

**Minutes of the CGLMC Ltd Finance Sub-Committee Meeting
held in the CGLMC Ltd Office on Monday 21st April 2014**

Present: G Murray (Finance convenor), R Reyner, J McLeish, A McColgan, P Sawers, W Thompson, A McKeown.

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

Meeting began 1900 hours.

1. Apologies

H Oswald.

2. Finance Managers Report

The bank balances were circulated to the committee members.

D McDonald advised that this is the end of the year for the figures. She advised that there are still amendments / accruals to take into account, along with some payments and invoices that have not yet been accounted for.

R Reyner questioned the analysis of the VIP figures. D McDonald advised that there is a problem within the software that is not calculating the figures correctly. Crossover Technologies, who supplied the software, are currently looking into correcting the problem.

Discussions were held regarding the make-up of the budgets. W Thompson suggested that in future, CGLMC Ltd should make sure that any expenditure is covered by how much is expected to be brought in by the business.

With regard to the Pro shop figures, D McDonald advised that over the past 4 years, the gross profit percentage has been steadily falling. She suggested this is something that will need to be addressed for the future. She advised that since the Coffee Shop has opened in the Golf Centre, the Pro-Shop is selling less confectionary and soft drinks which are highly marked up items. This undoubtedly was having a negative impact on the gross profit margin. W Thompson advised that currently there have been many changes made to the shop, and he suggested that the plan is to get the shop staff focused on buying the correct stock in order to make the appropriate income. A McKeown suggested that the Pro-Shop Committee should devise strategies in order to increase income, rather than debating the current figures. W Thompson advised that the website opportunities need to be discussed further.

A McKeown suggested that the issue regarding greenfees for 2015 needs to be considered further. P Sawers advised that C McLeod is currently looking into this. The committee agreed that the Season Ticket committee should also review potential income for the future.

W Thompson advised that all businesses set goals in order to improve and the 8% increase in the Pro shop sales target had been agreed by the Head Professional.

W Thompson suggested that any improvement plans that are made need to be reviewed after 1 year in order to judge their success. He commented that the current figures are extremely good.

R Reyner enquired to whether there was any need for the Pro-Shop figures to be separate from the rest of the business. G Duncan advised that if CGLMC Ltd receive Charitable Status, the requirement is to have the profit making part of the business separate from the main business. It was suggested that if CGLMC Ltd do not receive Charitable Status, all figures should be combined into CGLMC Ltd. There will be a small saving due to less bank charges.

3. Sub-Committee Convenors Spending Allocation

W Thompson advised that it may be easier to allow Sub-Committee Convenors to have a small budget to spend that does not need to be approved by the full board in order for these small spends to be authorised more quickly. He suggested a figure of £5,000 and each Convenor would have to report these spends in due course to the full board as appropriate. P Sawers suggested that perhaps not all Convenors would require this budget. She also suggested that these small spends could be approved by G Duncan as a request by the Sub-Committee Convenor. After discussions, the committee agreed to recommend that these types of small spends could be approved jointly by the respective convenors and the General Manager.

4. Auto Enrolment

D McDonald advised the committee that, as of 1st October 2014, all payments made to staff, including bonuses and overtime will be pensioned. This is also the date in which staff have to be auto enrolled into the Pension Scheme. Staff have the opportunity to opt out of the scheme.

D McDonald advised that if staff opt out of the scheme within the first 3 months, the staff member, and business receive the contributions back.

P Sawers enquired to whether all staff will be auto-enrolled at the same time, rather than waiting until April 2015 for Carnoustie Links Ltd staff. D McDonald advised that they can be done at the same time. D McDonald advised that most of the staff are currently in the scheme, and there are only a few who have not joined.

W Thompson suggested that the figures for the coming years need to be looked into first and budgeted for. It was agreed that an impact report on the figures needs to be compiled.

W Thompson asked that D McDonald compile a report advising the average overtime spend over the past 12 months.

5. Any Other Competent Business

Junior Coaching Finance Breakdown

Discussions were held regarding the figures in the report.

Following the discussions it was agreed to set the annual budget for the junior convenor at £4000. As the appointment of a junior convenor was already approved, R Reyner and G Duncan were asked to liaise with Head Professional and progress with advertising and interviews A full report on the junior program, the junior budget and the roles of the junior convenor, head professionals and assistant professionals is to be produced and circulated prior to the next full meeting

Links Parade, Carnoustie – Noise Pollution

R Reyner declared an interest.

R Reyner advised that he is the landlord of the property above the CGLMC Ltd Office at Links Parade and he has been advised by a tenant that there is noise pollution coming from the CGLMC Ltd Office into the flat above. R Reyner advised that a noise impact study was never done on this property when it was purchased by CGLMC Ltd. A quote to carry out noise reduction had been obtained.

R Reyner then suggested that it would be appropriate for this cost to be paid by CGLMC Ltd or be split equally between both owners.

W Thompson advised that the plan is to move all staff out of Links Parade in the coming months / year and therefore it was not appropriate to pay either all or part of this cost. The committee agreed. W Thompson suggested that the noise of the telephones be reduced in the meantime.

P Sawers enquired to whether there were any legal obligations for CGLMC Ltd to carry out this work. G Duncan advised that there were no legal obligations.

A McKeown suggested that at the cost quoted, the works are not likely to make any difference to the amount of noise travelling between the floors.

R Reyner advised that he will run decibel tests in the property above, and will get feedback from the new tenant moving into the property.

2 New Holes on Buddon Links Course

A McColgan enquired to whether, if another 2 holes are considered on the Buddon Links course, they are likely to cost the same as the 2 holes that have just been completed. W Thompson suggested that this is a special project that is likely to take into account other works at the same time, such as a driving range. W Thompson advised that he and J Gilbert are considering these plans currently. A McColgan advised that the current 2 new holes are magnificent, but Carnoustie is still lacking the 'Kingsbarns' experience, which would be improved by a driving range. A McKeown agreed and suggested that Carnoustie needs to move on to become a world class experience. W Thompson advised that these options are currently being looked into.

A McColgan advised that the mats at the new practice nets are not flat. G Duncan is to arrange for this to be looked at.

Insurance

G Murray advised that after numerous attempts to receive quotes from Circle Insurance, there has still been no reply. He advised that ClarkThompson has supplied CGLMC Ltd with a mini Market Test and is recommending an insurer which is at a lower cost than CGLMC Ltd is currently paying. The committee then agreed to go with the recommendation from ClarkThompson and not pursue Circle Insurance any further.

There being no other competent business, the meeting was then closed at 2040 hours.

KS