

Minutes of the CGLMC Ltd Finance Sub-Committee Meeting Held in the Board Room, Links House on Monday 27th May 2019

Present: G Murray (Finance Convenor), K Fraser, M Armstrong, D Cheape, A McColgan, T Healey

Attendees: M Wells (Chief Executive), A Simpson (Finance Director), D McDonald (Finance Manager)

Meeting began at 1730 hours.

1. Apologies

P Sawers, C Yule, J McLeish

2. Declaration of Interest

None.

3. Executive Report

FD Report

The Finance Director summarised his report and welcomed any feedback from the sub-committee. Discussions took place on whether the need for such a high calibre of auditor is required. The Finance sub-committee decided that the RFP be opened up to two more local firms and await their remit.

4. Year End Results

The Finance Director covered the year end results, which confirmed a strong year for Carnoustie Golf Links with a very positive finish to 18/19. A detailed variance analysis was tabled which Finance sub-committee were happy with.

5. Management Accounts

(i) April YTD Results

The Finance Director presented April's results which showed a positive start to the season, highlighting The Rookery had exceeded expectations due to uptake of successful events and strong early season trading.

(ii) Year End Forecast

The Finance Director presented the Year End Forecast, drawing attention to a May green fee shortfall which will impact the results. He explained the reasoning behind this and offered the Finance sub-committee to advise what action, if any, they require. After discussions it was agreed that they were quite happy to take the shortfall given that this was not down on last year's figures. The impact is softened by the other revenues exceeding expectations.

(iii) Cash Flow Forecast

The Finance Director discussed the cash flow forecast which brought questions regarding the loan repayments. He advised that when the cash flow exceeds budget, overpayments will be made to the loan at no additional cost.

6. Green Fee's 2020/21

The Finance Director presented a Board Report on the pricing of the 2020/21 green fees.

K Fraser enquired as to whether there is still a ratio between Season Ticket Holder prices and the green fee. The Chief Executive advised that it has been a number of years since any ratio or correlation between season ticket prices and visitor green fees had been used to determine prices. He added that it was his understanding this had become accepted practice and no link between the two had been applied for the proposed 2020/21 green fee prices.

The Finance sub-committee agreed that they are happy with the 2020/21 green fee price and noted that the calculation of green fees recommendations and season ticket holder pricing are not currently related.

7. Authorisation Matrix

The Finance Director presented a refreshed board paper and discussions were had as to what level of spend the board should be authorising. The Finance sub-committee agreed that any spend above Tier 1 should be taken to the board for approval.

8. Any Other Competent Business

Electronic Reporting

The Finance Director advised that the executive are making good progress to move all board papers to electronic format and for board members to be issued with ipads to view papers.

There being no other business the meeting closed at 1900 hours.