

Balcarrick Golf Club
Treasurer's Report 2017

Unaudited Management Accounts for the year ending 31 August 2017 have been posted on the Club website together with the comparative Audited Accounts for year ending August 2016 and the Budget for 2018.

The economic climate continues to make trading difficult for all golf clubs, but our Club has continued to make progress over the last year and the current financial position is stable.

While we increased our membership numbers by 71 under the 16 month Deal from September 2015, 28 of these did not rejoin for 2017. The 16 month Deal from September 2016 increased our membership by 40. We lost a further 8 members, mainly in the 7 day category. In addition a further 19 members were granted Leave of Absence for various periods of time. At this time 14 new members have joined the Club under the current September 2017 Deal.

The main changes between this year and 2016 are as follows:

Total Income: Up €40,358, the main headings being:

Subscriptions: Up €12,800. Largely due to this year Members' Affiliation Fees and Insurance being an addition to the Annual Subscription.

Competition/ Sponsorship: Up €20,900. Better weather at the end of 2016 & in early 2017 meant an increase in entrants during the winter period. The Sunday Open, which commenced in April 2016, has been very successful, with visitor competition fees of €10,500 being received to the end of August and a further amount of €3,300 received for September and October.

Green fees & Societies: Up €6,700.

Total Expenditure: Up €23,872 the main items being:

Catering Cost: Down €3,600. In 2016 we had to refurbish the kitchen as required by the Health and Hygiene Officer. This was a one-off cost that year.

Course Salaries: Up €5,600. It was no longer possible to cover weekend working by time off in lieu, as this was having a detrimental effect on the course.

Clubhouse Costs: Up €4,700. Savings made under Electricity, offset by increases in Insurance. In addition Water Rates were reclassified under Clubhouse rather than course at a cost of €2,500.

Repairs & Renewals, up €2,800. Included refurbishing the shoe cleaning area at a cost of €1,300.

Course Costs: Up €3,000. Increases in Fertiliser, Sprays, Sand and Machinery Repairs largely offset by savings under most other cost headings. Total costs were better than budget by €4,400.

During the year we had to purchase 3 items of course machinery to replace items which it was no longer economic to repair. These were a Spray Unit and Tank, Greensmower and Bunker Rake. Total cost was €102,000, which has been financed over 5 years.

Depreciation: Up €5,000 due to the 2016 purchase of the Fairway Mower, and the 2017 additions.

Bond Interest provision: Up €2,800 reflecting a full year charge in this year's accounts.

The Accounts show that the Club had an Operating Surplus of €11,000 compared with an Operating Deficit of €5,500 in 2016. The club made a one-off profit of €3,800 (2016: €20,700) from the sale of the old machinery replaced during the year, which means that the result for the year is a Surplus of €14,800, compared with a Surplus of €15,200 in 2016.

During the year our Insurance Company carried out an assessment of our Club as a condition of providing a renewal premium for the 2017/2018 year. A number of recommendations were made,

mainly in the area of our Machinery yard. All changes have been made but the cash cost to the Club was in excess of €7,000.

Cash Flow continues to require careful management and this is likely to be the case will continue to do so until member numbers improve, and the Club's operations begin to generate cash. Again we asked members to pay their subscription in advance if in a position to do so. The committee is very grateful to those members who have responded to this request.

Outlook for the year ending 31 August 2018.

Budget 2017.

A detailed budget has been prepared for the next Financial year, which shows a small surplus for the year of €6,525.

The main points of interest:

Subscription rates for Senior, 7 & 5 day members will remain the same as in 2017. However we will continue to charge members for their Affiliation Fee and Members' Insurance. The insurance rate remains at €21 per person, with the GUI and ILGU Affiliation rates at €24 and €28 respectively, which are the same as last year.

Revenue and Expenditure remain largely the same as this year.

We have not budgeted to replace any Course machinery, however an assessment will have to be carried out on the Rough Mower to see whether it is economic to continue with it for this year or not. Any decision to replace would not take effect before April 2018.

All Bank Loans, Lease Repayments and Revenue Commissioner Liabilities are paid up to date.

Bank Loans outstanding at 31 August 2017 amounted to €162,000. These Loans will be fully paid off by January 2021. Leases for Course machinery amounted to €118,000, up from €56,000, reflecting the investment in new Equipment this year. These Leases are for 5 years. In addition there is the Bond Holders Creditor of €100,000, repayment of which does not commence until 2021/22.

I would like to thank Patricia Fennelly for all the assistance she has given me this year. She does a huge amount of work 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.

Treasurer.

11 November 2017.

	<u>Balcarrick Golf Club Limited</u>					
	<u>Income & Expenditure Account</u>					
	<u>Year ending 31 August 2017</u>					
	<u>Audited</u>		<u>Budget</u>		<u>Unaudited</u>	<u>Budget</u>
	<u>2016</u>		<u>2017</u>		<u>2017</u>	<u>2018</u>
	<u>€</u>		<u>€</u>		<u>€</u>	<u>€</u>
<u>Income</u>						
Bar/Catering	8350		12000		12070	11300
Subscriptions	390133		413192		402939	402683
Competitions/Sponsorship	88277		107476		109172	95443
Green Fees, Society Fees	45409		50485		52125	68760
Fund Raising Net	17366		13170		13587	13005
			0		0	
	549535		596323		589893	591191
<u>Expenditure</u>						
Catering Costs	9995		5500		5675	5350
Office Holders Events	8013		9420		7172	8780
Salary Costs: Administration	26946		28952		29180	30752
Salary Costs: Course	201071		198594		206641	208660
Pro Shop Costs	15718		21030		17441	21275
Clubhouse Costs	57438		66503		64950	68314
Course Costs	108735		115044		110610	112493
Software & Professional Fees	16329		19386		19619	19631
Sundry Expenditure	2201		3644		2900	3470
Bank Charges	4375		4800		4103	3870
Bank Interest Paid	5373		5254		4743	3772
Leasing Charges	5743		4156		5027	2580
Depreciation	90278		94828		95246	90720
Bond Interest Provision	2779		5560		5559	5000
			0		0	
	554994		582671		578866	584666
Operational Surplus/(Deficit)	-5459		13652		11027	6525
Profit on Sale of Fixed Asset	20684		0		3813	0
Surplus/(Deficit) for Year	15225		13652		14840	6525