

# 2020 Vision

## Strategic Business Plan For Waterford Golf Club



## 4 Year Plan 2017 – 2020

**Waterford Golf Club provides a quality golfing experience to all its members and visitors within a friendly and welcoming environment**

### The Course

We will provide excellent course conditions. We will continue to make year on year alterations in order to create interest and challenges for our Members.

### Golf

We will offer a variety of competitions suitable for all club Members to play in throughout the week and at weekends.

## 4 Drivers of Success

### Members & Visitors

Waterford Golf Club offers a welcoming environment which attracts new members and visitors alike. Revenue from Visitors will be utilized to improve the facilities for the benefit of all Members.

### Finance & Governance

There will be ongoing income generation and careful management of costs. This will help us to generate surplus funds which will be used to finance investment at both the course and our club facilities

## Our Scorecard – How we will Measure our Progress

- We will maintain a competitive membership Fee structure compared with local competition
- We will generate revenues of €450K pa minimum from Membership Sub Income, Net Competition Income and Green Fees
- We will seek to achieve a 90% Retention Rate for existing Adult Members @ annual Sub renewal.
- We will aim to recruit 36 New Members each year, & will seek to achieve a 66% Retention Rate at first renewal.
- We will invest €100K minimum in machinery replacement & course improvements by 2020

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## Executive Summary

This plan establishes a vision for Waterford Golf Club (WGC) and sets out the course of action to achieve this by 2020.

**Waterford Golf Club's vision** is to be recognised as the premier golf club in the locality providing an enjoyable golf and social experience for our Members and Visitors.

### Mission

WGC will be a great place to play golf and will be noted for its high standards of cuisine and service.

In common with all other Golf Clubs in the country, WGC has experienced a gradual reduction in its Membership base in recent years. This has had an obvious direct implications for our income from Membership Subs, and a material indirect impact on our income from Net Competition Income and Bar Sales.

Successive Boards have endeavoured to reduce our costs in response to falling Income in an effort to avoid the emergence of losses. Despite their best efforts, the business did incur trading losses for 8 successive years until year ended September 2015.

Because of the need to conserve cash during that difficult period, the replacement of our ageing machinery fleet was deferred, and long-term course maintenance / improvement expenditure was shelved. As was evidenced by the enforced closure of 5 holes in early 2017, we can no longer postpone important long-term course maintenance, if we want to offer year-round playability to our Members. In addition, the cost of maintaining and repairing our aged machinery is now showing material year-on-year increases.

Our long-term objective is to generate adequate Operating Surpluses to enable us replace all machinery on a timely basis. We have set ourselves challenging Income and Cost targets under the **4 Year Profit Forecast** which, if achieved, will enable us, over time, to fund that objective. But we do need time to deliver on those challenging targets. Unfortunately, we can no longer postpone the required investment in course maintenance and machinery replacement, whilst we await the projected increase in profitability

In the meantime, our key short-term financial challenge is to generate the necessary funds to address the twin demands of improving our course conditions and replacing our machinery.

As our current excess of income over expenditure is only barely adequate to service our existing financial commitments, we do not presently have the ability to fund the required expenditure from cashflow. Having reported losses in 8 of the last 9 trading periods, our Bankers are unwilling to provide further funding until we demonstrate our ability to trade profitably for two, or more, consecutive years.

Given the absence of realistic funding alternatives, we need to raise the required funds from Members. But, the Board does recognise the need to have a competitive Membership Fee structure, relative to neighbouring Clubs.

The Board now propose, subject to Member approval @ a forthcoming EGM, to generate the required funds through a combination of : -

- Increasing the annual Sub for all Adult Members by €25 pa, with effect from Jan 01 2018
- Converting the existing €50 Bar Levy to a Course Contribution, with effect from Jan 01 2018

In seeking the further financial support of its Members, the Directors make the following unambiguous commitment

All monies collected via **Course Contribution** will be ring-fenced , and will be used only for the purpose of financing the cost of either / all of the following

- machinery replacement
- long-term course improvements and
- Sanding Program.

Based on the current number of applicable Adult Members, we would expect to have an additional €37.5K pa available to invest in machinery / course improvement, which will guarantee our ability to deliver on our commitment to invest €100K min over the next 3 years, in addition to a €25K pa ongoing outlay on a Sanding Program

Given that the required increase in the annual Sub for each individual Members is a modest €25 pa, and given that the Board has committed that the Course Contribution can only be used to fund critically important expenditure, the Directors are confident that the Members will fully support the proposal

## **7 Core Areas**

A small Steering Group from the Board of Directors identified seven core areas to achieve the Club's mission as follows:

1. **Governance** - We aim is to ensure Waterford Golf Club is managed responsibly with an effective organisation structure
2. The **Course & Facilities** will be developed and maintained to compete with the best in the locality , to ensure that both Members and visitors enjoy the golf experience .
3. **Golf** - increased participation and an improvement in overall playing standards will be prioritised. A balance between competitive and social golf will be maintained.
4. **Financial** - We will manage the Club's finances prudently to ensure that we meet our existing commitments to staff, creditors and lenders
5. **Membership Retention & Growth** – WGC will retain existing members and recruit new members so as to maintain the Club's social vibrancy and financial viability.
6. **Communications & Marketing** - WGC will communicate with members and stakeholders to let them know what and when events are happening.

