

**Minute of Council Meeting
held on 31st October 2023 @ 5.00pm**

Present:	S. Cruickshank	(Captain)
	D. Halliday	(Vice-Captain)
	A. Gordon	(Greens Convener)
	G. Pryde	(Finance Convener)
	A. Ross	(Match & Handicap)
	J. Gove	(Ladies Captain)
	C. McCaul	(Junior Convener)
In Attendance:	D.P. Pern	(Club Manager)
	G Nethercott	(Head Professional)
	N. McLoughlin	(Course Manager)

1. Welcome:

SC welcomed everyone to the meeting.

2. Minute of Council held on 26th September 2023

The minute of the Council meeting on 26th September was approved.

3. Matters arising from the Minute:

- NM shared the masterplan for the bunker programme. NM will circulate the plan to Council by email. Any comments to be fed back before 3rd November. The masterplan will then be displayed on the notice board.
- The revised regulations have been updated and can be found on the website.
- AG has updated the Course Policy. It is now with NM for review. Some additions to made on volunteers helping with flood management etc.
- The Capex programme is still work in progress, NM to update and send to GP.
- DP to set up a meeting with DH and The Garden Design Company to progress with the 18th bank design.
- NM to cut back the overhanging branches/bushes etc on Golf Road.
- DP/GN met with Platform77 to progress with digital marketing plan, redevelopment of the website/re-branding etc.. It was agreed that the Club Logo would remain the same.
- David Rennie submitted a document on the Membership application and process. After discussion it was agreed that DP would edit the document and circulate to Council for review.

4. Reports

Captain's Report

- Email received requesting that the lounge tables be sanded and revarnished. After discussion it was agreed to leave the tables as they are, as they will be replaced at the next Club refurbishment in 2024.

Finance Report

The full report of the year end was circulated in advance. To summarise:

- The first draft of the annual accounts for the year ended 30 September 2023 has been prepared and makes for good reading, with a Net Profit of **£49,371**.
- There are still some adjustments which require to be made including: - the finalisation of the VAT payable for the quarter ended 30 September and of staff bonuses; and confirmation of any retrospective rebates for Pro shop purchases. There may also be small adjustments once the reconciliations of Pro Shop stock, vouchers and of Other Stock are completed. In addition, there will be the usual year-end adjustments from AAB including the corporation tax charge. The final accounts from AAB will be ready for signature by the Captain and the Finance Convenor prior to the end of December.
- The Budget for the year was for a net Profit of **£405**. The main items contributing to the difference between the actual and budgeted Net Profit are as follows:

Income

- F&B had a greatly improved trading year – the net loss of £21k is £31k better than budget (and £41k better than last year). Sales, which exceeded £500k for the first time in 2022, were £565k, 11% ahead of budget and 13% more than last year. The result for the year reflects a combination of an improved gross profit contribution and lower staff costs. This is the first full year since 2019 which has not been impacted by closures and operating restrictions and hopefully the numbers reflect the return to normal trading and footfall. By comparison, for 2019 the net loss from F&B was £13k (comprising a trading profit of £19k less Member's discount of £43k, plus the B&C reclaim of £11k). Subscription income was £4k more than budgeted. While the number of Full members (793) fell short of the 800 target, there were higher numbers in other membership categories, in particular Seniors and Juniors.

Income from green fees was £14k lower than budgeted being £11k for visitors and outings and £3k for Members' guests. The latter is due mainly to course closures. The focus on visitor marketing is a priority for the 2024 year.

The net loss from Golf Operations was £12k, almost exactly £1k better than the budget. For the year staff costs were £3k lower than budgeted, however the gross profit from the Pro Shop was £1k under as was the profit from Opens (£400)/Trackman (£600). For 2022, the net loss from Golf Operation was only £10k, however staff costs in that year were (too) low due to staff changes/staff mix.

Bank interest received was £8k higher than the Budget due to increasing interest rates throughout the year.

Expenditure

- Course salaries for the year were £36k less than budgeted, reflecting the difficulty in being able to recruit new greens staff.

