



FINANCIAL & OPERATIONAL REVIEW

Thursday 31 October 2013

AGENDA



- The current financial position
- The outlook to the 31st March 2014
- Actions taken to date and impacts
- To look beyond next year on spending by each subcommittee
- Suggestions and comments from the members



**PROJECTED INCOME &
EXPENDITURE FOR THE
TWELVE MONTHS ENDING 31st
MARCH 2014**



PROJECTED PROFIT (LOSS) FOR YEAR

	2013/14 Budget	2013/14 Actual	2012/13
CASH GENERATED FROM TRADING ACTIVITES	£40,208	£19,761	£13,719
LESS DEPRECIATION	£39,720	£39,105	£42,933
PROFIT / (LOSS) FOR THE YEAR	£488	-£19,344	-£29,213

EXPENDITURE	2013/14 Budget	2013/14 Actual	2012/13
GREENS	£205,720	£198,378	£191,045
CLUBHOUSE	£143,172	£147,027	£150,693
HOUSE	£62,808	£60,045	£61,210
MARKETING	£4,891	£4,743	£3,867
MATCH & HANDICAP	-£3,972	-£1,175	-£554
FINANCE	£0	£0	£9,529
	£412,619	£409,018	£415,790

INCOME

**2013/14
Budget**

**2013/14
Actual**

2012/13

SUBSCRIPTIONS	£332,713	£311,775	£320,215
GREEN FEE INCOME	£40,467	£47,317	£32,210
ENTRANCE FEES	£16,400	£14,000	£16,400
SURPLUS ON OPEN WEEKS	£6,825	£3,997	£6,806
GROSS BAR SURPLUS	£42,245	£38,245	£39,429
INTEREST RECEIVED	£2,649	£1,149	£3,041
SUNDRY RECEIPTS	£11,528	£12,296	£11,409
	£452,828	£428,780	£429,510



CONTROL OF EXPENDITURE

- All areas of activity are constantly under review (e.g. renegotiation of gas & electricity tariffs)
- Essential clubhouse maintenance only
- Ordering & approval system: tight control & constant review of spend
- Ongoing review of green staff working practices (e.g. elimination of overtime in winter).

MEMBERSHIP NUMBERS

OCTOBER 2013					OCTOBER 2010		
Category	Average Age	Subscription Income	Number	Full Member Annual Sub	Subscription income	Number	Full Member Annual Sub
Full Male	59	£180,184	223	£808	£177,320	248	£715
Full Female	65	£39,592	49		£44,330	62	
Retired Male	75	£53,656	76		£47,355	77	
Retired Female	73	£21,886	31		£20,295	33	
15 Months Male	50	£1,616	2		£12,155	17	
15 Months Female					£715	1	
Intro Male	66	£2,424	3		£4,290	6	
Intro Female	72	£808	1		£1,430	2	
Veteran Male	84	£2,492	7		£1,890	6	
Veteran Female	84	£1,424	4		£945	3	
Younger & Student Males	U 29	£2,381	10		£2,903	16	
Others		£5,598	143		£9,236	124	
Total		£312,061	549		£322,864	595	



MEMBERSHIP NUMBERS

- Since October 2010 the number of Full members* (Category A/B etc.) has declined by 61
- Had these members still been with us (at this year's rate of £808) our subscription income would be £49,288 higher

*Includes Retired, 15 month and Introductory membership categories (male & female)



MAXIMISING OTHER INCOME

We have received constant accolades from visitors about the quality of the course and the Club in general indicating that we are seen as “Value for Money”. Hence we are seeking to maximise visitor income by

- Freeing up tee times at known quiet times
- Allowing visitor tee times at weekends (enabled by Gent's competitions off one tee)
- Playing some Monthly Medals in conjunction with the Ladies who will take a range of mid field tees (to free up more weekend slots)
- Allowing limited “Societies” at any time including weekends



MEMBERSHIP & MARKETING

The Team

Steve Cunniffe

Kathryn Hoather

Chris Stott

David Fletcher

Sharyn Butler

Jon Sharpe

Chris Cousins



WHAT WE DO FOR THE CLUB

- Membership recruitment
- Visitors & Societies
- Advertising
- Press Releases
- Website
- Newsletter

Biggest Issue - Membership Retention

Membership Retention & Recruitment 2013

- The budget assumes the loss of 40 category A/B equivalent members
- Actual loss is 47 members who have either left or moved to social.
- Since the beginning of the year 41 new members have joined:
 - 25 full male
 - 3 full female
 - 5 younger
 - 8 junior
 - 2 social





COMPETITOR ANALYSIS

- There are many advantages to being a member of a golf club, and Helsby Golf Club in particular. Equally, there are many reasons why we choose to remain as members of HGC.
- Whilst the price of membership is only one factor, it is important that our joining fee and annual subscription continue to offer great value.
- To this end, we undertake an annual exercise to research competitor clubs' subscriptions and joining fees so that we can see where HGC is positioned relative to the other clubs in the area. The facts are.....