7. **Clubhouse & Social Affairs** - All Members, Guests and Visitors will enjoy a memorable experience in Waterford Golf Club

These **7 Core Areas** will provide Board Members with a clear focus and will guide and inform all decisions made by the Board.

Each Core Area will be allocated to an individual Board member who will assume responsibility for the implementation of agreed Action Steps.

## Introduction

Waterford Golf Club was founded in 1912. Two famous golfers who are members of the World Golf Hall of Fame designed this interesting and challenging course. The front 9 was designed by Willie Park twice British Open Champion 1887 & 1889, and the back 9 was designed by the great James Braid, five times British Open Champion 1901, 1905, 1906, 1908 & 1910.

This 18-hole parkland course, Par 71, is a gem on the outskirts of historic Waterford city. It is located north of the City in Co Kilkenny. The course and stylish clubhouse overlook Waterford, Ireland's oldest city. The views of the city and its landmarks, towers and steeples as well as the Suir valley are magnificent. In the west Slievenamon and the Comeragh Mountains as well as the spectacular new suspension bridge across the River Suir make a background of enduring splendour.

Golfers enjoy the diverse challenges of this old stylish course with interesting native turfgrass and woodland species which are well maintained by an environmentally conscious staff.

## SWOT Analysis

### Strengths

1. Long established Member owned Club with a distinguished record for over 105 years
2. Course designed by renowned British Open Champions Willie Parks and James Braid. Facilitates good pace of play and enables 18 holes to be played in close on 3.5 hours
3. Membership fees and visitor rates competitive with our peers in South-East Ireland.
4. Good reputation for competitive and social golf – many teams in competitions, Scratch cup, very active ladies, juniors, long handicap and Seanóirí sections; – friendly, welcoming & inclusive with members from diverse occupations.
5. Good facilities – course & clubhouse including bar & restaurant in accessible & scenic location
6. Professional golf shop with respected Golf Pro and practice area.

### Weaknesses

1. Membership numbers have dropped from 1096 in 09/07 to 737 in 09/16 and the aging structure has negative financial and golfing implications.
2. Significant under investment on course maintenance and development in the past necessitates considerable 'catch up' expenditure in the immediate future
3. Lack of long term planning.
4. Lack of succession planning has implications for Club sustainability
5. Communications and marketing need to be improved both internally and externally

### **Opportunities**

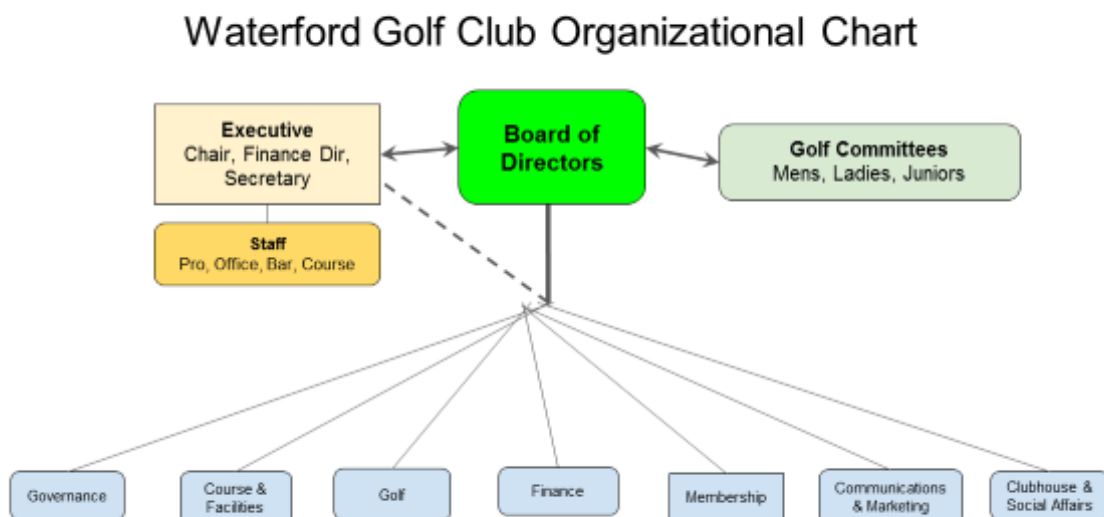
1. Increasing population in Ferrybank and Carrickpherish ; proposed redevelopment @ North Quays
2. Subject to securing both grant-aid approval and members support, establish Golf Academy to create new source of Revenue , and to attract new Members
3. Develop alliances with sports clubs, businesses, WIT, schools, Hospital, Hotels, corporation.
4. Recruit next generation of new members by promoting golf as a second sport for current playing members of local GAA, soccer and rugby clubs
5. Subject to ensuring adequate protection of our course boundary, consider options regarding sale or alternative use of landbank asset.

### **Threats**

1. Recent Claims History has resulted in material increase in insurance costs. Any further claims could make it difficult to get insurance cover.
2. Need to reduce our current over-dependence on Sub Income, which continues to show long-term reduction due to resignations at renewal dates and impact of age-related discounts as existing Members reach certain age thresholds.
3. CGI / ERSI Reports confirm that participation in golf has been gradually declining for many years
4. Competition from other golf clubs in Waterford area is likely to intensify, as ongoing financial pressures forces Clubs to offer discounted Subs to attract new Members, and to offer discounted Green Fee rates to maintain existing custom from Societies / Visitors
5. Could lose members from the Dunmore Road area due to traffic problems in the city

### New Structure

The Board has responsibility for running the business of the Club and the Men's, Ladies and Junior Committees deal with golfing matters.



