

Company Registration No. 05090180
Charity Registration No. 1110733

**RYDER CUP EUROPEAN DEVELOPMENT
TRUST (A COMPANY LIMITED BY
GUARANTEE)**

Report and Financial Statements

For the year ended 31 December 2018

**RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY
GUARANTEE)**

REPORT AND FINANCIAL STATEMENTS 2018

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RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2018. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, and accordingly, exemption has been taken from preparing a Strategic Report.

Reference and administrative details

Charity number: 1110733

Company number: 05090180

Principal office: Hunters Lodge, Tamworth Road, Wishaw, Sutton Coldfield, B76 9PS

Auditor: Ernst and Young LLP, No. 1 Colmore Square, Birmingham, B4 6HQ.

Bankers: Lloyds Bank PLC, 2nd Floor, 125, Colmore Row, Birmingham B3 3ES

Solicitors: Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham, B3 2ES

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year-end were as follows:

K J Brown	- resigned 9 March 2018
A M Jones	- resigned 23 November 2018
L F Lindgren	
F L Kirsten	
J E Mannie	
K D Schofield	-appointed 20 November 2018
N M L Sorling	-resigned 20 November 2018
D R Weir	

Governing document

Ryder Cup European Development Trust is a company limited by guarantee governed by its original 2004 memorandum and consolidation into consistent Articles of Association in 2017. It is registered as a charity with the Charity Commission.

Appointment of trustees

As set out in the Articles of Association, the chairman of the trustees is nominated by The Professional Golfers' Associations of Europe Limited, the sole member of this charitable company. Four of the trustees, including the Chairman, are also nominated by The Professional Golfers' Associations of Europe Limited ("PGAs of Europe"). The trustees have the power to co-opt up to three further directors or trustees with particular interests or expertise.

Trustee induction and training

New trustees undergo an orientation to brief them on their legal obligations under charity and company law, the content of the Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction, undertaken by the Company Secretary, they meet and integrate with other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

A board of trustees of up to 7 members, who meet a minimum of twice per year, administers the charity. The Secretary is appointed by the trustees to manage fiscal and governance activity of the charity.

The trustees have delegated day to day management of the charity to the Chairman assisted by the Professional Golfers' Associations of Europe Limited, the sole member of the charity. Each credible project application is assessed by the Chairman or a selected external resource, who report on the suitability of the project to the main board of trustees, who then adjudicate as to whether formal financial support from the Trust should be made. Advice of approval of grants can only be issued by the Chairman or the Company Secretary and support staff of The Professional Golfers Association administer and monitor applications and projects, providing continual feedback to the board of trustees.

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)

Related parties

The charity's wholly owned subsidiary, Ryder Cup European Development Limited, was established to be a 20% member of Ryder Cup Europe LLP, and is in its thirteenth year of operation. Ryder Cup European Development Limited gift aids all of its profits to the charity (see note 3 to the accounts).

Risk management

The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The key financial issue is that the Trust should only commit formal fixed sums to approved charitable projects within the finite values generated by the Trust's wholly owned subsidiary from Ryder Cup home matches in Europe. The most recent home matches in France in September 2018 were concluded and the trustees are aware of the funds available to them until the next home matches in Italy in 2022. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

The principal non-financial risk to which the Trust is exposed is the risk of poor selection and monitoring of projects with the effect being that the charitable activities of the Trust are limited in terms of making a difference to the development of golf in Europe. The consequence of this risk would be the diversion of funds from European Ryder Cup matches away from the Trust in the future in favour of remitting the funds instead to a body that can use those funds more influentially.

In ensuring the charitable company has sufficient liquid resources to meet its liabilities as they fall due the trustees have reviewed in detail the charity's cash flow projections. As disclosed in note 1, the charity's only source of income, other than investment income, is amounts gift aided by its subsidiary, Ryder Cup European Development Limited. In turn, the only source of revenue of its subsidiary is profit distributions from Ryder Cup Europe LLP, in which Ryder Cup Development Limited is the third partner, from the hosting and staging of European Ryder Cup matches. Other than charitable donations, travel expenses, audit fees and other statutory charges the charity's cost base is minimal.

