THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2014
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

<table>
<thead>
<tr>
<th>Directors</th>
<th>G A Yates Esq (Chairman)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>D P Joy Esq (Chief Executive)</td>
</tr>
<tr>
<td></td>
<td>M H Berriman</td>
</tr>
<tr>
<td></td>
<td>D A Croxton Esq</td>
</tr>
<tr>
<td></td>
<td>J C Hanratty CVO OBE</td>
</tr>
<tr>
<td></td>
<td>Dr A M Jones Esq</td>
</tr>
<tr>
<td></td>
<td>C W Legg Esq</td>
</tr>
<tr>
<td></td>
<td>C A Wagstaff Esq</td>
</tr>
<tr>
<td></td>
<td>J M Walker</td>
</tr>
<tr>
<td></td>
<td>I J Watkins Esq</td>
</tr>
<tr>
<td></td>
<td>J D R Weir Esq</td>
</tr>
<tr>
<td></td>
<td>L W Wilson Esq</td>
</tr>
<tr>
<td></td>
<td>J E Wright</td>
</tr>
</tbody>
</table>

| Company secretary | C A Wagstaff Esq |

| Registered number | 05564018 |

| Registered office | The National Golf Centre |
|                  | The Broadway |
|                  | Woodhall Spa |
|                  | Lincolnshire |
|                  | LN10 6PU |

<p>| Independent auditors | haysmacintyre |
|                      | 26 Red Lion Square |
|                      | London |
|                      | WC1R 4AG |</p>
<table>
<thead>
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</thead>
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<td>8</td>
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<td>Consolidated Cash Flow Statement</td>
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</tr>
<tr>
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<td>10 - 23</td>
</tr>
</tbody>
</table>
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2014

As the National Governing Body for amateur golf the principal activity of the company is the promotion, administration and encouragement of amateur golf in England.

The financial statements consolidate the results of England Golf and the trading entity of the National Golf Centre, Woodhall Spa Golf Management 2005 Limited for the 14 months ended 31 December 2014. The Board approved the extension of the Accounting Reference Period to help align income, administration and planning years. The consequence for this period being that effectively two months additional costs are included with only marginal extra income being reflected.

The group pre-tax surplus for the period was £231,000 compared to £809,000 for the year to 31 October 2013. The England Golf proportion of this pre-tax surplus was £136,000 compared to £769,000 for the year to 31 October 2013.

The results for England Golf are approximately £193,000 better than expected with budgeted income largely being achieved but cost savings and underspends within Championships and Performance budgets helping to contribute to the favourable outcome. The trading operation at Woodhall Spa had a very good trading period with a pre-tax surplus for the period of £96,000 compared to £40,000 for the year to 31 October 2013. This was £125,000 better than budget and was achieved with both increased revenues in all departments and cost savings originally established in 2013.

The group balance sheet reflects reserves of £4,560,000 of which £1,435,000 are deemed as being the Special Projects Fund. During the period the Voting Members authorised expenditure from the Fund over the next three years with around £550,000 of the fund remaining as uncommitted. The Board having previously established a desire to retain minimum reserves of around £2,500,000 have invested a similar level of funds within an externally managed portfolio on a balanced investment mandate offering income returns and growth above inflation returns.

The principal source of income remains affiliation fees and during the year an increase of £1 to £8.25 was approved for 2016 onwards. Affiliation numbers fell by around 5% in 2014 as a result of a continuing decline in club membership and a rule change around payment of fees for members of more than one club.

Funding from Sport England in respect of Performance and Development for the period 2013-2017 is guaranteed, however full funding is conditional upon the achievement of targets and the most strategic challenges facing the sport will be the maintenance of participation as well as arresting the decline in membership. Although numbers are expected to continue to fall in 2015, programmed activity and budgets are focused around arresting the decline and the proposed increase in fees will allow the continuation of such activity.

This report was approved by the board on 3 March 2015 and signed on its behalf.

G A Yates Esq (Chairman)
Director
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2014

The directors present their report and the financial statements for the 14 month period ended 31 December 2014.

Results

The surplus for the period, after taxation, amounted to £207,175 (2013 - £757,024).