A small Steering Group from the Board of Directors with assistance from Gordon Campbell from the Confederation of Golf in Ireland identified seven Core Areas to achieve the club's mission as follows:

- Governance
- Course & Facilities
- Golf
- Financial
- Membership Retention & Growth
- Communications & Marketing
- Clubhouse & Social Affairs

These **Core Areas** will focus the Board on ensuring the sustainability of the Club for the future. Each core area will be allocated to a Board member to implement and provide accountability to the members.

### Relevant Financial Background

In the 8 years to 09/15, the Club absorbed aggregate losses of €286K – see Appendix 3. Whilst we generated a modest profit in FY 09/16, our ongoing financial difficulty has inevitably resulted in reduced spending on course maintenance and delayed replacement of machinery.

Generating additional income to fund an increased expenditure on course maintenance and to finance the overdue replacement of our ageing machinery fleet will be directly addressed in this Business Plan.

The key financial challenge facing the Club is to arrest the long-term adverse trends which are affecting all Golf Clubs, not just Waterford GC

1. Gradual decline in Membership Numbers
2. The ongoing reduction in Sub Income, as Membership Numbers decline due to resignations, and as an ever-increasing percentage of retained Members qualify for age-related discounts
3. Year-on-year increases in most of our Operating Costs
4. Above-average year-on-year increases on 2 specific Operating Costs
  - a. Insurance, as a result of an unsatisfactory Claims History
  - b. Machinery Repair Costs, which will continue to show material year-on-year increases the longer we postpone the replacement of our ageing machinery fleet

In all of the Tables in subsequent Sections, we have included figures for year end 30 September 2007, in addition to the last 5 years, for 2 important reasons

1. Prior to Year Ended September 16, Year to September 07 was the last time that WGC reported a trading profit
2. Year ended September 07 predates the emergence of the economic downturn in Ireland, which has had a very material impact on business in general and the leisure industry in particular.

### Recent Membership Trends

Membership Numbers have reduced from 1096 @ 09/07 to 737 @ 09/16. But Student Members, Junior Members, Pavilion Members and Leave of Absence Members, , in aggregate, make a very modest contribution to overall Sub Income. The residual Members – Active Adult Members – are the golfers on whom the Club depends to generate its Sub Income

@ 30 September	2007	2012	2013	2014	2015	2016
Total Number of Members	1096	801	715	725	736	737
Deduct						
Student & Junior Members	78	101	74	55	67	91
Pavilion Members	23	31	37	40	41	38
Leave of Absence Members	40	35	26	6	7	16
Active Adult Members	955	634	578	624	621	592

But within those Adult Numbers, many Members receive discounts , because they qualify for one of the following :-

- Free Subs, having previously purchased Life Membership
- Free Subs, having been Members for 40 years prior to 2009
- Ongoing Discounted Sub , have reached certain age thresholds
- Discounted Sub for 12 months only , having been recruited as a New Member
- Country / Distance Membership Rate of €260

	2007	2012	2013	2014	2015	2016
Active Adult Members	955	634	578	624	621	592
Purchased Life Member	40	35	34	34	33	33
40 Year Member	54	42	42	42	42	37
Other Members, aged over 65		107	113	111	121	121
New Members				100	91	61
Country / Distance Members	4	6	14	27	29	23
Full & Associate Members	857	444	375	310	305	317

### Recent Financial Trends

In an effort to retain Members, the Full Sub was reduced by €151 over a 3 year period between 2013 and 2015. But, with falling Membership Numbers, a growing number of whom qualify for discounts, and lower Income per Full Member, it was inevitable that Sub Income would show material year-on-year reductions.

Year Ended 30 September	2007	2012	2013	2014	2015	2016
Sub Income	598	447	412	390	353	359
Year-on Year Reduction		25	35	22	37	
Year-on -Year Increase						6
Cumulative Reduction over 10 year period		151	186	208	245	239

**Total Income** has reduced by 42% since year ended September 2007

Year Ended 30 September	2007	2012	2013	2014	2015	2016
Sub Income	598	447	412	390	353	359
Other Golf-related Income ...see Appendix 5	166	101	93	94	94	73
Other Income Sources...see Appendix 5	3	3	-7	21	25	14
Total	767	551	498	505	472	446
Year-on Year Reduction		22	53		33	26
Year-on -Year Increase				7		
Cumulative Reduction over 10 year period		216	269	262	295	321

**Operating Costs**, excluding Depreciation and Bank Interest, have reduced from €636K in year ended 09/07 to €379K pa by 09/16

Year Ended 30 September	2007	2012	2013	2014	2015	2016
Operating Costs, exc Depreciation & Interest	636	520	465	508	367	379

**Operating Surpluses** ie Total Income – Operating Costs, which were €131K in year ended Sept 07 had evaporated by year ended Sept 14. Surpluses were restored to €105K in year ended September 15, after material cost reductions were achieved. But further reductions in Income in year to September 16 reduced surpluses to €76K. Based on existing Income and Cost trends, a further reduction will occur in the current year.