Legal & professional costs were £20k higher than budgeted. This relates mainly to the costs of the Clubhouse architectural review (£15k), the marketing review (£1k), sundry planning fees (£1.5k) and the reclassification of the stock valuers fees (£2.5k) from catering purchases to L&P.

Clubhouse upkeep costs were £11k higher than the Budget, due mainly to a number of unexpected costs including the replacement of the main extraction fan in the kitchen (£6k), repairs to the water heater (£2k) and the damage caused by the break in (£2k). There was an overall loss of £4k on the disposal/scrapping of fixed assets. This comprises a profit of £12k on the tractor traded in against the new Kubota and a loss of £16k on the write off of the old upstairs toilets. For the purposes of the year end

accounts, we are required to remove the cost of the original toilets (net of depreciation).

Irrecoverable VAT is £5k less than expected. This figure may however change once the VAT return for the quarter ended 30 September 2023 is finalised by AAB.

Bank and credit charges were £3k higher than budgeted and both prizes/match costs and club expenses were lower by the same amount.

Balance Sheet Review

- **Bank Balances** on 30 September 2023 totalled £920k comprising funds of £439k in the Virgin Money UK working accounts, a further £154k in an instant access account and we have £327k invested in longer term deposit accounts.
- **Cash Reserves Requirement** – the policy is to retain cash reserves equivalent to 5 months of overheads as our Operational Funds. For the year to 30 September 2024, overheads are estimated to be £115k per month based on the first draft of the Budget (overheads for this purpose exclude depreciation and F&B salaries). On this basis there is a cash reserves requirement of £575k.
- **Future Capital Spend and Cash Flow Planning** – Based on the cash balances on 30 September 2023, if we retain £575k for operations, the balance of £345k is immediately available for future capital improvements. Once we have an overview of the Club's capital expenditure requirements for the next 5 years, these can be compared with expected cash flows. Consideration can then be given to prioritising capital projects over the period and funding.
- **Capital Expenditure during the year ended 30 September 2023** – capital expenditure totalling £460k was incurred during the year. The costs below include irrecoverable VAT.

New shed incl. fence	£ 291k
Kubota Tractor	£ 47k
Upstairs Toilets	£ 43k
Rebunkering holes 2-4	£ 30k
Club Cars (2)	£ 21k
Debris Blower	£ 11k
New Lockers	£ 7k
Chill freezer unit	£ 7k
Sundry items	£ 3k

Greens Convener and Course Manager Report

The full report was circulated in advance. To summarise:

- October has presented us with a set of formidable challenges, primarily due to the exceptionally high rainfall of nearly 200mm and three consecutive floods. Fortunately, we are pleased to report that each flood had a relatively minimal impact, depositing some debris, causing sand displacement in bunkers and washing out of some paths and bridges.
- The bunkers which were constructed last year, have proven their resilience, emerging from the flooding unscathed, with no structural damage. The only noticeable consequence has been the slight redistribution of sand within them.
- Construction of the new bunker on the 5th hole, despite some imported topsoil erosion, has maintained its fundamental shape. Importantly, it has successfully safeguarded the integrity of the green, preventing a recurrence of the issues encountered last year on the 2nd hole. Once the post-flood clean-up is completed, the bunker construction work will continue.

- Driving Range:
The new sails will be installed on the driving range this week.

Ladies' Captain Report

The full report was circulated in advance. To summarise:

- An email was received concerning course closure communications to the ladies. JG dealt with the issue and more care will be taken in future communications.
- JG thanked GN and the Pro Shop team for their alternative golfing experience on the driving range during the course closures.
- The trophies are now all engraved ready for the Ladies Prize Giving on the 16th December.
- JG is currently finalizing the 2024 fixture list and will share with GN for review.

Match & Handicap Report

- AR requested that the tree on the right (as you come up the 18th) at the side of the green, is pruned back. It was agreed that AG/DH/AR/SC and NM would walk round the courses in the next few weeks to establish which trees required pruning back. Project to be completed by the beginning of March.

Junior Report

- The Junior Prize Giving is on Sunday 12th November, starting with a golf clinic at 1.00pm. The Adult v Junior match on the Blairs will follow, with the Prize Giving
- Pennant Team planning for 2024, it was agreed to field two teams again assuming the Junior section has a sufficient pool of players and a second parent to help out.

