertakings	1,131	972
Other debtors	<u>20,326</u>	<u>7,118</u>
	<u>21,457</u>	<u>8,090</u>

## Notes to the financial statements (continued)

### 8 Creditors amounts falling due within one year

	2007 £	2006 £
Trade creditors	17,543	4,265
Amounts owed to related undertakings	326,290	220,097
Corporation tax	573	-
Accruals and deferred income	78,910	110,093
	<u>423,316</u>	<u>334,455</u>

### 9 Creditors amounts falling due after more than one year

	2007 £	2006 £
Loans from related undertakings	<u>771,251</u>	<u>771,251</u>

### 10 Share capital

#### Authorised share capital

	2007 £	2006 £
500 'A' Ordinary shares of £1 each	500	500
500 'B' Ordinary shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>

#### Allotted, called up and fully paid

	2007		2006	
	No	£	No	£
'A' Ordinary shares of £1 each	1	1	1	1
'B' Ordinary shares of £1 each	1	1	1	1
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Both the 'A' and 'B' Ordinary shareholders have the right to elect their own representatives onto the Board of Directors. Apart from this the 'A' and 'B' Ordinary shares are identical and rank *pari passu* in all respects.

## Notes to the financial statements (continued)

### 11 Profit and loss account

	2007 £	2006 £
Balance brought forward	(1,008,633)	(933,906)
Profit /(loss) for the financial year	<u>16,767</u>	<u>(74,727)</u>
Balance carried forward	<u>(991,866)</u>	<u>(1,008,633)</u>

### 12 Reconciliation of movements in shareholders' deficit

	2007 £	2006 £
Profit/(loss) for the financial year	16,767	(74,727)
Opening shareholders' deficit	<u>(1,008,631)</u>	<u>(933,904)</u>
Closing shareholders' deficit	<u>(991,864)</u>	<u>(1,008,631)</u>

### 13 Capital commitments

The company had no capital commitments at 31 December 2007 or 31 December 2006

### 14 Contingent liabilities

There were no contingent liabilities at 31 December 2007 or 31 December 2006

## Notes to the financial statements (continued)

### 15 Related party transactions

Wentworth Senior Masters Limited is a joint venture between PGA European Tour Limited and Wentworth Club Limited. The company is controlled by its board of directors. PGA European Tour Productions Limited is a joint venture between PGA European Tour Limited and a non-related company.

During the year, the company entered into transactions with its joint venture partners and PGA European Tour Productions Limited on normal commercial terms, except for the fact that payment is made only when sufficient funds are available, which are classified as related party transactions under the definitions given in Financial Reporting Standard No. 8 'Related Party Disclosures'.

The aggregate amount of such transactions entered into during the year by type of transaction was as follows:

	Sales to related parties 2007 £	Sales to related parties 2006 £	Purchases from related parties 2007 £	Purchases from related parties 2006 £
PGA European Tour	96,298	10,000	342,385	383,061
Wentworth Club Limited	250,000	250,000	37,127	34,400
PGA European Tour Productions Limited	-	-	12,500	12,500

Balances due to and from related parties at 31 December 2007 and 31 December 2006 are shown in notes 7, 8 and 9. None of these balances incur interest.