Year Ended 30 September	2007	2012	2013	2014	2015	2016
Operating Surpluses	131	31	33	-3	105	76
Year-on Year Reduction				36		29
Year-on -Year Increase		16	2		108	
Cumulative Reduction over 10 year period		100	98	134	26	55

### Estimated Out-turn for 12M to Sept 17

Based on actual figures for first 9 months and estimated figures for the final quarter, we are forecasting that Operating Surpluses will reduce from €75K in 12M to 09/16 to €41K in 12M to 09/17

	9M to June	3M to Sept	Year to 09/17	Year to 09/16
	Actual	Forecast	Estimated	Actual
Sub Income	318	20	338	359
Other Golf-related Income	50	43	93	73
Other Income Sources	16	2	18	14
<b>Total Income</b>	<b>384</b>	<b>65</b>	<b>449</b>	<b>446</b>
Operating Costs, exc Depreciation and Interest	314	94	408	371
<b>Operating Surpluses</b>	<b>70</b>	<b>-29</b>	<b>41</b>	<b>75</b>

After Depreciation, Interest and non-recurring Costs, we are likely to report a loss of approx €25K for the full year

Sub Income has been behind last year's level all year due to impact of the enforced closure of 5 holes, and a high level of resignation from Introductory Members as their entitlement to discounted rates expired

Main reasons for the €29K increase in Operating Costs are higher Insurance Premia, cost of long-term Sickness Leave, costs of other staff-related issues and cost of Phase 1 of the Sanding Programme @ €11.4K

### 4 Year Profit Forecast

Principal assumptions include :

1. Sub Income in 2018 will increase to 107% of 2016 figure, and will increase thereafter @ 5% pa
2. Other Golf-related Income will increase @ 10% pa
3. Other Existing Income Sources will increase by 10% pa
4. Ladies Section will contribute €3K pa from 2018 , increasing by min €1K pa , funded from its Net Competition Income
5. Variable Operating Costs ( approx 80% of Total ) will increase by 5% pa
6. Ongoing spend of €25K pa re Sanding Program

Year Ended 30 September	2016	2017	2018	2019	2020
	Actual	Estimated	Projected	Projected	Projected
Sub Income	359	338	384	403	423
Other Golf-related Income	73	93	102	112	123
Other Existing Income Sources	14	18	20	22	24
Contribution from Ladies Section			3	4	5
<b>Total Income</b>	<b>446</b>	<b>449</b>	<b>509</b>	<b>541</b>	<b>575</b>
Operating Costs	371	397	417	438	460
Sanding Program		11	25	25	25
Operating Surpluses	75	41	67	78	90

Note that Forecast excludes -

1. Impact of proposed Course Contribution to be added to Annual Sub Income for all Adult Categories, with effect from January 18
2. Contribution from proposed new Golf Academy, which is currently under active consideration. Will be progressed , assuming grant approval obtained , Member approval confirmed @ EGM and appropriate funding put in place
3. Depreciation and Interest Costs
4. Future non-recurring costs that may arise eg writedowns / writebacks when existing machinery is replaced

### Calculation of existing 'Surpluses available for Capital Investment'

	2016	2017	2018	2019	2020
	Actual	Estimated	Projected	Projected	Projected
Operating Surpluses, before Sanding Program	76	52	92	103	115
Committed Exp re Sanding Program		11	25	25	25
Existing Bank Repayments + OD Interest		54	54	54	54
Deferred Redundancy Payments		10 75	10 89	6 85	6 85
<b>Available for Capital Investment</b>		<b>-23</b>	<b>3</b>	<b>18</b>	<b>30</b>

### How will Course Improvements and Machinery Replacement be funded ?

Only 3 realistic funding options available

1. Surplus cash flow ie recurring Operating Surpluses
2. Bank Loan
3. Contribution from Members

Our long-term objective is to generate adequate Operating Surpluses to enable us replace all machinery on a timely basis . We have set ourselves challenging Income and Cost targets under the **4 Year Profit Forecast** which, if achieved, will enable us, over time, to fund capital expenditure from Operating Surpluses. But we do need time to deliver on those challenging targets. Unfortunately, we can no longer postpone the required investment in course maintenance and machinery replacement.

In assessing the 3 available **Funding Options** , the Directors' conclusions are as follows : -

1. in the short-term, given the further reduction in Sub Income experienced in 2017 and the further increase in Operating Costs, the reduced level of Operating Surpluses are not even adequate to meet existing Bank repayments, and deferred Redundancy Payments.
2. Given that current profitability is not adequate to meet existing financial commitments , it would be imprudent for the Directors to seek , and for the Bank to approve , additional funding.

As / when increased profits are generated, and our ability to repay our existing debt is no longer in doubt, the Directors will seek further Bank funding to support our Capital Investment plans .

3. As Options 1 + 2 are not realistic short-term alternatives, the Directors propose to : -
  - a. convert the current €50 Bar Levy into a **Course Contribution**, with effect from January 2018.
  - b. in addition, to increase the annual Sub for all Adult Categories by €25 pa , with effect from January 2018, which will also be categorised as a **Course Contribution**.

Although the increase in each Member's annual sub will be limited to a net €25, the combination of these 2 proposed measures will provide the Club with an additional income of €75 per Member to specifically finance machinery replacement, and long-term course maintenance programmes.

In seeking the financial support of the Members to fund the required investment, the Directors give the following commitment

All monies collected via **Course Contribution** will be ring-fenced , and will be used only for the purpose of financing the cost of

1. machinery replacement
2. long-term course improvements and
3. ongoing Sanding Program.