Directors

The directors who served during the period were:

G A Yates Esq (Chairman)
D P Joy Esq (Chief Executive)
D A Basham Esq (resigned 12 February 2014)
M H Berriman
D A Croxton Esq
N J Evans Esq (resigned 12 February 2014)
Dr A M Jones Esq
C W Legg (appointed 12 February 2014)
T D Leece Esq (resigned 12 February 2014)
C A Wagstaff Esq
J M Walker
J J Watkins Esq (appointed 12 February 2014)
J D R Weir Esq
L W Wilson Esq (appointed 12 February 2014)
J E Wright
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2014

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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). 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 the group 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

Auditors

The auditors, haysmacintyre, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 3 March 2015 and signed on its behalf.

G A Yates Esq (Chairman)
Director
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGLISH GOLF UNION LIMITED

We have audited the financial statements of The English Golf Union Limited for the period ended 31 December 2014, set out on pages 6 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 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

As explained more fully in the Directors' Responsibilities Statement, 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 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 group's and the parent company's affairs as at 31 December 2014 and of the group's surplus for the period then ended;
- have been properly prepared in accordance with United Kingdom 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 Group Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF THE ENGLISH GOLF UNION LIMITED

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Jeremy Beard (Senior Statutory Auditor)

for and on behalf of
haysmacintyre
Statutory Auditors
26 Red Lion Square
London
WC1R 4AG
3 March 2015
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>14 months to 31 December 2014</th>
<th>£</th>
<th>12 months to 31 October 2013</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INCOME</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure</td>
<td>1,2</td>
<td>10,349,671</td>
<td>9,352,554</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(10,204,459)</td>
<td>(8,652,707)</td>
<td></td>
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<tr>
<td>OPERATING SURPLUS</td>
<td>3</td>
<td>145,212</td>
<td>699,847</td>
<td></td>
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<tr>
<td>Income from other fixed asset investments</td>
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<td>46,355</td>
<td>19,325</td>
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<tr>
<td>Profit on disposal of investments</td>
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<td>27,227</td>
<td>6,703</td>
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<tr>
<td>Interest receivable and similar income</td>
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<td>12,414</td>
<td>82,729</td>
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<td>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</td>
<td>11</td>
<td>231,208</td>
<td>808,604</td>
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<tr>
<td>Tax on surplus on ordinary activities</td>
<td>12</td>
<td>(24,033)</td>
<td>(51,580)</td>
<td></td>
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<tr>
<td>SURPLUS FOR THE FINANCIAL PERIOD</td>
<td>17</td>
<td>207,175</td>
<td>757,024</td>
<td></td>
</tr>
</tbody>
</table>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Income and Expenditure Account.

The notes on pages 10 to 23 form part of these financial statements.
# THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05564018

# CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>31 December 2014 £</th>
<th>31 October 2013 £</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
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<tr>
<td>FIXED ASSETS</td>
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<td>Tangible assets</td>
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<td>Investments</td>
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<td>2,664,628</td>
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<td></td>
<td></td>
<td>3,797,674</td>
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<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
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<tr>
<td>Stocks</td>
<td>9</td>
<td>98,063</td>
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<tr>
<td>Debtors</td>
<td>10</td>
<td>249,900</td>
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<tr>
<td>Investments</td>
<td>11</td>
<td>1,754,649</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>11</td>
<td>800,383</td>
</tr>
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<td></td>
<td></td>
<td>2,902,995</td>
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<tr>
<td>CREDITORS: amounts falling due within one year</td>
<td>12</td>
<td>(1,678,071)</td>
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<tr>
<td>NET CURRENT ASSETS</td>
<td></td>
<td>1,224,924</td>
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<tr>
<td>TOTAL ASSETS LESS CURRENT LIABILITIES</td>
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<td>5,022,596</td>
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<tr>
<td>PROVISIONS FOR LIABILITIES</td>
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<td></td>
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<tr>
<td>Deferred tax</td>
<td>13</td>
<td>(112,147)</td>
</tr>
<tr>
<td>Other provisions</td>
<td>14</td>
<td>(350,000)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(462,147)</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>12</td>
<td>4,560,451</td>
</tr>
<tr>
<td>RESERVES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital reserve</td>
<td>16</td>
<td>366,310</td>
</tr>
<tr>
<td>Special projects fund</td>
<td>16</td>
<td>1,435,196</td>
</tr>
<tr>
<td>Income and expenditure account</td>
<td>16</td>
<td>2,758,945</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4,560,451</td>
</tr>
</tbody>
</table>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 March 2015.

