

Minutes of the CGLMC Ltd Finance Committee Meeting held in the Board Room, Links House on Monday 26th August 2019

Present: G Murray (Finance Convenor), P Sawers (Chairman), K Fraser, M Armstrong, D Cheape, A McColgan

Attendees: M Wells (Chief Executive), A Simpson (Deputy Chief Executive), D McDonald (Finance Manager), Staci King (Financial Analyst)

Meeting began at 1730 hours.

1. Apologies

C Yule, T Healey, J McLeish

2. Declaration of Interest

None.

3. Executive Report

The Finance Director summarised his report and discussed the key items within.

(i) Greens RFP

An update on the Greens RFP was given and the Deputy Chief Executive advised that a Board Report will be issued to the Finance sub-committee on the 25th of November for consideration.

(ii) Audit RFP

The Deputy Chief Executive illustrated the findings of the Audit RFP with the recommendation that Johnston Carmichael be awarded the appointment of Audit and Tax services.

The review panel were also highly impressed with the depth of skills shown by BDO and submitted a second recommendation that BDO be awarded the role of special advisors to CGLMC.

The Finance sub-committee approved the following to be recommended to the Full Board;

- i) Johnston Carmichael be awarded the appointment of Audit and Tax services
- ii) BDO be awarded the role of special advisors to CGLMC

(iii) Capex Review

The Deputy Chief Executive advised that CAPEX spend will be pushed in 2020/21 due to the ongoing RFP with Greens equipment. Additionally, there are continued discussions regarding; a bridge replacement on the Buddon; on-course facilities; and Burnside Starters box improvements. A paper will be brought forward to the finance sub-committee with full costs and schedule of works. The Deputy Chief Executive also mentioned that meetings are being set up around the potential refinancing of our loan facility.

4. Management Accounts

The Deputy Chief Executive presented the management accounts and talked in depth about the terminology used within the matrix. He demonstrated how effective the various measures are for highlighting any risks or exposures efficiently and how these tools can be used for future budgeting and forecasts. It was noted by the Finance sub-committee that the narratives offered and KPI updates are very beneficial.

5. Sensitivity Model

The Deputy Chief Executive explained how the business sensitivity model was created, and is based on visiting golf footfall.

Pinpointed, was current footfall versus break-even point, relating to; revenue, variable and fixed costs. The management accounts matrix provides this data, allowing any exposure to be highlighted promptly.

The Finance sub-committee thanked the Deputy Chief Executive for confirming current business exposure to changing market conditions.

6. Statutory Accounts (Draft) – Tabled

The 2018/19 draft accounts were tabled and any comments or questions from the sub-committee were encouraged. The Finance Director confirmed he had not found anything of mention that he was unaware of.

7. Tournament Pricing (2020)

(i) Tassie Entry Fee 2020

An entry fee of £315 was approved by the finance sub-committee for full approval but the executive needs to further look at the opportunity costs of hosting this in September.

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(ii) Junior Open Entry Fee 2020

The Finance sub-committee agreed the £0 entry fee for the Junior Open. This stance will allow the tournament to be accessible to all.

The Finance sub-committee approved the following to be recommended to the Full Board;

- i) Crows Nest Tassie entry fee for 2020 be increased to £315
- ii) Junior Open entry fee for 2020 will be a nil cost

The Chief Executive commented that the executive wished to look at increasing funding for golf development going forward to further enhance our commitment in this area. This will be considered further and a paper presented to the board in due course.

8. Winter Works – Verbal Update

Additional work was required on the winter works proposal but the Deputy Chief Executive advised that a scope of works totalling £40K has been requested against a budget of £60K. The full £60K has been forecasted and therefore affordable to be put forward to full board

9. Any Other Competent Business

The Finance sub-committee questioned as to whether there is a long-term strategy for flood impacts. The Chief Executive advised this will be addressed.

There being no other business the meeting closed at 1910 hours.