For avoidance of any doubt, the **Course Contribution** element of the annual Sub received from individual Members will not be lodged to the Club's main Current Account. It will be lodged to a Deposit Account, and will only be released to fund approved payments for machinery replacement, long-term course improvements and the ongoing Sanding Program. It will not be used to fund any other expenditure incurred on behalf of WGC

## **Core Area 1 - Governance**

### **Strategy Statement**

We aim is to ensure Waterford Golf Club is run responsibly with an effective organisation structure that operates in a business- like manner to enable it to:

- provide leadership, strategic guidance and accountability for Waterford Golf Club
- overseeing management and Committee implementation of the Club's strategic initiatives
- provide excellence in governance standards, transparency and act with integrity
- develop effective controls to reduce risk to the Club's future

The Board is accountable to the Members for the performance of the Club

### **Objectives**

1. Develop a Strategic Business Plan to 2020 covering all aspects of the organisation's structures, roles and responsibilities, financial plan and governance by end of September 2017
2. Establish a central library of key business processes + information by mid-September 2017

### **Initiatives**

1. A Board of Directors Operating Manual was developed in January 2017 and is being implemented. It includes:
  - a. Club's Organisation structure
  - b. Code of Conduct and & Guiding Principles for the Board of Directors
  - c. Portfolio of legislation for compliance
  - d. Policies & Procedures Manual
  - e. Club Protocols
2. Agree the roles & responsibilities of the Board of Directors, staff & the committees by end August 2017
3. Formalise Health & Safety Statement by end of October 2017
4. Conduct a 'Business Continuity' risk assessment by end of September 2017
5. Use Members Consultative Survey to establish a list of Members who appear willing to offer their expertise on voluntary basis by end of September 2017
6. Establish and maintain an inventory of all "club owned" equipment/chattels on the course, in the clubhouse and its environs by end of September 2017
7. Establish good working relations with staff by convening at least one management-staff group meeting and one 1:1 individual staff meetings annually
8. Provide ongoing staff training emphasising excellent customer service and the adoption of best practice.
9. Establish a skills matrix of members with a view to utilising their expertise (voluntarily) in project teams – use members consultative survey by end of September 2017

## **Core Area 2 - Golf Course & Facilities**

### **Strategy Statement**

We want to be recognised as the premier Member-owned golf club in the locality providing an enjoyable golf and social experience for our members and visitors.

### **Objectives**

1. Ensure that playing areas are maintained to a high standard.
2. Provide quality practice facilities including driving range with teaching facilities and long / short game practice
3. Benchmark facilities with local clubs by end of 2017 and update annually

### **Initiatives**

1. Prepare course development plan to 2020 to facilitate orderly work activities
2. Complete Machinery replacement plan by end August 2017 –aim to invest €100,000 in the period to 2020
3. Finalise Woodlands and Environment Development Plan by end September 2017. Points of interest to be highlighted and documented e.g. mass path, interesting views.
4. Identify course problems and take appropriate corrective action in Q1 2018
5. The visible areas close to the Club House will be landscaped appropriately by end of May 2018.
6. Prepare annual maintenance programme for the course, machinery and facilities by mid-December and review quarter
7. Investigate the feasibility of installing a modern irrigation system by end August 2017
8. Advance plans for Golf Academy and covered driving range facilities in 2017. Facilities to be completed in 2018 if grant aid achieved, member approval confirmed at AGM, and appropriate financing put in place.
9. Provide course report in Club Newsletter to keep members fully informed on course related matters.

### **Core Area 3 - Golf**

#### **Strategy Statement**

We will achieve an improvement in overall playing standards and increased participation in Club competitions by greater availability of coaching and greater variety of competition formats

#### **Objectives**

1. Create an inclusive atmosphere for existing and new members in which to enjoy golf.
2. Provide both members and visitors with a wide mix of both competitive and fun golf
3. React to market trends & experiences with regards to new competition formats
4. Provide a schedule of events annually by mid-January
5. Increase participation in our weekly Sunday competitions by 10% in 2017

#### **Initiatives**

1. Establish fun / social golf events to encourage more inclusion and a better mix of existing and new members. Some novelty formats such as:
  - a. Par 3 Competition
  - b. Beat the Pro / Foot golf / 15" Cup
  - c. Parent Child Events and Mixed teams
  - d. Hi / Low handicap Formats
2. An 'Open Draw' will be trialled to promote greater inclusion .
3. Commencing in Q2-18, establish both a monthly Open Seniors and Mixed Matchplay events
4. Arrange 'Away Trips' to our partner golf clubs.
5. Introduction of a nine hole qualifying events for those unable to play full 18 for various reasons: time poor, health etc.
6. Provide free of charge coaching for all club teams to improve or prospects of better results.
7. Revise structure of the Junior Golf Committee in line with CGI Guidelines by 31/12/17
8. Host Junior open day in 2017; invite all schools to attend and other sports and social clubs.

