

Minutes of the Carnoustie Golf Links Finance Sub-Committee Meeting held in the CGLMC Ltd Office on Monday 30th June 2014

Present: G Murray, P Sawers, H Oswald, W Thompson, A McColgan.

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

Meeting began 1900 hours.

1. Apologies

J McLeish, A McKeown.

2. Finance Managers Report

D McDonald advised that she had given a breakdown of the rounds between April and May, and had also included a breakdown of the expenditure.

In the CGLMC Ltd figures, D McDonald advised that she had included an additional line to show the working surplus before depreciation has been deducted.

W Thompson suggested that the committee need to look at the number of playing visitors over the April – May time as there were more players, but very little gain on income. This was a trial that would be worth re-thinking.

W Thompson asked how the figure of around 1,300 was calculated in regards to the playing season forecast for 2014. D McDonald explained the method in which this is worked out. D McDonald advised that Karen sends out a breakdown of these figures to the Finance Convenor on a monthly basis, she advised that W Thompson could be added to the distribution list.

G Duncan advised that in general, the trend appears to move away from April golf, he advised that this is not a price sensitive issue and therefore reducing the cost of golf at this time in the year is not the solution. P Sawers advised that April golfers are not likely to take caddies, meaning that CGL still have to pay the Caddy Master supplement fee.

The April Greenfee Comparison sheet had been reprinted since the original document was distributed to the Committee with an amendment showing the visitors on the Burnside Course at 212 as opposed to 298 and Courtesy at 86 as opposed to 212.

W Thompson advised that it would be interesting to see what the courtesy rounds are broken down to. D McDonald advised that included in the courtesy ticket count is all inter-club rounds and club round upgrades.

Discussions were held over the format that the income and expenditure sheets should take and whether the depreciation figures should be included. A McColgan suggested that as long as CGL have a good depreciation policy then it is helpful to show the depreciation figures so that they can be taken into account. D McDonald advised that it is standard accounting practice to show annual depreciation costs through the income & expenditure account. G Murray stated that he had confirmed this with the auditors.

A McColgan enquired to whether the committee were happy to accept that the income of both the Buddon and Burnside courses is less than 10% of the income made on the Championship course. It was advised that with the new policy of a 2 course ticket being the minimum, an extra £12,000 will be produced in income. P Sawers

also advised that it was agreed in the past that the Buddon and Burnside courses should not be marketed and should be made available primarily for Members. Although the Buddon and Burnside courses are not marketed by CGL, most hotels in the local area know about the combination ticket.

W Thompson advised that these courses, although are not producing as much income as the Championship course, are still very busy.

W Thompson suggested that in a business that has a revenue stream of £650,000, that the acceptance of a voucher of £300 from the previous year should not be an issue. D McDonald advised it had been included as clarification of why the members gross profit percentage was 11% and not the 33% budgeted. W Thompson expressed his approval of voucher control accounts being introduced.

3. Any Other Competent Business

There was no other business.

There being no other competent business, the meeting was then closed at 1920 hours.

KS