

**Minutes of the CGLMC Ltd Finance Sub-Committee Meeting
held in the CGLMC Ltd Office on Monday 20th February 2012**

Present: G Murray (Finance Convenor), W Thompson, P Sawers, H Oswald, G Paton, J McLeish, G Wilson, D Valentine.

In Attendance: G Duncan (General Manager), D McDonald (Finance Manager).

Meeting began 1900 hours.

1. Apologies

R Reyner

2. Finance Managers Report

P Sawers enquired to whether the winter works is likely to stay on budget this year as the weather had been very mild therefore J Philp may have been able to carry out more work than expected. D McDonald advised that the winter works costs are currently running below budget and are not likely to go over budget by the end of the year.

P Sawers enquired to whether there was now an indicative cost for the heating and lighting in the Golf Centre as the figures are over budget at the moment. D McDonald advised that this has been monitored and it is expected that the cost will be around £1,000 per month. This will be the budget figure from now on.

P Sawers enquired to whether there would be costs put against the Pro-shop electricity, gas, cleaning etc as at the moment the figures are showing a false profitability. D McDonald advised that discussions have been held in the past to consider charging a management fee to the Pro-shop to cover these items such as gas, electric, admin, cleaning etc. However, up to now, this had not been introduced. D McDonald advised that the reason the Pro-shop figure is in negative figures is because Eon Energy refunded a bill for more than was paid originally.

D McDonald advised that the bank balances are in a slightly different format this month. Henderson Black would like CGLMC Ltd to have a balance of at least £400,000.00 in reserve before carrying out any more major projects. P Sawers enquired to whether it is necessary to keep this amount of money in the current account, and would it not be more profitable to transfer some to a high interest account? D McDonald advised that the accounts are sitting at such a low interest rate at the moment it would not be worth tying the money up. W Thompson suggested that it might be worth looking over all of the accounts and finding out which will earn CGLMC Ltd the most in interest.

D McDonald advised that the cost of providing the 65+ discount is currently around £12,000. It is expected that when all discounts have been claimed the cost will be £16,000. H Oswald enquired to whether 65+ visitors should be offered a discount also. The committee agreed that visitors would not be offered a discount. Discussions were held regarding the way in which proof of age is confirmed and the data protection laws. These will be looked into to ensure CGLMC Ltd are following the correct procedures.

3. Annual Salary Increase

(This item was moved to the end of the meeting and discussed after item 7. Any Other Competent Business).

4. Price Proposals

The figures were circulated prior to the meeting.

G Murray advised the committee that the price proposals are arrived at by taking into account annual inflation, running costs and upcoming projects. This year the 65+ discount also has to be considered. G Murray advised the committee that CGLMC Ltd are very reliant on visitor income, and that Carnoustie is still very reasonably priced compared to other courses. W Thompson suggested that CGLMC Ltd have to decide whether costs actually have to be increased, and he suggested that it should be considered whether the company could run at the same profit while keeping costs the same. If it cannot, then costs need to be increased. It was advised that CGLMC Ltd could not run the same as last year without increasing the costs.

J McLeish identified some inconsistencies with the price proposals and these will be looked into.

The committee agreed to recommend the percentage price increases.

5. Head Professional Salary / Bonus

G Murray advised the committee of the present position. After discussions, the committee agreed to recommend that the matter be remitted to G Murray, G Wilson and P Sawers to resolve, as long as it was contained within the salary budget.

6. Tea Hut

It was advised that there are two options – 1. Keep the business in house and run by CGLMC Ltd. 2. Franchise out on a 'controlled lease'. The committee agreed that CGLMC Ltd have to have a control on the pricing and quality of food / service. If the lease option is decided upon, the contract will have to be very thorough to make sure that if the person is not performing to the expected standard, that CGLMC Ltd have control to terminate the lease. After discussions, the committee agreed to recommend putting the business out to tender.

7. Any Other Competent Business

G Wilson advised the committee that it has been announced that Simon Race may be resigning his position with CGLMC Ltd. It had previously been agreed that he would attend the China trip but this was now felt to be inappropriate. G Wilson then advised that in the short time he had to find a replacement, J Gilbert was asked to attend the trip as he had shown previous interest. G Wilson apologised for not consulting the committee but there was not enough time before the tickets had to be purchased. Therefore J Gilbert has asked that the Greens committee meeting be moved back one week and subsequently the Finance Meeting also (from 12th and 19th to 19th and 26th respectively). It was suggested that both meetings could be held on the 19th. This will be decided and the committee informed.

Sederunt D McDonald and H Oswald left the meeting.

3. Salary Increases

G Murray advised that this item has been brought back from the full meeting where it was agreed that the Finance committee should discuss the salary percentage increase proposals. G Murray referred the committee to the various papers which he had asked to be produced.

After discussions, the committee agreed to recommend a salary increase of 3% to all staff. A system will be put in place to decide on salaries in future and will be discussed much earlier in the financial year.

There being no other competent business, the meeting was then closed at 1955 hours.

KS