

Minutes of the CGLMC Ltd Finance Sub-Committee Meeting held in the Boardroom at 20 Links Parade on Monday 24th August 2015 at 7pm.

Present: G Murray (Finance Convenor), P Sawers, W Thompson, J McLeish, A McKeown, A McColgan, H Oswald

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

Meeting began at 1900 hours.

1. Apologies

R Gillespie

2. Review Audited Accounts

G Murray referred to the audited accounts for CGLMC Ltd and Carnoustie Golf Links Limited which he said were excellent and the best he'd seen for many years. G Murray said that the saving in Corporation Tax had been achieved in both companies due to CGLMC Ltd now being a charity. This was reduced due to CGLMC Ltd only being a charity for 5 months this year but he expected to see a substantial saving next year.

W Thompson agreed that the accounts were very impressive but that he had asked last year for a written summary of key points which would be very helpful. D McDonald said that she had written out a spreadsheet but would summarise it further, put down explanations to help people understand it and would send this out in due course.

A McColgan asked about the external works to the Golf Centre and whether this had been capitalised. D McDonald said she had originally put these through the income and expenditure account but the auditor had decided they would be capitalised. However the auditor was still reviewing the matter before coming to a final decision.

3. Season Ticket Prices

G Murray presented initial options for season ticket 2016/17 price proposals and asked the sub-committee to review those prior to the discussion and recommendation at the next meeting in October.

J McLeish commented on the ratio between the season ticket and visitor green fee and that the ratio was decreasing. A McKeown asked when did

CGLMC Ltd start moving away from the original ratio. G Duncan said that the ratio had changed gradually over many years. G Murray said his understanding was that the ratio no longer applied. G Duncan said that the statement regarding the ratio was still in the Minute of Agreement but that it did not state a specific ratio. The actual words are “to have regard to the ratio of prices”. A McKeown said that having over 80% of income generated by visiting golfers was a business risk and as a Board of Trustees we have the responsibility to look at this.

4. Monitor Income and Expenditure Against Budget

D McDonald referred to the Income and Expenditure up to July and covered the various categories.

W Thompson expressed concern that the course had been empty for the period prior to the Open and this meant we were showing a surplus that was under budget. He said that he felt more could have been done to fill the times in this quiet period. G Duncan said that C McLeod had worked hard to generate business in this period but it was extremely difficult when St Andrews was closed. G Duncan said he was not assisted by the Trustees decision not to market the combination ticket. H Oswald said that this decision needs to be reviewed.

G Murray said that this will be a recommendation to the Full Board.

A McKeown suggested that G Duncan and C McLeod put together a proposal of what was needed and bring this to the Full Board.

5. Review Company Risk Register

A McKeown said that he felt it wasn't a true risk register and W Thompson agreed. Following a discussion it was agreed that Angus Council could assist with providing us with the risk registers that they use.

6. Any Other Competent Business

Proposed Development of the Golf Centre

G Murray felt it was important to create a budget for the ongoing Golf Centre development. After discussion it was agreed to recommend £100,000 as a budget figure. G Murray said that a budget should always be created for major projects including the driving range.

W Thompson asked about the fees which had already been incurred by the architect and D McDonald said these were sitting at £30,000. W Thompson said that G Duncan had delegated authority with regard to this kind of spend.

A McKeown said that much more responsibility had to be taken by the Trustees with regard to delegated powers. The Trustees needed to be much

clearer about delegated powers and how these should operate. He said that it was not appropriate to run a £4million business on the basis of the Trustees making it up as they go along.

W Thompson asked about the overspend on the external works on the Golf Centre. G Duncan explained that a tarmac overcoat had been required and a quick decision had been needed before the contactors left the site. A McKeown said that this again illustrated his point with regard to delegated powers where he felt that the Trustees were placing unfair pressure on the staff. H Oswald agreed that procedure manuals would be of value but that professional help would be required to produce these. G Murray said that a recommendation would be put to the Full Board that procedure manuals would be drawn up and that professional help would be recruited to deliver these.

There being no other competent business the meeting closed at 1945 hours.