

SHGC

Chairman's Report 2010

This report will be presented to the forthcoming AGM and will advise those Members not able to attend the principal points that will be covered.

Your General Committee has met formally on 11 occasions, with the Sub-Committees meeting, House twice, Social 6 times, Greens 6 times, Golf & Handicap 5 times and Marketing 7 times.

Last year your Committee introduced both the concept and detail of its 3-Year Plan.

The Plan, established following dialogue with The Members, set out a series of key objectives to be pursued to maintain and enhance the facilities provided by The Club for Members and Visitors alike, at the same time as seeking to improve a weakening balance sheet.

The key objectives and your Committee's assessment of progress to date are:

- To improve the quality of the golf course by year on year - progress considered consistent with objective. GGU have advised wish to use SHGC for County events.
- Target end of year cash in hand at £50,000 – some progress achieved before need to set up Pro's Shop
- To increase and sustain a membership level of 500 within a 3 year period – unacceptable progress
- To establish a strategy for negotiating a new lease with SHRG T – good progress on many technical issues, reaching stage of requiring professional input but all subject to Membership acceptance
- To improve the structure for encouraging junior players to join and the retention of them within The Club – Good progress in 1st year with basis of management team in place and award by EGU of Golfmark status, providing funding for coaching.
- To ensure that SHGC and its Members are compliant with Health, Safety and Environmental Statutory requirements – Club and Caterer's H. & S. Policies in place and being monitored ongoing. Communication of H. & S. responsibilities to Members and visiting golfers upon The Course in place.

My summary would be that much good work has been done with commensurate progress in a number of areas. Within the key and closely related areas of increasing Member numbers and strengthening the balance sheet there remains still much to be achieved.

Actions in this respect have included the formalisation of the Marketing Committee, the implementation of an improvement programme for the course, the enhancement of social facilities and events including the catering and bar offer, development of SHGC's web-site and one off initiatives as the Winter Pass Scheme. Future actions planned include for the targeting of local businesses and organisations and also of the many new residential developments within the area. In this overall context Members share this responsibility and in their contact with friends, neighbours, colleagues and others need to be positive and active in their promotion of The Club and its facilities. Should any Member have any problem with this your Committee asks you please to advise.

Outside of planned activities as above your Committee faced this last year the imminent failure of the Professional's Shop and was confronted with the need to take appropriate action. You will be aware that The Shop is now owned directly by The Club with The Professional a direct employee, and whilst recognising that some Members question this arrangement it was considered at the time to be the best option for SHGC by both maintaining existing operational arrangements and providing the opportunity of not only The Shop paying its way but making a positive financial contribution to Club funds. The Shop carries, or has direct access, to a good range of stock at very competitive prices, all backed up with first class service and after sales support and there is no reason why any Member should consider shopping elsewhere for their overall golfing needs.

Members must recognise that for any solution to running The Shop to be successful then their usage and support would be a pre requisite. At the end of the day whether or not The Club continues to run in the way, and including facilities, you are familiar with depends not so much on the business structure but on you and your buying habits.

Many thanks are due to Brian Moulder and his team for their work in developing supplier channels, product stocking and the execution of the excellent shop fit-out.

Many other items have confronted The Club this year and include a recent change in CAP with the introduction of The HLS Scheme involving our management of the golf course area. We are currently investigating with The Trust ways of handling this, needing to balance the possibility of benefiting from a new income stream and improving our facilities with the down side risks to which we may be exposed resulting from capital projects being undertaken around and upon the course by outside contractors, HLS publicity attracting a new audience on to The Hill and other issues.

My thanks on behalf of all Members go to your representatives on The Club's Committees and the many hours of work each will have contributed in maintaining and improving your facility, enabling the enjoyment and other returns you get from it. You will notice as part of this year's AGM Notices that there are many opportunities for members to participate upon these committees and anyone interested in playing a part is requested to submit their application, alternatively The Secretary would be pleased to provide more information.

Accounts.

Financial Review of the year

The overall position of Stinchcombe Hill Golf Club shows a deficit for 2009 of £16,114 (the deficit includes depreciation charges) against a budgeted deficit of £27,694. Total income for the year was £361,864 and operating expenditure amounted to £354,304.

Our main income from Subscriptions, Fees etc was £19,894 lower than budget. Contributions from Bar Sales, the Pro-Shop and other receipts contributed positively by £8,535 against budget, reducing the negative outturn to £9,658 overall.