On this basis the trustees have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future. Accordingly they adopt the going concern basis in preparing the annual report and accounts.

Objectives and activities

The objectives of the charity, as described in the Articles of Association, are to promote community participation in healthy recreation in Europe, in particular by organising (or assisting in the organisation or provision of):

- providing golf coaching;
- providing golfing equipment;
- promoting golf competitions; and
- such other exclusively charitable objectives as the trustees may from time to time in their absolute discretion determine.

These remained the objectives of the charity throughout the financial year.

The Trust continues to seek worthy golfing projects in Europe that satisfy its objectives, and is in contact with the local Professional Golfers' Association ("PGA") and Golf Federations in each country (where such bodies exist) to take on further initiatives that could involve the Trust. Likely (but not exclusive) recipients of grants/donations are those institutions within the sport whose strategies are altruistic and long-term for the sport, including the encouragement of wider participation. The Trust and its objectives were promoted to the professional and amateur golfing institutions across Europe throughout 2018.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)

Achievements and performance

Grants/donations from the charity are intended as a catalyst for the development of golf in the selected European countries. It is not the intention that the grants/donations alone will achieve the objectives; local and third party funding is anticipated, in addition to the provision of guidance and experience from the Trust, its sole member, The Professional Golfers' Associations of Europe Limited and the members of that company, being larger PGA members.

2018 saw the underwriting of initiatives through its sole member on the development of golf and issues facing the 33 member European countries. The sole member (PGAs of Europe) continues its education programme across Europe (including its annual congress) from support received to date.

There were several new projects supported in 2018. These included supporting the 'Swedish Golf Federation', 'Scottish Golf Ltd' and 'GSA Golfsports GMBH'. There was also continued support for the Paul Lawrie Foundation, Golf and Health Project and the European Disabled Golf Association, as well as mentoring assistance provided in Czech Republic.

A variety of measures will be used to evaluate each Trust project over an extended period. These measures will be qualitative as well as quantitative. The trustees are satisfied with the general success of projects grant aided to date within the scope of funding available. Potential suitable projects are being identified in 2019.

Financial review

The charity at present only accrues funds by deed of covenant from its subsidiary, which is the third partner in Ryder Cup Europe LLP, which stages and manages the biennial Ryder Cup matches between Europe and the USA. The majority of profits of the charity's subsidiary are from the Ryder Cup, and such profits are dependent on home matches in Europe, which occur every four years. With the home match having been in Paris in September 2018, the Trust's subsidiary has recognised its share of the profits from that match in the 2018 financial statements and gift aided all of its profits to its charitable parent.

The receivable from the charity's subsidiary in relation to 2018 of £640,000 (2017 receivable: £nil) is as expected being at the end of the 4-year cycle. Seventeen European projects were grant aided in 2018 (see note 5 to the accounts) with repeat payments on these projects (only where appropriate) anticipated going forward to enable their sustainability as part of the Trust's objectives. A number of suitable projects are under consideration by the trustees at the date of this report. The funds of the Trust of £1,024,388 at 31 December 2018 (2017: £616,399) put the charity in an advantageous position to meet its objectives over the next year, at which point there is an expectation of further funding from the home match in Italy in 2022. During the current year the charity made charitable donations of £246,998 (2017: £127,702).

Investment powers and policy

Under the Articles of Association, the charity has the power to invest in any way the trustees wish.

The trustees, having regard to the liquidity requirements of the charity and to the reserves policy, have operated a policy of keeping available funds in an interest bearing deposit account and seek to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail prices index where possible.

Reserves policy

The trustees anticipate the charity's subsidiary making deed of covenant payments into the charity relating to profits it has earned from home Ryder Cup matches. The trustees intend to fund selected golfing projects to the level that these funds permit with careful project selection to avoid challenge, risk and liability. There is no intention to build up reserves; the trustees are aware that the next Ryder Cup home match is not until France in 2018 when there is an expectation of further funding. The actual reserves at 31 December 2018 were £1,024,388 (2017: £616,399).

