

Dear Members,

Recently there has been much discussion concerning Sandra and the halfway hut. The Board of Directors would like to take this opportunity to clarify some points.

In January when discussing placing the catering out to tender, a decision had to be made concerning the halfway hut.

The reason we decided to go out to tender was because we were about to undertake £5,000.00 worth of planned essential works in the kitchen to bring it up to current building reg's when we started to notice more and more works that would require attending to, so at that point we decided we may as well do a complete refurb and update of the kitchen at a cost of £85,000.00

This outlay, we needed to recoup and wouldn't have done under the present franchise contract. The new agreement would generate more money to allow us a return on our investment and the new caterer will be paying us 10% of their turnover. Our current Caterers G & R were also invited to tender but chose not to.

It was the Board's decision to offer the franchisee the opportunity to sell food and associated beverages exclusively on our premises. This is in-line with contracts that have been offered to all caterers in the past and the halfway hut falls into this category.

It was decided the hut would be offered, and the final decision on whether to take on the hut and bring it under the franchise to be left to the caterers. It has been detailed to the caterers that the hut is a service to the members and should not be seen as an avenue to greatly increase profitability as well as the current opening hours being adhered to.

G and R Catering (Gino and Rene) decided several years ago they could not run the hut at cost and so handed the hut back to the club this was a decision the Board of Directors at the time accepted. Sandra then took control of the hut.

The new caterer has decided he would like to take on the hut, and the General Manager had to carry out the unpleasant task of informing Sandra under the instruction of the Board. We feel that it is not fair to the new franchisee to have direct competition from the halfway hut. He is paying the Club 10% of his turnover and would be competing against someone paying nothing for rent, rates, utilities, maintenance etc.

The new caterer will take over the kitchen within the next week and the hut on the 30<sup>th</sup> August, this has been extended from the original date of the 9<sup>th</sup> of July after discussions with the new caterer this morning. And under the terms of the franchise agreement the percentage off turnover to Shirley Park Golf Club, for the first time in many years the ongoing costs of maintaining the half way hut will be met by the caterers. Sandra has been kept informed through the process and was given the opportunity to meet the new caterer when he was appointed

We hope with this information you can begin to understand the process and understand the decisions that took place in reaching this point.

We would like to take this opportunity to extend our thanks to Sandra and her team for all their hard work over the years and wish them well in the future.

The Board of Directors