Expenditure for the year totalled £354,304 against a budget of £377.669, a saving of £23,365. Positive contributions to this were on the Course £22,583 (Soil/Turf being the main contributor through better planning and prioritising of activities) and Clubhouse £5,339 (through the capitalisation of Repair & Renewal expenses and renewal of the cleaning contract), countered by non-budgeted expenditure of £4,149 for the Professional Shop, our new undertaking. Earlier plans to refurbish The Green shed area were shelved on cost grounds although some improvements in respect of Staff welfare were executed.

Depreciation charged to the income and expenditure amounted to £23,988, the removal of which from the accounts gives us an operating profit for the year of £7,874 against a budget loss of £5,833.

The outturn on cash for the year was a reduction of £27,075 leaving a balance to be carried forward of £43,496. The 3-Year Business Plan is to maintain a balance above £50,000. The over spend is attributed mainly to costs incurred in the setting up and running of the Professional Shop leading up to the year end. The general economic climate continued to have a significant impact through 2009 and will continue into 2010. The operating result shows that the Club has performed fairly well during these trying times but the need exists to maintain this effort into 2010 through proper diligence and strict management control.

New and Future Development

During 2009 the Club undertook the responsibilities of the Professional and his business activities. This represents a challenge for the members and management of Stinchcombe Hill Golf Club. Added to this, management is charged with the responsibility to increase income both from the membership and external sources and to ensure that the Club's high standing is maintained throughout.

The takeover of the Pro-Shop by the Club has highlighted the need for better management control and procedures which are being put in place.

The start of the New Year sees a change in the Club's banking arrangements. Lloyd TSB have taken over from National Westminster Bank. The change will reflect a significant reduction in Bank charges, the handling of cash deposits in particular, along with substantial benefits for payments and receipts being processed through the Bank's Internet System.

The General Committee is charged with the responsibility of managing the financial affairs of Club. A new accounting structure will be introduced in 2010 which will provide better management information.

Budget 2010

The Budget for 2010 was prepared in October 2009 using the 3-Year Business Plan, and membership numbers based on current figures at the time, and reflects a near break even position. A budget for the Pro-Shop was also prepared using the assumptions on income as put to Members at the presentation meeting in September. A more prudent approach has been applied to Staff Costs; Gross Margins attainment and overheads to give a more achievable target for the year.

As noted elsewhere it is essential that planned membership levels are achieved and ideally exceeded. The programme for work on the course will again be given priority over expenditure in other areas. Expenditure to enhance and complete refurbishment work and the replacement of the Captains' Pictures and Honour's Boards in the Club House has been given consideration.

I would like to thank the Secretary and Assistant Secretary for their invaluable support throughout the period of my term. My thanks also to the Chairman and the Committee Members for their generous support and patience during the Budget preparation process, most appreciated. Many thanks to my fellow Club Members: your views, comments, acknowledgements are treasured. I assure you it will continue to be the case. I look forward to the challenge in 2010.

Future Direction.

We will be using the business plan process to maintain continuity of approach and to be able to deliver the appropriate needs of SHGC and to ensure its longer term viability.

A review of the plan's content has been recently carried out to confirm that the objectives are sound and that all of our future activities contribute to those aims.

It is clear, not surprisingly, that the care and condition of the course is our number one priority which caters for the fundamental need of all those who use our facilities.

We will continue to maintain the Club house and all of our other assets to a sustainable standard, at reasonable cost, to ensure an acceptable environment for members and visitors alike. In developing new marketing approaches this will support the drive to improve our membership base which is fundamental to improving our financial stability.

Our decision to take over the ownership of managing the shop and to change the staffing arrangements is working well but will need our continued efforts to ensure that this continues to develop and is fully supported by members and visitors.

The Junior section will continue to develop as an important dimension for the future.

In the difficult area of communication we will continue to seek to improve this throughout SHGC and that includes members, staff and external stakeholders. We believe that members can play their part in making sure that we have their ideas, comments and involvement on an ongoing basis.

Staff.

Thanks are due to all of our staff for their support in implementing activities associated with our plans.

The Course was presented in wonderful condition and we received many compliments from visiting golfers, thanks to Howard and his colleagues, and for the direction of The Greens Committee.

Judith Curtis and her staff continue their good work also in developing The Club's reputation well aided by Peter Curtis and his bar staff who continue to provide a good service at a manageable cost.

Thanks also to Ian and Sue in The Office with the increasing need for alignment with The Marketing Committee and its activities.

JHKnight
Chairman