### Core Area 4 - Finance

#### Strategy Statement

We will manage the Club's finances prudently to ensure that we meet our existing commitments to staff, creditors and lenders as well as generate additional surpluses to make necessary investment in course, machinery and clubhouse improvements

#### Objectives

1. Achieve 90% retention of existing Members, 66% conversion of Introductory Members and recruitment of 36 New Members each calendar year
2. Increase Overall Sub Income by 5% pa
3. Increase Net Competition Income by 10% pa and Green Fee Income by 7.5% pa to reduce our current over dependence on Sub Income over time
4. Maintain Operating Costs below €400K in FYE 09/17
5. Deliver financial targets outlined in 4 Year Profit Forecast

#### Initiatives

1. Prepare 4 Year Profit Forecast by end of August 2017
2. Establish alliances with WIT / other sporting clubs / major local employers to attract New Members/societies
3. Develop Golf Packages with local Hotel – Owners and neighbouring Golf Clubs to generate additional Green Fee Income
4. Offer Discounted Membership rates to attract New Members < 35 years to address imbalance in our Membership age profile
5. Assess options regarding sale or redevelopment of landbank Asset ( subject to ensuring adequate protection of our course boundary )

### **Core Area 5 - Membership Retention and Growth**

#### **Strategy Statement**

Grow membership numbers and focus on the retention of existing members so as to assure the future of WGC

#### **Objectives**

1. Recruit 36 new members per annum.
2. Reduce number of membership categories in 2017.
3. Increase numbers playing competitive golf by 10% per annum.
4. Develop Corporate Membership initiatives

#### **Initiatives**

1. Club to form a Membership sub-committee to formulate an Action Plan with specific responsibility for retention and growth of membership
2. Develop 3-year fee deal to new members
3. Introduction of "Welcome Pack" for new members
4. Implement Buddy System to mentor and help integrate new members (Men & Ladies)
5. Club Professional to offer discounted golf lessons for prospective/new members
6. Ongoing Contact programme for new members will be undertaken – contact twice yearly at minimum
7. Relaunch 'Refer a Friend Scheme' which offers €100 discount for existing members introducing a new member.
8. Membership pricing to be reviewed to reflect the future ambition of the Club
9. Review Green Fee pricing v other Clubs locally
10. Establish a pathway for Junior Members to Full Membership.
11. Review Club Competitions Schedule annually which reflects the needs of our membership.
12. Create a new Corporate Membership which targets specific local businesses.

## **Core Area 6 - Communications & Marketing**

### Strategy Statement

We will market WGC as a sociable place to visit for playing Golf and enjoying Food at competitive prices.

### Objectives

1. Develop a Communications Policy and Framework Document to cover all aspects of promotions, media channels and content by end of August 2017
2. We will communicate with our Members and stakeholders to let them know what and when events are happening.

### Initiatives

1. Develop our Website as our “showroom window” by end of September 2017 - have it as user friendly as possible and ensure the contents are up to date
2. Publish a bi-monthly Newsletter with details of events, results, special offers, social events, Course info – provide a soft copy via email, website and Facebook and also hard copies provided for Bar, Lobby and Restaurant
3. Provide Notice Boards – External – Welcome Sponsors, Societies, Visiting Clubs, Charity Day, Fundraiser, Competition Type etc. Internal - Display results, future events, Special offers, club news etc.
4. Social Media (Facebook, Twitter) – grow our Facebook page and Twitter traffic with local businesses and create a wider audience for all activities in Waterford Club
5. Provide good Press coverage with the – Results, Photographs, Club Events etc.
6. Develop Targeted Mail Drops – carry out a leaflet drop in our local area to “let people know” what we have to offer – Membership, Catering Facilities, etc.
7. Promote Festival of Golf so as to market and entice visitors and members to come and play during our festival of golf with a variety of competitions to suit all and make the event a success whilst ensuring that everyone enjoys it
8. Increase visitors and external green fees to Waterford Golf Club by encouraging members to promote through word of mouth

## **Core Area 7 - Clubhouse & Social Affairs**

### **Strategy Statement**

Waterford Golf Club aims to be a premier Club where all its members, guests and visitors enjoy a memorable experience. All members, guests and visitors will be treated in a courteous and respectful manner at all times.

### **Objectives**

1. Continued provision of high quality food at reasonable prices to cater for members and guests
2. Clubhouse facilities i.e. Bar, Restaurant, Boardroom and Locker Rooms must be satisfactory for the needs of Waterford Golf Club members and guests.
3. Be compliant with current Health and Safety Legislation

### **Initiatives**

1. Establish a Development Committee by end August 2017 to:
  - a. Explore, evaluate and determine mechanisms to increase footfall.
  - b. Assign suitably able/interested individuals to take responsibility for selected initiatives.
  - c. Measure progress at regular intervals, review quarterly and amend plans accordingly.
  - d. Refurbish Bar, Restaurant, Boardroom and Clubhouse and Boardroom facilities as and when other financial priorities are satisfied.
  - e. Establish a Social Committee comprising ladies and men to organise social events in the Club. Plan on having 3 events per year.

### Who is Accountable

The Board of Directors is ultimately responsible for the implementation and continuous review of the Strategic Business Plan 2017-2020. Some individual Directors have agreed to assume responsibility for implementation of agreed initiatives/actions.

The following table set out the officers/persons responsible for the relevant Core Area.

Core Area	Leader	Supported By
Governance	Honorary Secretary	President
Course & Facilities	Chairman	Course Convenor Head Greenkeeper Course Liaison Officer
Golf	Director of Golf	Vice Captain Lady Vice Captain
Financial	Finance Director	Lady President
Membership Retention & Growth	Captain Lady Captain	Vice Captain Lady Vice Captain
Communications & Marketing	Head of Communications	Chairman Honorary Secretary
Clubhouse & Social affairs	Head of House Committee	Lady Captain

But the Board fully understands that the Initiatives outlined in this Report will not be achieved without the full support of our Members , staff, and the Mens, Ladies and Junior Committees

### Implementation & Review

Leaders will provide an update on the agreed Initiatives / Action Steps on a monthly basis at Board meetings. Appropriate new Actions Steps will be agreed, as existing Action Steps are completed and / or the business needs change.