Plans for future periods

The clear objectives of the Trust for golf in Europe, as outlined, will not change in future periods. The trustees intend to maximise the use of the finite funds available from 2014 with donations of sufficient size to make a difference in a given country but not too large to restrict either the volume of projects, or the number of countries, to which funds are granted.

Statement of Trustees' responsibilities in relation to the financial statements

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and Financial Reporting Standards.

Company law requires the trustees to prepare such financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) observe the methods and principles in the Charities SORP;
- (c) make judgments and estimates that are reasonable and prudent;
- (d) state whether applicable UK accounting standards have been followed; and
- (e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with company law, the charity's trustees certify that:

- so far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. Ernst and Young LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

By order of the trustees



Company Secretary

30 October 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE) (CONTINUED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYDER CUP EUROPEAN DEVELOPMENT TRUST

Opinion

We have audited the financial statements of Ryder Cup European Development Trust for the year ended 31 December 2018 which comprise Statement of Financial Activities, the Balance Sheet and the related notes 1 to 15, including a summary of significant accounting policies. 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), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report set out on pages 1-4, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE) (CONTINUED)

have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ▶ the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ The strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the directors' report included within the trustees' report.

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 or returns adequate for our audit have not been received from branches not visited by us; or
- ▶ the financial statements are not in agreement with the accounting records and returns; or
- ▶ certain disclosures of trustees' remuneration specified by law are not made; or
- ▶ we have not received all the information and explanations we require for our audit. or
- ▶ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the charitable company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY
GUARANTEE) (CONTINUED)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable 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 charitable 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.

*Stephen Kirk (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham*

Date:

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account)
Year ended 31 December 2018

	Note	2018 £	2017 £
Income from:			
Donations	3	683,159	-
Investments	4	1,746	1,156
Total		<u>684,905</u>	<u>1,156</u>
Expenditure on:			
Charitable activities and governance costs	5, 6	(276,916)	(146,037)
Total		<u>(276,916)</u>	<u>(146,037)</u>
Net income/(expenditure)		407,989	(144,881)
Net movement of funds in year		<u>407,989</u>	<u>(144,881)</u>
Reconciliation of funds			
Total funds brought forward		616,399	761,280
Total funds carried forward	12	<u><u>1,024,388</u></u>	<u><u>616,399</u></u>

There were no other recognised gains or losses other than those listed above and the net income for the year.

All income and expenditure derive from continuing activities and unrestricted funds.

The notes on pages 10 to 14 form an integral part of these financial statements.

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET

As at 31 December 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Investments	9	<u>1</u>	<u>1</u>
CURRENT ASSETS			
Debtors: Amounts falling due within one year	10	642,584	2,801
Current asset investments – bank deposits		256,323	254,577
Cash at bank and in hand		<u>172,589</u>	<u>377,467</u>
		1,071,496	634,845
CURRENT LIABILITIES			
Creditors falling due within one year	11	<u>(47,109)</u>	<u>(18,447)</u>
NET CURRENT ASSETS		<u>1,024,387</u>	<u>616,398</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,024,388</u>	<u>616,399</u>
NET ASSETS		<u>1,024,388</u>	<u>616,399</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds			
General	12	<u>1,024,388</u>	<u>616,399</u>

The financial statements have been prepared in accordance with the special provisions subject to the small companies regime within Part 15 of the Companies Act 2006, amended by statutory instrument SI 2015/980, and in accordance with the Financial Reporting Standard 102.

These financial statements of Ryder Cup European Development Trust (registered Company Registration number 05090180 and registered Charity Registration number 1110733) were approved by the trustees on 30 October 2019.

Signed on behalf of the trustees:



Trustee

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

Year ended 31 December 2018

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

The Ryder Cup European Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The charitable company is incorporated in the United Kingdom.

The charitable company has taken advantage of the exemption in Section 398 of Companies Act 2006 from preparing consolidated financial statements as it qualifies as a small group.

The charitable company has taken advantage of the exemption under the SORP, being a small charity, from presentation of a cash flow statement.