G A Yates Esq (Chairman)
Director

The notes on pages 10 to 23 form part of these financial statements.
THE ENGLISH GOLF UNION LIMITED  
(A Company Limited by Guarantee)  
REGISTERED NUMBER: 05564018

COMPANY BALANCE SHEET  
AS AT 31 DECEMBER 2014

<table>
<thead>
<tr>
<th></th>
<th>31 December 2014</th>
<th>31 October 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
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<tr>
<td>Tangible assets</td>
<td>7</td>
<td>223,687</td>
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<td>Investments</td>
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<td>2,664,630</td>
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<td></td>
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<td>2,888,317</td>
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<tr>
<td><strong>CURRENT ASSETS</strong></td>
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<tr>
<td>Stocks</td>
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<td>76,906</td>
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<tr>
<td>Debtors</td>
<td>10</td>
<td>181,391</td>
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<tr>
<td>Investments</td>
<td>11</td>
<td>1,754,649</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>744,927</td>
<td>961,613</td>
</tr>
<tr>
<td></td>
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<td>2,680,967</td>
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<tr>
<td><strong>CREDITORS:</strong> amounts falling due within one year</td>
<td>12</td>
<td>(2,343,865)</td>
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<tr>
<td></td>
<td></td>
<td>(1,875,589)</td>
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<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
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<td>337,102</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS LESS CURRENT LIABILITIES</strong></td>
<td>3,225,419</td>
<td>3,099,228</td>
</tr>
<tr>
<td><strong>PROVISIONS FOR LIABILITIES</strong></td>
<td></td>
<td>(350,000)</td>
</tr>
<tr>
<td>Other provisions</td>
<td>14</td>
<td>(350,000)</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>2,875,419</td>
</tr>
<tr>
<td><strong>RESERVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special projects fund</td>
<td>16</td>
<td>1,435,196</td>
</tr>
<tr>
<td>Income and expenditure account</td>
<td>16</td>
<td>1,440,223</td>
</tr>
<tr>
<td></td>
<td>17</td>
<td>2,875,419</td>
</tr>
</tbody>
</table>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 March 2015.

G A Yates Esq (Chairman)  
Director

The notes on pages 10 to 23 form part of these financial statements.
THE ENGLISH GOLF UNION LIMITED  
(A Company Limited by Guarantee)

CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 31 DECEMBER 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Net cash flow from operating activities</td>
<td>18</td>
<td>1,162,522</td>
</tr>
<tr>
<td>Returns on investments and servicing of finance</td>
<td>19</td>
<td>58,769</td>
</tr>
<tr>
<td>Taxation</td>
<td></td>
<td>(1,560)</td>
</tr>
<tr>
<td>Capital expenditure and financial investment</td>
<td>19</td>
<td>(2,166,663)</td>
</tr>
<tr>
<td><strong>CASH OUTFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES</strong></td>
<td></td>
<td>(946,932)</td>
</tr>
<tr>
<td>Management of liquid resources</td>
<td>19</td>
<td>745,351</td>
</tr>
<tr>
<td><strong>DECREASE IN CASH IN THE PERIOD</strong></td>
<td></td>
<td>(201,581)</td>
</tr>
</tbody>
</table>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE PERIOD ENDED 31 DECEMBER 2014

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Decrease in cash in the period</td>
<td></td>
<td>(201,581)</td>
</tr>
<tr>
<td>Cash (inflow)/outflow from (increase)/decrease in liquid resources</td>
<td></td>
<td>(745,351)</td>
</tr>
<tr>
<td><strong>CHANGE IN NET DEBT RESULTING FROM CASH FLOWS</strong></td>
<td></td>
<td>(946,932)</td>
</tr>
<tr>
<td>(Realisation)/Purchase of short term unlisted investments</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td><strong>MOVEMENT IN NET DEBT IN THE PERIOD</strong></td>
<td></td>
<td>(946,932)</td>
</tr>
<tr>
<td>Net funds at 1 November 2013</td>
<td></td>
<td>3,501,964</td>
</tr>
<tr>
<td><strong>NET FUNDS AT 31 DECEMBER 2014</strong></td>
<td></td>
<td>2,555,032</td>
</tr>
</tbody>
</table>

The notes on pages 10 to 23 form part of these financial statements.
1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Basis of consolidation

The financial statements consolidate the accounts of The English Golf Union Limited and its subsidiary undertaking, Woodhall Spa Golf Management 2005 Limited. In addition the consolidated accounts include the English Women's Golf Association, in which merger accounting principles have been used.

