

Balcarrick Golf Club
Treasurer's Report 2015

Unaudited Accounts for the year ending 31 August 2015 have been posted on the Club website. This has been a difficult financial year for our Club, as with all other golf clubs in Ireland, in these difficult economic times.

Membership numbers fell again which had a negative impact on Subscription Income and also on Competition fees. Membership numbers have started to increase this year with 30 new members having joined since September under the current scheme. We need to try to increase this number further if at all possible.

Some changes in the method of accounting had to be made in this financial year, which meant that some costs, relating to previous years, had to be shown in 2015.

The main changes between this year and 2014 are as follows:

Total Income: Down €45,164, the main headings being:

Subscriptions: Down €37,569 mainly due to lower membership numbers.

Competition Surplus: Down €10,739 due to lower membership numbers and change required in method of accounting for voucher costs.

Fund Raising: Up €3,881 mainly due to the weekly Lotto and the "9 and Dine". These funds have been used to pay for small Capital Expenditure necessary for the Club operations.

Total Expenditure: Up €48,035 the main items being:

Office Holders Events: Down €2,764.

Salaries: Up €6,891, some overtime in the earlier part of the year.

Course Costs: Up €49,971. The cost for the financial year 2014 was abnormally low and also included a one-off credit of €20,000 for a reduction in Land rent which covered a number of years.

The cost this year, of €140,390, compares well with the 2013 cost of €139,874 and the 2012 cost of €136,030.

Clubhouse Costs: Down €4,492. The financial year 2014 included the cost of repairs following a burglary, the insurance claim receipt for which was shown under Miscellaneous Income.

Sundry Expenses: Down €5,008 savings made over most headings.

The Accounts show that the Club incurred a deficit of €70,084 in the year to 31 August 2015, following a surplus of €23,115 in 2014.

It is important to note that all Bank Loan repayments and Revenue Commissioner Liabilities are paid up to date.

Cash Flow still remains a difficulty and will remain so until member numbers improve. Again we have had to ask members to pay their subscription in advance. The committee is very grateful to those members who have done so as this is critical for the operation of the Club.

Outlook for the year ending 31 August 2016.

The Committee have agreed a number of changes which have enabled a Management Reporting System to be put in place.

These procedures will monitor Financial performance against the Budget. Detailed Monthly Management accounts will be provided to the Committee with relevant variance reports highlighting any divergences from Budget. This will enable any necessary corrective action to be taken quickly.

A detailed budget has been prepared for the next Financial year, which shows a small surplus for the year of €5,000.

This has been achieved by:

Income:

20 new members joining under the current new Members scheme, an increase in the competition fee of €1 from next January; an increase in the Society rate of €2 per person. This gives an Income increase of €53,000, compared to 2015, which included some costs from previous years as a result of changes in the accounting methods.

Expenditure:

Clubhouse costs reduced, mainly under the Electricity, Heating and Refuse collection headings. Salaries reduced by cutting out overtime with the full co-operation of the course staff. Kitchen expenditure has been increased by €6,000 to cover the cost of repairs required under Health & Food Hygiene requirements, this additional cost being partly offset by small savings under Fees and Sundry Expenses. The net effect of these changes is to reduce our expenditure by €22,000 compared to 2015.

Subscription Income:

While it is difficult to increase any subscriptions in the current economic climate, the one area where member numbers are increasing, and will continue to do so, is in the Senior Members Category. Currently there is a discount of 45% on the Ordinary 7 day membership rate. This is unsustainable for the future and must be addressed. A sub-committee has been set up to investigate this and to make recommendations to the Joint Committee on how to proceed. It should be noted that for every 2 members entering the Senior Category we need 1 new Ordinary full member just to stand still in Revenue terms.

Loans:

Bank loans outstanding at 31 August 2015 amounted to €296,000.

In addition one sponsor provided a €100,000 loan to the club in 2014 to assist with cash flow difficulties. It had been envisaged that this would be repaid by way of a new short term bank loan. This has not been possible and so another method of repayment needs to be found.

I would like to thank Patricia Fennelly for all the assistance she has given me in understanding how the club operations run. There is also a huge amount of work done by her in keeping the office operations running on a day to day basis, dealing with Member and Committee questions, and keeping the book-keeping in order.

Neil Stirling.

Acting Treasurer.

November 2015.