Each Team Leader will report separately to Chairman on a quarterly basis

To ensure that it retains its relevancy for the full term, the Plan will be reviewed and updated annually.

### Acknowledgements

The dedicated and professional approach of the Strategic Business Plan Steering Group in leading the preparation and presentation of this Plan is gratefully acknowledged :-

Jim O'Mahony (Chairman)  
Nick Donnelly  
Mary Barry Walsh  
Jerry Ahern .  
Michael Doyle  
Harry Ewing  
Jim O'Neill  
Brendan Walsh

The assistance of Gordon Campbell from the Confederation of Golf in Ireland is valued and acknowledged.

The Directors thank Martin Freyne, who offered to review the Final Draft of this Plan. We are grateful to him for providing the Club with the benefit of his very considerable expertise.

### Appendices

1. Table of Membership Trends 2007 – 2016
2. Graph of Membership Trends 2007 – 2016
3. Historic Profit Performance 2007 – 2016
4. Income & Expenditure Trends 2007 – 2016
5. Schedule of **Golf-Related Income** and **Remaining Income Sources** – see Table @ Page 11
6. 4 Year Profit Forecast 2017 - 2020

Total Members @ 30 Sept													
	1096	1086	977	925	856	801	715	725	736	737			
Deduct													
Junior / Student Members	78	89	78	95	93	101	74	55	67	91			
Leave of Absence Members	40	52	79	50	64	35	26	6	7	16			
Pavilion Members	23	27	24	27	26	31	37	40	41	38			
Active Adult Base	955	918	796	753	673	634	578	624	621	592			
Purchased Life Membership	40	40	30	29	35	35	34	25	33	33			
40 Year Members	70	77	83	84	58	54	42	42	42	37			
Members, aged 65 & over	NA	NA	NA	NA	61	76	84	74	73	70			
Members, aged 75 & over	NA	NA	NA	NA	26	31	29	37	48	51			
Country/Distance Member	4	3	4	4	6	6	14	27	29	23			
Honorary Members	19	20	14	14	7	17	16	13	12	7			
New / Introductory Members							20	100	91	61			
Remaining Membership	822	778	665	622	480	415	339	306	293	310			
As a % of Total Membership				52.00%	52.00%	47.00%	42.00%	40.00%	42.00%				
As a % of Active Adult Base				71.00%	65.00%	59.00%	49.00%	47.00%	52.00%				
Breakdown													
Full Members	661	658	571	535	431	373	308	282	271	291			
Associate Members	161	120	94	87	49	42	31	24	22	19			
	822	778	665	622	480	415	339	306	293	310			



Sheet1

FYE 30 Sept	Historic Profit Performance 2007-2016									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Subscriptions	598	592	538	485	472	447	412	390	353	359
Green Fees	98	89	64	51	46	46	43	45	45	39
Competitions	37	37	44	40	36	47	38	35	42	29
Open Week	31	25	23	21	15	8	12	14	7	5
Sub Total	166	151	131	112	97	101	93	94	94	73
Bar Contribution	-2	1	9	16	5	10	12	18	11	0
Kitchen Contribution	-6	-23	-31	-19	-21	-19	-24	-25	-13	0
Levy Income	11	13	18	11	20	12	19	26	21	14
Other Income										
Sub Total	3	-9	-4	8	4	3	7	21	24	14
Total Income	767	734	664	605	573	551	512	505	471	446
Course Wages & Materials	303	335	320	288	256	252	216	243	173	188
Office Wages	81	90	85	83	78	78	76	77	48	32
Clubhouse Costs	99	101	109	88	77	74	82	89	61	66
Other Operating Costs	153	170	154	131	125	116	91	99	84	85
Total Operating Costs	636	696	668	590	536	520	465	508	366	371
EBITDA										
EBITDA	131	28	-4	15	37	31	47	-3	104	75
Depreciation	86	88	62	47	47	59	59	57	29	29
Bank Interest / Charges	33	36	21	13	16	22	24	17	19	16
Leasing	6	5	5	3	1					
Recurring PBT	6	101	91	48	27	50	36	77	57	30
Recurring LBT										
Exceptional Items										
Entrance Fee Levies Received	87	57	15	16	19					
Profit on sale of Leased Assets						26				
Contribution from Ladies						-3	-1			
Gift						25				
VAT Refund								22		
Redundancy Costs								-75		
Prior Year Adjustment								-14		
Reported Surpluses	93	43	76	32	9	27	12	55	32	30
Reported Shortfalls										

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**Appendix 5**

Other **Golf-Related Income** has also reduced significantly. Last year's €73K represents a 56% reduction over a 10 year period

Year Ended 30 September	2007	2012	2013	2014	2015	2016
Green Fee Income	98	46	43	45	45	39
Net Competition Income	37	47	38	35	42	29
Open Fortnight / Festival of Golf	31	8	12	14	7	5
<b>Total</b>	<b>166</b>	<b>101</b>	<b>93</b>	<b>94</b>	<b>94</b>	<b>73</b>