1.3 Income

Income comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax.

Affiliation fees are accounted for on a receivable basis.

Subscription income is accounted for in the period to which it relates.

Grant and sponsorship income is recognised when the related expenditure is committed in line with the related grant or sponsorship criteria. Where grant income is received and not spent, it is included within deferred income.

All other income is recognised when the goods or services are supplied.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Leasehold property improvements - 6.67% straight line
- Plant and machinery - 6.67-25% straight line
- Motor vehicles - 25% straight line
- Fixtures and fittings - 6.67-25% straight line
- Course irrigation system - 4% straight line
- Trademarks - 10% straight line

1.5 Investments

(i) Subsidiary undertakings
Investments in subsidiaries are valued at cost less provision for impairment.

(ii) Other investments
Investments held as fixed assets are shown at cost less provision for impairment.
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES (continued)

1.6 Operating leases

Rentals under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.9 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the funds in respect of the period.

1.10 Pension provision

The group has a contractual obligation to provide a former Chief Executive with a supplementary pension following retirement.

The obligation for the pension remains within the group and the financial statements include a provision for the future payments which has been discounted to its net present value. Changes in estimates and assumptions in respect of the obligation together with the unwinding of the discount rate and any payments made, are included in the income and expenditure account.

2. INCOME

Income relates to the principal activities described in note 1.3

All income arose within the United Kingdom.
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2014

3. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

The surplus on ordinary activities before taxation is stated after charging/(crediting):

<table>
<thead>
<tr>
<th></th>
<th>14 months to 31 December 2014</th>
<th>12 months to 31 October 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Depreciation of tangible fixed assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- owned by the group</td>
<td>212,935</td>
<td>183,173</td>
</tr>
<tr>
<td>Auditors’ remuneration</td>
<td>25,250</td>
<td>24,350</td>
</tr>
<tr>
<td>Operating lease rentals:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- plant and machinery</td>
<td>158,681</td>
<td>128,615</td>
</tr>
<tr>
<td>- other operating leases</td>
<td>69,368</td>
<td>65,380</td>
</tr>
<tr>
<td>Surplus on sale of investments</td>
<td>(27,227)</td>
<td>(6,703)</td>
</tr>
<tr>
<td>(Surplus)/Deficit on disposal of tangible fixed assets</td>
<td>(1,746)</td>
<td>4,573</td>
</tr>
<tr>
<td>Pension costs</td>
<td>180,081</td>
<td>125,855</td>
</tr>
</tbody>
</table>

4. STAFF COSTS

Staff costs, including directors’ remuneration, were as follows:

<table>
<thead>
<tr>
<th></th>
<th>14 months to 31 December 2014</th>
<th>12 months to 31 October 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>2,710,881</td>
<td>2,141,983</td>
</tr>
<tr>
<td>Social security costs</td>
<td>242,635</td>
<td>197,157</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>180,081</td>
<td>125,855</td>
</tr>
<tr>
<td></td>
<td>3,133,597</td>
<td>2,464,995</td>
</tr>
</tbody>
</table>

The average monthly number of employees, including the directors, during the period was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>51</td>
<td>50</td>
</tr>
<tr>
<td>Golf Operations</td>
<td>38</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>89</td>
<td>92</td>
</tr>
</tbody>
</table>
5. DIRECTORS’ REMUNERATION

<table>
<thead>
<tr>
<th></th>
<th>14 months to 31 December 2014</th>
<th>12 months to 31 October 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration</td>
<td>£215,008</td>
<td>£136,040</td>
</tr>
<tr>
<td>Company pension contributions to defined contribution pension schemes</td>
<td>14,145</td>
<td>8,400</td>
</tr>
</tbody>
</table>

During the period retirement benefits were accruing to 2 directors (2013 - 2) in respect of defined contribution pension schemes.

The highest paid directors remuneration for the period ended 31 December 2014 was £125,750. Pension contributions in relation to the highest paid director amounted to £8,321 for the period ended 31 December 2014.