- 32 golf clubs in the surrounding area were canvassed
- 20 clubs have increased their subs by, on average, 6%
- 2 clubs have reduced their Subs - Portal and Huyton & Prescott
- 16 clubs have a Joining Fee
- 4 clubs have dropped their Joining Fee
- 3 clubs have reintroduced or increased their Joining Fee
- HGC ranks as follows on a scale of 1 (highest cost) to 32 (lowest cost):
 - 23rd most expensive in terms of Annual Subscriptions
 - 17th most expensive in terms of Full 10-year cost

It is hoped members find this information reassuring in terms of Helsby Golf Club's position relative to the local competition, especially when considered alongside everything else our club has to offer.



TEE-TIMES ANALYSIS

The impact that visitors and societies have on the availability of tee-times to members has been assessed. This shows:

- Visitors and societies take up around 6% of available tee-times
- the income from this source is well in excess of 10% of the club's total income
- The only alternative to current levels of visitors and societies is an increase in every member's annual subscription.
- Balancing the availability of member tee-times with the annual subscriptions members are willing to pay is an exercise that can never please everybody but hopefully satisfies the vast majority.
- The opening up of tee times for visitors at weekends has already had a positive effect on income.

SOCIETIES & VISITORS

Green Fees: the benefit in income gained by opening up more visitor slots at weekends is as follows:

- Sept 2012 – £1542
- Sept 2013 – £4976

Societies: again the opening up of slots for small societies at weekends has helped swell society revenues as follows:

- *Sept 2012 – £2664*
- *Sept 2013 – £7098*





SOCIETIES & VISITORS

- A very large ladies' event in September generated green fees of £2500 and substantially increased visitor revenue.
- Total green fee revenue this September compared with to last increased from £4206 to £12074
- If we have a mild and relatively dry winter we should be able to generate much better revenues over the next 6 months compared to the same period last year.



HOUSE COMMITTEE ACTIONS TO APRIL 2014

- Close control of expenditure
- Replacement of essential equipment only
- Essential maintenance only
- Looking to increase use of clubhouse



HOUSE FUTURE DEVELOPMENTS

SHORT TERM

- Replace boiler, pump house repairs, window repairs, toilet on the course, replace dance floor

MEDIUM TERM

- Lounge & dining room ceiling, balcony around club house, create additional storage space

LONG TERM

- Extension to clubhouse – new Pro shop & kitchen, renewable energy sources – solar panels etc. upgrade locker rooms including shower facilities



HOUSE – HOW CAN YOU HELP?

- Tell us what social functions would you like?
- Recommend the club for social functions or somewhere suitable for business meetings
- Use the club for your own parties & celebrations
- Attend a social event that you have never been to before.



MATCH & HANDICAP

- Review of role & responsibilities of M&H
- Winter Course (winter cards & indexes)
- Competition & Handicap Management system (upgrade or replace)
- Honours board replacement



MATCH & HANDICAP

HONOURS BOARD REPLACEMENT

- Current boards are inconvenient to maintain and update
- Companies that will support the format are few and far between
- Impossible to correct in the case of errors (and there are some!)

Members are encouraged to suggest alternative formats, perhaps seen at other clubs



GREEN COMMITTEE

There is a significant list of projects and development to be taken forward, *as finances permit*, over the next few years. The following is just a selection from the list

- Removal of poplar trees, particularly on 17th hole, in line with tree policy
- Complete phase 2 & 3 of the practice ground development
- Complete the bunker refurbishment programme
- Extend 11th hole
- Continue Greens rebuilding programme
- Reconfigure the stream in front of the 3rd green (including bridge replacement)
- Level tees
- Buggy park

All this, and much more, will be undertaken alongside ongoing drainage work, tree maintenance and the normal day to day requirements of the course.



GREEN COMMITTEE

Anticipated Capital Expenditure over the next 3 years:

Toro Groundmaster 4500-D (rough cutter)	£41,010
Toro Workman H D Vehicle (Cushman)	£20,500
Fairway slitter	£2,500
Green iron	£8,000
Convert Lease on current 4500	£7,000
	£79,010

Capital spend is imperative to maintain the quality & sustainability of the course



FINANCE & GENERAL PURPOSES COMMITTEE -ITS ROLE

- Oversee the accounting system within the club & provide guidance on all financial matters
- Ensure internal controls are in place
- Put together revenue and expenditure budgets and, once approved, constantly monitor performance.
- Critically review all capital expenditure proposals before seeking Management & Member approval
- Review all expenditure proposals to ensure funds are spent appropriately and for the real benefit of HGC
- Progress any specific issues or projects as directed by the Management committee. (e.g. Five Year Plan)



Question Time

- Questions, observations and general or specific views
- Remember the club is yours but it exists in a competitive market – and hence must be run as an efficient business.
- We all have a role in shaping its type and style, its range of activities and its position in the market
- At the end of the day the Members (the Clubs' owners or 'shareholders') will decide just what sort of club we want to be



**THANK YOU FOR YOUR
PARTICIPATION
IT WAS IMPORTANT
IT'S YOUR CLUB**

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