FRS 102 required the trustees to consider whether the accounting policies adopted in these financial statements are those judged to be the most appropriate to the charitable company's circumstances and reviewed regularly and changed as required. The trustees have reviewed the accounting policies and are satisfied that they are the most appropriate, have been consistently applied, and are also consistent with requirements of the Companies Act 2006, the Charities Act 2011 and accounting standards in the UK.

Going concern

The charity's activities, together with the factors likely to affect its future development, performance and position are set out in the report of the trustees on pages 1 to 4. The charity's only source of income, other than investment income, is amounts gift aided by its subsidiary Ryder Cup European Development Limited. In turn, the only source of revenue of its subsidiary is profit distributions from Ryder Cup Europe LLP, in which Ryder Cup European Development Limited is the third partner, from the hosting and staging of European Ryder Cup matches. Other than charitable donations, which are discretionary, travel expenses, audit fees and other statutory charges the charity's cost base is minimal.

As a consequence, the trustees believe that the charity is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Income

The charity primarily accrues funds by deed of covenant from its subsidiary, which is the third partner in Ryder Cup Europe LLP which stages and manages the biennial Ryder Cup matches between Europe and the USA. The primary income of the charity arises from its 20% stake in Ryder Cup Europe LLP, and such income is dependent on home matches in Europe, which occur every four years, the next home match being in France in 2018.

Investment income is recognised on a receivable basis.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Support costs consist entirely of governance costs which include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. Support costs relate entirely to charitable activities, and so are allocated accordingly.

Taxation

**RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY
GUARANTEE)**

NOTES TO THE ACCOUNTS

Year ended 31 December 2018

The company is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

Year ended 31 December 2018

1. ACCOUNTING POLICIES (CONTINUED)

Fund accounting

Funds held by the charity: *Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

2. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

3. INCOME FROM DONATIONS

The wholly owned trading subsidiary, Ryder Cup European Development Limited, which is incorporated in the United Kingdom, pays all of its profits to the charity by charitable donation under gift aid. Ryder Cup European Development Limited is a 20% partner in Ryder Cup Europe LLP, which is the entity responsible for the staging of the European Ryder Cup matches every four years. The charity owns the entire share capital of 1 ordinary share of £1.

A summary of the trading results is shown below:

	2018 £	2017 £
TURNOVER	747,787	-
Amount donated to parent charity	(640,000)	-
Interest received	-	29
Administrative expenses	(97,098)	15
Tax on loss/(profit) on ordinary activities	(2,026)	-
	<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	8,663	44
	<hr/>	<hr/>
Current assets	779,372	31,605
Current liabilities	(741,534)	(2,430)
	<hr/>	<hr/>
Total net assets	37,838	29,175
	<hr/>	<hr/>

Donations received in the year-ended 31 December 2018 of £683,159 (2017: £nil) are from Ryder Cup European Development Limited (£640,000) and an unrelated third party (£43,159).

4. INCOME FROM INVESTMENTS

All of the charity's investment income for both 2018 and 2017 arises from an interest-bearing deposit account.

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

Year ended 31 December 2018

5. EXPENDITURE ON CHARITABLE ACTIVITIES

During the year, the charity granted donations as follows:

	2018	2017
	£	£
European Disabled Golf Association	10,000	10,000
Golf and Health Project	30,000	10,000
Paul Lawrie Golf Foundation	6,000	8,000
Pravets Bulgaria	3,284	3,225
PGA of Bulgaria	-	685
PGA of Czech Republic	4,692	-
PGA of Estonia	-633	-
PGAs of Europe annual congress subsidy	36,743	28,043
PGAs of Europe educational programme	55,050	55,000
PGAs of Europe re: Czech Republic	590	-
PGAs of Europe re: Spain	4,938	1,263
PGAs of Europe re: Slovakia	-	32
PGAs of Europe re: Lithuania	-	675
PGAs of Europe re: Interleague Golf	1,791	1,821
PGA of Spain	13,451	-
PGA of Serbia	7,011	-
PGA of Norway	14,309	-
Robert Kalkman Foundation (Holland)	12,685	8,958
GSA Golfsports GMBH	23,944	-
Swedish Golf Federation	9,112	-
Scottish Golf Ltd	10,037	-
Ryder Cup 2018 Commercial	3,994	-
	<u>246,998</u>	<u>127,702</u>

The nature of the activities funded is explained in the Trustees' report. No grants or donations were made to individuals.