6. TAXATION

<table>
<thead>
<tr>
<th>Analysis of tax charge in the period/year</th>
<th>14 months to 31 December 2014</th>
<th>12 months to 31 October 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax (see note below)</td>
<td>£11,326</td>
<td>£3,500</td>
</tr>
<tr>
<td>Adjustments in respect of prior periods</td>
<td>£(1,940)</td>
<td>£(1,420)</td>
</tr>
<tr>
<td>Total current tax</td>
<td>£9,386</td>
<td>£2,080</td>
</tr>
<tr>
<td>Deferred tax (see note 13)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Origination and reversal of timing differences</td>
<td>£14,647</td>
<td>£49,500</td>
</tr>
<tr>
<td>Tax on profit on ordinary activities</td>
<td>£24,033</td>
<td>£51,580</td>
</tr>
</tbody>
</table>
6. TAXATION (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period and prior year is lower than the standard rate of corporation tax in the UK of 20% (2013 - 20%). The differences are explained below:

<table>
<thead>
<tr>
<th></th>
<th>14 months to 31 December 2014</th>
<th>12 months to 31 October 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit on ordinary activities before tax</td>
<td>231,208</td>
<td>808,604</td>
</tr>
<tr>
<td>Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 20%)</td>
<td>46,242</td>
<td>161,721</td>
</tr>
<tr>
<td><strong>Effects of:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital allowances for period/year in excess of depreciation</td>
<td>(21,168)</td>
<td>(37,689)</td>
</tr>
<tr>
<td>Adjustments to tax charge in respect of prior periods</td>
<td>(1,940)</td>
<td>(1,420)</td>
</tr>
<tr>
<td>Capital gains</td>
<td>2,557</td>
<td>-</td>
</tr>
<tr>
<td>Unrelieved tax losses carried forward</td>
<td>(3,398)</td>
<td>-</td>
</tr>
<tr>
<td>Other differences leading to an increase (decrease) in the tax charge</td>
<td>3,396</td>
<td>1,667</td>
</tr>
<tr>
<td>Activities not taxable</td>
<td>(16,303)</td>
<td>(122,199)</td>
</tr>
<tr>
<td><strong>Current tax charge for the period/year (see note above)</strong></td>
<td>9,386</td>
<td>2,080</td>
</tr>
</tbody>
</table>
7. TANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th>Group</th>
<th>Leasehold property improvements £</th>
<th>Plant and machinery £</th>
<th>Motor vehicles £</th>
<th>Fixtures and fittings £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 November 2013</td>
<td>225,150</td>
<td>1,664,905</td>
<td>17,645</td>
<td>643,286</td>
<td>2,550,986</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>126,277</td>
<td>-</td>
<td>50,591</td>
<td>176,868</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(42,715)</td>
<td>(10,500)</td>
<td>(9,667)</td>
<td>(62,882)</td>
</tr>
<tr>
<td>At 31 December 2014</td>
<td>225,150</td>
<td>1,748,467</td>
<td>7,145</td>
<td>684,210</td>
<td>2,664,972</td>
</tr>
</tbody>
</table>

| Depreciation                 |                                   |                       |                  |                         |          |
| At 1 November 2013           | 90,050                            | 818,343               | 13,976           | 457,817                 | 1,379,986|
| Charge for the period        | 17,500                            | 114,612               | 1,070            | 79,753                  | 212,935  |
| On disposals                 | -                                 | (42,211)              | (9,324)          | (9,460)                 | (60,995) |
| At 31 December 2014          | 107,550                           | 890,744               | 5,722            | 527,910                 | 1,531,926|

| Net book value               |                                   |                       |                  |                         |          |
| At 31 December 2014          | 117,600                           | 857,723               | 1,423            | 156,300                 | 1,133,046|
| At 31 October 2013           | 135,100                           | 846,562               | 3,669            | 185,669                 | 1,171,000|

<table>
<thead>
<tr>
<th>Company</th>
<th>Leasehold property improvements £</th>
<th>Motor vehicles £</th>
<th>Fixtures and fittings £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 November 2013</td>
<td>225,150</td>
<td>17,645</td>
<td>222,489</td>
<td>465,284</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>21,984</td>
<td>21,984</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(10,500)</td>
<td>(9,667)</td>
<td>(20,167)</td>
</tr>
<tr>
<td>At 31 December 2014</td>
<td>225,150</td>
<td>7,145</td>
<td>234,806</td>
<td>467,101</td>
</tr>
</tbody>
</table>

| Depreciation                 |                                   |                  |                         |          |
| At 1 November 2013           | 90,050                            | 13,976           | 86,429                  | 190,455  |
| Charge for the period        | 17,500                            | 1,070            | 53,173                  | 71,743   |
| On disposals                 | -                                 | (9,324)          | (9,460)                 | (18,784) |
| At 31 December 2014          | 107,550                           | 5,722            | 130,142                 | 243,414  |

| Net book value               |                                   |                  |                         |          |
| At 31 December 2014          | 117,600                           | 1,423            | 104,664                 | 223,687  |
| At 31 October 2013           | 135,100                           | 3,669            | 136,060                 | 274,829  |
8. FIXED ASSET INVESTMENTS

