

**Minutes of the CGLMC Ltd Finance Committee Meeting held in the Committee Room at 20 Links Parade on Monday 30<sup>th</sup> October 2017**

**Present:** G Murray (Finance Convenor), P Sawers, A McKeown, A McColgan, D Cheape, T Healey, K Fraser, J McLeish.

**Attendees:** M Wells (Chief Executive), D McDonald (Finance Manager), R Winter (Henderson Black & Co)

Meeting began at 1900 hours.

**1. Apologies**

C Yule

**2. Presentation of Draft Audited Accounts**

R Winter from Henderson Black presented the draft audited accounts to the Committee and explained the figures and additional notes. A McColgan asked what the accounting rules are regarding the Golf Centre development costs. R Winter explained that there are 2 options in dealing with the original building, this section can either be written down or the new development can be classed as an extension with the cost being shown in addition to the original build cost. Our Auditors recommend option 2. D Cheape asked if this was an impairment, and if so should the cost be removed from our balance sheet. R Winter said an impairment review is for when a fixed asset isn't valued at the figure shown in the accounts, however as CGLMC are classified as a charity as long as the asset is doing what it is designed to do, then it is acceptable to show the full cost. R Winter felt it would be prudent to have a surveyor carry out a valuation when the building is complete to obtain a final valuation.

**3. Season Ticket Price Proposal**

M Wells informed the committee that he is undertaking a full review of the season ticket prices. His recommendation to the committee is to freeze the current price for 2018 / 2019. During this period he will produce a strategic paper for the director's consideration.

The matter of the CGL season ticket price impacting on surrounding golf clubs within the Angus area was raised and it was felt that something immediate should be undertaken to

alleviate this problem rather than wait for the full strategic review. The recommendation was to allow DD7 residents access to 2 Course 5 Day tickets and to close all waiting lists.

#### **4. Financial Statements**

D McDonald presented the financial statements to the Committee, and explained the variances.

A McColgan questioned the bank balance and asked if we were confident that we could meet all our commitments. D McDonald confirmed that we could, and she advised following meetings with Henderson Loggie she can confirm that our bank balances are at the level forecast.

#### **5. Golf Centre Extension Expenditure Update**

D McDonald explained how the different columns took the costing from the original feasibility study price to the turnkey price of the project, and gave an explanation regarding the variation of the price. She explained the largest variation of £300,000 was due to an over statement of the percentage used to calculate the Recoverable VAT, and advised that CGLMC are still in discussions with HMRC regarding this matter. The construction cost is still in line with the tender, with the additional costs arising from fixtures & fittings within the building.

K Fraser said he was disappointed as when he inquired at the May meeting if the project was on budget he had been assured it was. He said he had the feeling that this was not the case, however having reviewed the report and listening to the commentary his confidence had been restored.

A McColgan asked if the figures for the simulator are included, M Wells said no. It was requested these be included.

A McKeown said he is confident in the project and the way it is being handled. He said he felt there was tighter control over it and the end result will be product to be proud to sell.

#### **6. Any Other Competent Business**

##### **Season Ticket Prices**

K Fraser questioned that with a large amount of commitments such as The Open in 2018 and the Golf Centre development as priorities are we confident in our ability to undertake a full strategic review of season ticket prices. The Chief Executive agreed that we had to be mindful of our internal capacity to deliver but this would be included in his overall strategic scope and plans which will be presented to the board in January.

98.

Community Benefits

D Cheape asked if the recent donation to Carnoustie Christmas lights was from Finance or Community Benefits. P Sawers confirmed it was Community Benefits.

There being no other business the meeting closed at 2045.