6. SUPPORT COSTS – GOVERNANCE COSTS

	2018	2017
	£	£
Administrational and travel expenses	14,364	12,320
Cost of trustee meetings	9,172	667
Audit services	4,140	4,500
Legal and professional expenses	-	848
General operating expenses	2,242	-
	<u>29,918</u>	<u>18,335</u>

Accounting services are provided by the Professional Golfers' Association free of charge which they consider to be of negligible value.

7. STAFF COSTS AND REMUNERATION

The charity had no employees during the year or the prior year and accordingly incurred no staff costs. The trustees received no remuneration during the year or the prior year in respect of their services to Ryder Cup European Development Trust. During the year, travel expenses of £2,316 (2017: £317) were paid by the charity in relation to 4 trustees (2017: 3).

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

Year ended 31 December 2018

8. MOVEMENT IN TOTAL FUNDS FOR THE YEAR

The movement in total funds for the year is stated after charging:

	2018 £	2017 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	4,140	4,500

There were no non-audit services provided by the auditor during the year (2017: £nil).

9. FIXED ASSET INVESTMENTS

	£
At 1 January 2018 and 31 December 2018	1

The charity owns 100% of the issued share capital of Ryder Cup European Development Limited, a company incorporated in England and Wales whose principal activity is to act as the third partner in Ryder Cup Europe LLP. The net assets of Ryder Cup European Development Limited at 31 December 2018 were £37,838 (2017: net assets £29,175) and the company's profit after tax for the year ended 31 December 2018 was £8,663 (2017: £44).

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Amounts owed by subsidiary (see note 13)	642,410	2,404
Other debtors	174	397
	<u>642,584</u>	<u>2,801</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Accruals and deferred income	30,708	8,059
Amount due to ultimate controlling party (see note 13)	16,401	10,388
	<u>47,109</u>	<u>18,447</u>

12. ANALYSIS OF CHARITABLE FUNDS

Analysis of unrestricted fund movements.

	General fund £
At 1 January 2018	616,399
Income	684,905
Expenditure	<u>(276,916)</u>
At 31 December 2018	<u>1,024,388</u>

RYDER CUP EUROPEAN DEVELOPMENT TRUST (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)

Year ended 31 December 2018

13. TRANSACTIONS WITH RELATED PARTIES

	Recharged in the year ended 31 December 2018 £	Balance due from/(to) 31 December 2018 £	Recharged in the year ended 31 December 2017 £	Balance due from/(to) 31 December 2017 £
The Professional Golfer's Associations of Europe Ltd	(120,569)	(16,401)	(99,563)	(10,388)
Deed of covenant from Ryder Cup European Development Limited	640,000	-	-	-
Expenses/donations with Ryder Cup European Development Limited	-	642,410	-	2,404
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14. CAPITAL COMMITMENTS

The charity had no capital commitments at 31 December 2018 (2017: £nil).

15. ULTIMATE CONTROLLING PARTY

In the opinion of the trustees, the ultimate controlling party of the charity is the charity's sole member, The Professional Golfers' Associations of Europe Limited, Company registration number: 2774749. A company incorporated in England and Wales, whose principal place of business is Hunters Lodge The Belfry Sutton Coldfield West Midlands England B76 9PS and whose financial statements may be obtained by writing to: Companies House, Crown Way, Cardiff, CF14 3UZ.

The principal activity of the company is to function as an Association of individual European country PGAs whose objective is to act as a support role to members on a business-to-business basis. The company strives to raise standards and opportunities collectively across Europe in the education and employment of golf professionals as well as representing member countries with governments and other legislative and influential bodies in the promotion of the game and the interests of professional golfers in general.

The Professional Golfers' Associations of Europe Limited exercises control through nomination of four trustees, including the chairman, who are directors of the charitable company.