<table>
<thead>
<tr>
<th>Group</th>
<th>Listed investments £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost or valuation</strong></td>
<td></td>
</tr>
<tr>
<td>At 1 November 2013</td>
<td>643,972</td>
</tr>
<tr>
<td>Additions</td>
<td>2,742,729</td>
</tr>
<tr>
<td>Disposals</td>
<td>(722,073)</td>
</tr>
<tr>
<td><strong>At 31 December 2014</strong></td>
<td>2,664,628</td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
</tr>
<tr>
<td>At 31 December 2014</td>
<td>2,664,628</td>
</tr>
<tr>
<td>At 31 October 2013</td>
<td>643,972</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company</th>
<th>Investments in subsidiary companies £</th>
<th>Listed investments £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost or valuation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 November 2013</td>
<td>2</td>
<td>643,972</td>
<td>643,974</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>2,742,729</td>
<td>2,742,729</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(722,073)</td>
<td>(722,073)</td>
</tr>
<tr>
<td><strong>At 31 December 2014</strong></td>
<td></td>
<td>2,664,628</td>
<td>2,664,630</td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 December 2014</td>
<td>2</td>
<td>2,664,628</td>
<td>2,664,630</td>
</tr>
<tr>
<td>At 31 October 2013</td>
<td>2</td>
<td>643,972</td>
<td>643,974</td>
</tr>
</tbody>
</table>

**Listed investments**

The market value of the listed investments at 31 December 2014 was £2,735,853 (2013 - £698,794).

Details of the principal subsidiaries can be found under note number 24.
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2014

9. STOCKS

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 December</td>
<td>31 October</td>
</tr>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Greenkeeping</td>
<td>23,833</td>
<td>15,397</td>
</tr>
<tr>
<td>Food and beverage</td>
<td>12,813</td>
<td>15,467</td>
</tr>
<tr>
<td>Retail</td>
<td>61,417</td>
<td>151,395</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>98,063</td>
<td>182,259</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>76,906</td>
</tr>
</tbody>
</table>

10. DEBTORS

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 December</td>
<td>31 October</td>
</tr>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade debtors</td>
<td>58,933</td>
<td>145,221</td>
</tr>
<tr>
<td>Amounts owed by group undertakings</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other debtors</td>
<td>53,180</td>
<td>301,998</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>137,787</td>
<td>77,115</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>249,900</td>
<td>524,334</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>181,391</td>
</tr>
<tr>
<td></td>
<td></td>
<td>517,495</td>
</tr>
</tbody>
</table>

11. CURRENT ASSET INVESTMENTS

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 December</td>
<td>31 October</td>
</tr>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Treasury reserve deposits</td>
<td>1,754,649</td>
<td>2,500,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,754,649</td>
<td>2,500,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,754,649</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,500,000</td>
</tr>
</tbody>
</table>
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2014

12. CREDITORS:
   Amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th></th>
<th>Company</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 December</td>
<td>31 October</td>
<td>31 December</td>
<td>31 October</td>
</tr>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>162,207</td>
<td>312,424</td>
<td>120,838</td>
<td>251,723</td>
</tr>
<tr>
<td>Amounts owed to group undertakings</td>
<td>-</td>
<td>-</td>
<td>997,314</td>
<td>853,944</td>
</tr>
<tr>
<td>Corporation tax</td>
<td>11,326</td>
<td>3,500</td>
<td>11,326</td>
<td>3,500</td>
</tr>
<tr>
<td>Other taxation and social security</td>
<td>82,564</td>
<td>118,504</td>
<td>48,152</td>
<td>49,266</td>
</tr>
<tr>
<td>Other creditors and accruals</td>
<td>406,384</td>
<td>528,283</td>
<td>338,151</td>
<td>457,114</td>
</tr>
<tr>
<td>Deferred income</td>
<td>1,015,590</td>
<td>260,042</td>
<td>828,084</td>
<td>260,042</td>
</tr>
<tr>
<td></td>
<td>1,678,071</td>
<td>1,222,753</td>
<td>2,343,865</td>
<td>1,875,589</td>
</tr>
</tbody>
</table>