Pro Shop Report

- Footfall through the Professional Shop in October has been poor due to Storm Babet, courses being closed & the school break/holidays. This has obviously had a detrimental effect on sales.
GN has ordered & received hedgehog wheels for our push trolleys to be used during 'trolley ban' periods. There will be 11 available to rent at the usual price of £5. The team tried fitting winter wheels to our electric trolleys with no success (would not fit the front wheel). GN does not believe it is in the best interests for the Pro Shop to stock such goods due to the difficulty in fitting (all trolley wheels are various sizes), quality of product & price.
- All trophies engraved in time for the Gents Prize Giving on Saturday 4th November. We are just awaiting the medals which will be completed this week.
- 11 teams have entered the Trackman League which starts this week. Due to the courses being closed the Trackman has been rented slightly more than usual.
- The Pro Shop will be running an end of season 'Black November' sale for the first two weeks of November.

Club Manager Report

- Membership Numbers:
Full members 795
Senior members 127

Associate 30 – 34	13
Associate 24 – 29	20
Young Adults	33
House/Non Playing	169
Senior VIP	11
House 5 Day	2
Country	20
Junior 12 – 18	96
Junior under 12	42
Non Resident	59
Life	15
Honorary	8

- Applications for membership – September/October

House	Fiona McKenzie	Linda Dempsie	David Dempsie
House	Sonia Smith	David Smith	Tom O'Rourke
Full	Adam Barry	Wayne Strachan	Trevor Mackie
Full	Michael Rothwell	Kenny Riach	Trevor Mackie
Junior	Ramsey Rothwell	Kenny Riach	Trevor Mackie
Full	Andrew Rothwell	Kenny Riach	Trevor Mackie
Full	Gillian Howarth	Leigh Howarth	Elaine Farquharson-Black
Full	Richard Innes	James Robertson	Alan O'Hanlon

- **Transfers from within the membership**

Fiona Campbell – Full to Non Resident
Elaine Gibb – Full to Non-Resident
Alan Gibb – Full to Non-Resident
Gregor Hughes – Young Adult to Non-Resident
Sheila Joiner – Full to House
Keith Stewart – Non-Resident to Full
Karyn Stewart – Non-Resident to Full
Craig Thomson – Non-Resident to Full

- **New members**

Robbie Buchanan – Junior
Evan Christie – Junior
Calum Innes – Junior
Graeme Innes -Junior
Gregor Kelly – House
Ben Smart – Junior

- **Resigned**
Kenneth Brookes – Non-Resident

- **Deceased**
David J Leiper
Peter Michie
Ann Sweeney

- **Waiting List**
282 on Full waiting list
17 on deferred list
17 on House list

- **Course Usage – H & B**

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	
2018 2019	1996	1558	909	1047	1489	2495	3606	3795	3999	4218	4038	2843	31993
2019 2020	2184	1033	943	1704	1202	1928	0	773	7359	6823	7413	5374	36736
2020 2021	3873	3869	809	0	0	2451	5930	5435	7156	6939	6244	5130	47836
2021 2022	3659	2131	1843	2926	2250	3502	4501	5221	5548	5495	5362	5236	47674
2022 – 2023	3179	1361	90	1245	2355	2220	4073	5548	5288	5684	6381	4880	42304

General Information/Actions/Requests etc

- After discussion it was agreed to contact some other Golf Clubs for reciprocal arrangements. DP to progress with this. Strict criteria on playing Deeside will be included in any arrangements.
- GN/DP met with platform77. They will prepare a brief for website development and updated branding along with recommendations for web development/graphic designers etc.
- SC has confirmed that Andy Powell is delighted to accept the Presidency for 2024 – 2025.

5 Capital Projects

DH updated Council and is progressing well with the potential refurbishment etc.

6 Strategy Update

Nothing to report.

7 Health & Safety

DP confirmed that the Insurance inspection had been completed. Report on any recommendations will be received in due course.

8 AOCB

- Information presentation will be ready for the November meeting.

Next Meeting Tuesday 28th November at 5.30pm in the trophy room