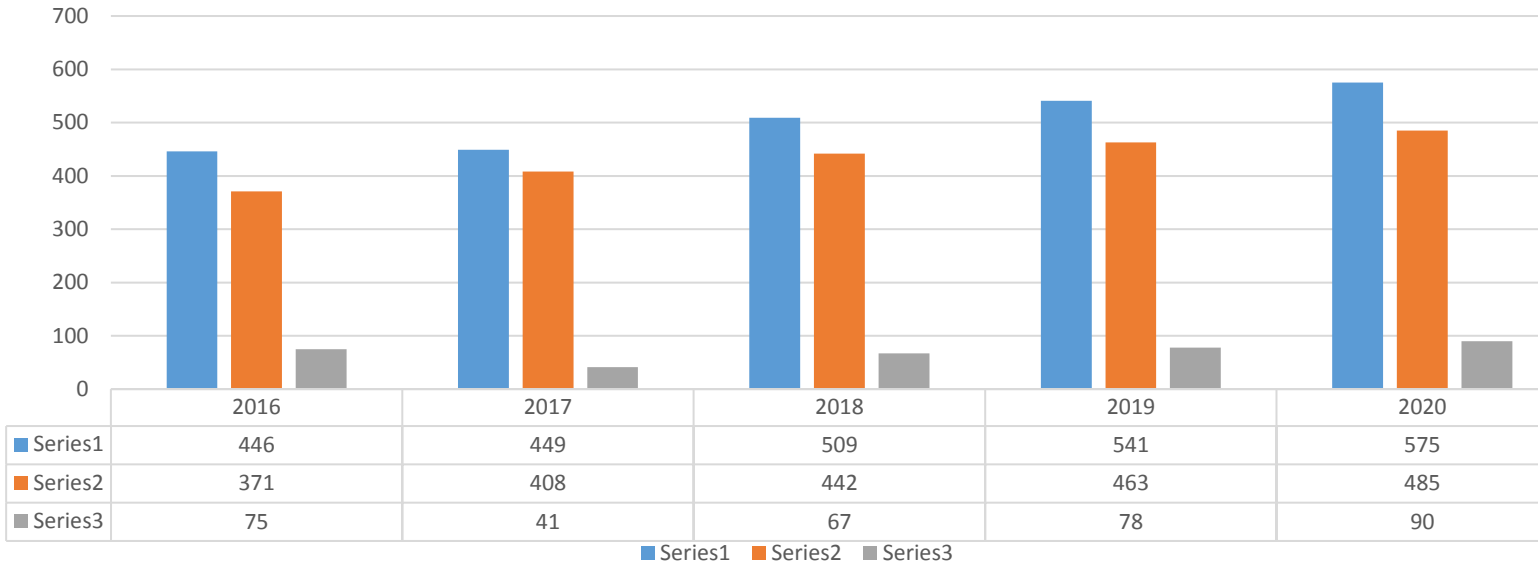
Trends in **Remaining Income Sources** over the same period are as follows : -

Year Ended 30 September	2007	2012	2013	2014	2015	2016
Contribution from Bar	-2	10	12	18	11	0
Contribution from Restaurant	-6	-19	-24	-25	-13	
Other Income Sources	11	12	19	28	27	14
<b>Total</b>	<b>3</b>	<b>3</b>	<b>-7</b>	<b>21</b>	<b>25</b>	<b>14</b>

**Appendix 6**

4 Year Profit Forecast						
Year Ended 30 Sept		2016	2017	2018	2019	2020
Sub Income		359	338	384	403	423
Other Golf-related Income		73	93	102	112	123
Contribution from Bar		0	12	14	16	18
Other Income		14	6	6	6	6
Contribution from Ladies Section				3	4	5
<b>Total Income</b>		<b>446</b>	<b>449</b>	<b>509</b>	<b>541</b>	<b>575</b>
Course Wages		132	136	143	150	157
Course Purchases		56	60	61	64	67
Office + Cleaning Wages		38	42	44	46	49
Retainer to Professional		12	15	18	18	18
Insurance		20	28	28	28	28
Other Operating Costs		113	116	123	132	141
<b>Total Operating Costs</b>		<b>371</b>	<b>397</b>	<b>417</b>	<b>438</b>	<b>460</b>
Sanding Project		0	11	25	25	25
<b>Total Costs</b>		<b>371</b>	<b>408</b>	<b>442</b>	<b>463</b>	<b>485</b>
<b>EBITDA</b>		<b>75</b>	<b>41</b>	<b>67</b>	<b>78</b>	<b>90</b>
YoY Trend Analysis						
YoY Increase in Income			3	60	32	34
YoY Increase in Operating Costs			-28	-20	-21	-22
YoY Increase on Sanding Program			-11	-14		
<b>YoY EBITDA Change</b>			<b>-34</b>	<b>26</b>	<b>11</b>	<b>12</b>
Cumulative Trend Analysis						
Cumulative Increase in Income			3	63	95	129
Cumulative Increase in Operating Costs			-26	-46	-67	-89
Cumulative Increase on Sanding Program			-11	-25	-25	25
<b>Cumulative EBITDA Increase</b>			<b>-34</b>	<b>-8</b>	<b>3</b>	<b>15</b>

### 4 Year Profit Forecast



Series 1 = projected Total Income

Series 2 = projected Operating Costs, including proposed €25K pa spend on Sanding Programme

Series 3 = projected surplus