13. DEFERRED TAXATION

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th></th>
<th>Company</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 December</td>
<td>31 October</td>
<td>31 December</td>
<td>31 October</td>
</tr>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>At beginning of period/year</td>
<td>97,500</td>
<td>48,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Charge for the period</td>
<td>14,647</td>
<td>49,500</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>At end of period/year</td>
<td>112,147</td>
<td>97,500</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

The provision for deferred taxation is made up as follows:

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th></th>
<th>Company</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 December</td>
<td>31 October</td>
<td>31 December</td>
<td>31 October</td>
</tr>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Accelerated capital allowances</td>
<td>112,176</td>
<td>98,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tax losses brought forward</td>
<td>(29)</td>
<td>(500)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>112,147</td>
<td>97,500</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
14. PROVISIONS

Group and Company

At 1 November 2013 and 31 December 2014  
350,000

Pension provision

Under his contract of employment a previous Chief Executive had the benefit of a defined benefit pension plan with the company. An agreement was reached with him to fix the company's liability under the contract of employment by agreeing to pay a supplementary pension. This supplementary pension together with the expected annuity payable under the pension plan, will cap the company's liability at a lower level than would have been the case under the defined benefit pension plan. It has been decided, by the directors, to recognise an estimate of this future liability in the balance sheet of the company and reassess this provision on an annual basis.

On review of the provision as at 31 December 2014 by the directors the level of provision required was assessed to be appropriate and no changes (31 October 2013: no changes) to the provision were made.

The pension charge in note 21 includes payments made of £16,823 (2013 year: £13,990).

15. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

16. RESERVES

<table>
<thead>
<tr>
<th></th>
<th>Capital reserve £</th>
<th>Special projects fund £</th>
<th>Income and expenditure account £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 November 2013</td>
<td>366,310</td>
<td>1,670,562</td>
<td>2,316,404</td>
</tr>
<tr>
<td>Surplus for the financial period</td>
<td></td>
<td></td>
<td>207,175</td>
</tr>
<tr>
<td>Transfer between reserves</td>
<td>(235,366)</td>
<td></td>
<td>235,366</td>
</tr>
<tr>
<td>At 31 December 2014</td>
<td>366,310</td>
<td>1,435,196</td>
<td>2,758,945</td>
</tr>
</tbody>
</table>
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2014

16. RESERVES (continued)

Company
At 1 November 2013  1,670,562  1,078,666
Surplus for the financial period  126,191
Transfer between reserves  (235,366)  235,366

At 31 December 2014  1,435,196  1,440,223

17. RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS

<table>
<thead>
<tr>
<th></th>
<th>31 December</th>
<th>31 October</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>Group</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Opening members' funds</td>
<td>4,353,276</td>
<td>3,596,252</td>
</tr>
<tr>
<td>Surplus for the financial period/year</td>
<td>207,175</td>
<td>757,024</td>
</tr>
<tr>
<td><strong>Closing members' funds</strong></td>
<td><strong>4,560,451</strong></td>
<td><strong>4,353,276</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>31 December</th>
<th>31 October</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>Company</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Opening members' funds</td>
<td>2,749,228</td>
<td>2,012,285</td>
</tr>
<tr>
<td>Surplus for the financial period/year</td>
<td>126,191</td>
<td>736,943</td>
</tr>
<tr>
<td><strong>Closing members' funds</strong></td>
<td><strong>2,875,419</strong></td>
<td><strong>2,749,228</strong></td>
</tr>
</tbody>
</table>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure account.
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2014

18. NET CASH FLOW FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating surplus</td>
<td>145,212</td>
<td>699,847</td>
</tr>
<tr>
<td>Depreciation of tangible fixed assets</td>
<td>212,935</td>
<td>183,173</td>
</tr>
<tr>
<td>(Profit)/loss on disposal of tangible fixed assets</td>
<td>(1,746)</td>
<td>4,573</td>
</tr>
<tr>
<td>Decrease/(increase) in stocks</td>
<td>84,196</td>
<td>(19,704)</td>
</tr>
<tr>
<td>Decrease/(increase) in debtors</td>
<td>274,432</td>
<td>(69,747)</td>
</tr>
<tr>
<td>Increase/(decrease) in creditors</td>
<td>447,493</td>
<td>(644,883)</td>
</tr>
<tr>
<td><strong>Net cash inflow from operating activities</strong></td>
<td>1,162,522</td>
<td>153,259</td>
</tr>
</tbody>
</table>

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returns on investments and servicing of finance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>12,414</td>
<td>104,376</td>
</tr>
<tr>
<td>Income from investments</td>
<td>46,355</td>
<td>19,325</td>
</tr>
<tr>
<td><strong>Net cash inflow from returns on investments and servicing of finance</strong></td>
<td>58,769</td>
<td>123,701</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital expenditure and financial investment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of tangible fixed assets</td>
<td>(176,868)</td>
<td>(662,103)</td>
</tr>
<tr>
<td>Sale of tangible fixed assets</td>
<td>3,633</td>
<td>10,069</td>
</tr>
<tr>
<td>Purchase of listed investments</td>
<td>(2,742,729)</td>
<td>(46,213)</td>
</tr>
<tr>
<td>Sale of listed investments</td>
<td>749,301</td>
<td>46,247</td>
</tr>
<tr>
<td><strong>Net cash outflow from capital expenditure</strong></td>
<td>(2,166,663)</td>
<td>(652,000)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management of liquid resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Realisation/(Purchase) of current asset investments</td>
<td>745,351</td>
<td>(300,000)</td>
</tr>
</tbody>
</table>
THE ENGLISH GOLF UNION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2014

20. ANALYSIS OF CHANGES IN NET FUNDS

<table>
<thead>
<tr>
<th></th>
<th>1 November 2013</th>
<th>Cash flow</th>
<th>Other non-cash changes</th>
<th>31 December 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>1,001,964</td>
<td>(201,581)</td>
<td></td>
<td>800,383</td>
</tr>
<tr>
<td>Liquid resources:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current asset investments</td>
<td>2,500,000</td>
<td>(745,351)</td>
<td></td>
<td>1,754,649</td>
</tr>
<tr>
<td>Net funds</td>
<td>3,501,964</td>
<td>(946,932)</td>
<td></td>
<td>2,555,032</td>
</tr>
</tbody>
</table>

21. PENSION COMMITMENTS

The group operates defined contributions pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost in the year was £180,081 (2013: £125,855).

22. OPERATING LEASE COMMITMENTS

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

<table>
<thead>
<tr>
<th></th>
<th>31 December 2014</th>
<th>31 October 2013</th>
<th>31 December 2014</th>
<th>31 October 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and buildings</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Group</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expiry date:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within 1 year</td>
<td>-</td>
<td>-</td>
<td>16,698</td>
<td>15,552</td>
</tr>
<tr>
<td>Between 2 and 5 years</td>
<td>-</td>
<td>-</td>
<td>96,371</td>
<td>56,460</td>
</tr>
<tr>
<td>After more than 5 years</td>
<td>72,164</td>
<td>65,380</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

<table>
<thead>
<tr>
<th></th>
<th>31 December 2014</th>
<th>31 October 2013</th>
<th>31 December 2014</th>
<th>31 October 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and buildings</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expiry date:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within 1 year</td>
<td>-</td>
<td>-</td>
<td>16,698</td>
<td>15,552</td>
</tr>
<tr>
<td>Between 2 and 5 years</td>
<td>-</td>
<td>-</td>
<td>96,371</td>
<td>56,460</td>
</tr>
<tr>
<td>After more than 5 years</td>
<td>37,070</td>
<td>33,380</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Page 22
23. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption contained in FRS 8 and has not disclosed transactions or balances with wholly owned subsidiaries of the group.

At the period end, £822,271 (2013: £822,271) was payable by the company to English Women's Golf Association which merged with The English Golf Union Limited in 2012.

During the period the group paid £80,800 (2013: £69,130) in relation to rent payable for its offices and clubhouse facilities. This has been paid to Woodhall Spa Estate Management Company Limited, a company limited by guarantee, the guarantors of which are the 34 Men's County Golf Unions.

24. PRINCIPAL SUBSIDIARIES

<table>
<thead>
<tr>
<th>Company name</th>
<th>Country</th>
<th>Percentage Shareholding</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Woodhall Spa Golf Management 2005 Limited</td>
<td>United Kingdom</td>
<td>100</td>
<td>Management of golf courses and facilities that constitutes the National Golf Centre</td>
</tr>
</tbody>
</table>